

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

DATE AND SUBJECT OF REPORT

The following is management's discussion and analysis ("MD&A") in respect of the results of operations and financial position of ME Resource Corp. (the "Company" or "MEC") for the six months ended June 30, 2014. This MD&A should be read in conjunction with the Company's condensed interim financial statements for the same period, and the Company's audited annual financial statements for the recent year ended December 31, 2013, which are presented in Canadian dollars and prepared in accordance with International Financial Reporting Standards ("IFRS").

Additional information, including the above mentioned financial statements, which contain extensive disclosure of the history and properties of the Company, are available on SEDAR and may be accessed at www.sedar.com and at the Company's website <http://www.meresourcecorp.com>

The date of this MD&A is August 28, 2014.

FORWARD LOOKING STATEMENTS

This MD&A contains statements concerning future results, future performance, intentions, objectives, plans and expectations that are, or may be deemed to be, forward-looking statements. These statements concerning possible or assumed future results of operations of the Company are usually preceded by, followed by or include the words 'believes', 'expects', 'anticipates', 'estimates', 'intends', 'plans', 'forecasts', 'may', 'will', or similar expressions, although not all forward-looking statements contain these words. Forward-looking statements are not guarantees of future performance.

These forward-looking statements are based on management's current expectations and involve numerous risks and uncertainties, including, but not limited to, those identified in the Risks & Uncertainties section. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and while many of which underlying the forward-looking statements are reasonable, any of the assumptions could prove inaccurate. These factors should be considered carefully, and readers should not place undue reliance on forward-looking statements. The Company reviews its forward looking statements on an ongoing basis and updates this information when circumstances require it.

The following table outlines certain significant forward-looking statements contained in this MD&A and provides the material assumptions used to develop such forward-looking statements and material risk factors that could cause actual results to differ materially from the forward looking statements.

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

<i>Forwarding looking statements</i>	<i>Assumptions</i>	<i>Risk factors</i>
<i>The Company expects the operating expenses will further increase in the next two years in connection with the research and development of the Company's MRU100 units. The Company expects to finance these expenditures with addition equity/debt financing.</i>	<i>The projection is made on the Company's current business plan</i>	<i>Support from related parties, macro-economic factors, change of interest rate, change of business plan</i>
<i>The Company received a positive cash inflow from operation during 2014 Six Months which was mainly due to the receipt of \$242,865 from licensing of its MRU100 units. Reader should be cautioned that there is no guarantee that the Company can receive licensing fees in the future as the Company's MRU units are still in its research stages.</i>	<i>Based on the current status of the Company's research work</i>	<i>The Company's research work may be not able to turn into business viable products. Competition of similar or alternative products in the market.</i>
<i>Readers should be cautioned that the Company's MRU100 unit is still in its research stages. As a result, there is no guarantee that the Company will be able to earn more revenue from licensing in the future</i>	<i>Based on the current status of the Company's research work</i>	<i>The Company's research work may be not able to turn into business viable products.</i>

COMPANY OVERVIEW & OVERALL PERFORMANCE

ME Resource Corp. was incorporated under the Business Corporation Act (British Columbia) as QMI Seismic Inc. on October 16, 2009. The name change occurred in August 2011. The Company's shares are traded on the Canadian Securities Exchange under the symbol MEC and quoted on the OTC Markets in U.S.A. under the symbol MEEFX.

Principal Business

The Company's principal business was exploration and development of natural resources including, but not limited to mineral, oil and gas properties. The Company disposed all the resources properties in 2011 and is currently conducting research work of developing new technologies that can be used to economically transform wasted or stranded natural gas to engineered fuels and clean power. The Company intends to acquire undervalued natural resource properties and apply these new technologies to increase the resource property's valuations.

On April 21, 2013, the Company entered into an assignment agreement with Ztek Clean Energy Corp. ("Ztek Clean") for an exclusive license which grants MEC the use of intellectual properties that are key for the development of the micro refinery unit ("MRU100 Unit") which is a product the Company intends to provide as a service to the oil and gas industry. MRU100 Unit will be used for the conversion of wasted natural gas, stranded or flared, into electrical power and liquid fuel.

As a result, the Company has diversified into a company having two lines of business:

- Mineral property exploration and development
- Research and development of the MRU 100 Unit

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

Research and Development Work.

Assignment agreement with Ztek Clean

On April 21, 2013, the Company entered into an assignment agreement (the "Assignment Agreement") with Ztek Clean, a company controlled by a director of the Company (Parminder Singh). Ztek Clean had a license agreement (the "License Agreement") with ZTEK Corporation ("ZTEK"), whereby ZTEK would grant Ztek Clean a license to use certain of ZTEK's intellectual property to make, use and sell licensed products in certain territories for certain fees to be paid when stipulated milestones are met. Under the Assignment Agreement, Ztek Clean agreed to assign the License Agreement to the Company or any other alternative development that Ztek Clean may produce or source that is acceptable to the Company for 25,000,000 shares of the Company.

On October 5, 2013, Ztek Clean, arranged for a research contract ("Polytechnique Research Contract") between the Company and La Corporation de L'Ecole Polytechnique de Montreal ("Polytechnique") to determine the most economic, emission and energy efficient process to convert a natural gas feedstock to engineered hydrocarbon fuels (the "Process") with the purpose of creating micro refinery unit (the MRU100 Unit"). On November 18, 2013 Ztek Clean assigned a consulting agreement ("Gregory Consulting Agreement") between Ztek Clean and Dr. Gregory S. Patience, a director of the Company (the "Consultant") to the Company. The Consultant is to provide consulting services in connection with the research and development work of the MRU 100 Unit.

The Company and Ztek Clean mutually agreed that the Polytechnique Research Contract together with the Gregory Consulting Agreement will serve as the alternative development under the Assignment Agreement and the Company decided not to pursue the License Agreement.

For consideration of the Assignment Agreement, the Company issued 25,000,000 common shares to Ztek Clean. The 25,000,000 common shares have been escrowed and will be released to Ztek Clean upon the completion of various milestones. As at December 31, 2013 and June 30, 2014, none of the escrowed shares have been released. As a result, the Company recognized a value of \$Nil to the issuance of these 25,000,000 common shares.

Commitment in connection with the research work

Under the Polytechnique Research Contract, the Company will pay Polytechnique an aggregate sum of \$260,000 in four installments as follows:

- \$65,000 within 15 days of signing the agreement (paid);
- \$65,000 upon being invoiced on March 1, 2014 (paid);
- \$65,000 upon being invoiced on June 1, 2014; and
- \$65,000 upon acceptance of the full report.

Under the Gregory Consulting Agreement, the Company will reimburse all expenses in connection with the research work performed and issue in aggregate 4,000,000 common shares of the Company in installments upon the completion of several technical milestones. 1,300,000 common shares were issued on February 17, 2014 at \$0.1/share (totalling \$130,000), which was the fair value of these shares at issuance, to the Consultant upon the completion of the first two milestones.

Research and development work

During six months ended June 30, 2014, and since inception, the Company incurred research cost of \$66,568 and \$147,170 respectively, which were solely consulting fees charged by external consultants for their research services rendered and for reimbursement of expenses in connection with the MRU100 Unit.

There was no development cost incurred since inception.

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

Joint venture arrangement

On October 1, 2013, the Company entered into a preliminary joint venture arrangement (the "JV") with ABS Electric Group Ltd. ("ABS"), a private company that maintains and constructs electrical and power system for Alberta oil and gas industry. The Company is finalizing its JV agreement with ABS as at the date of this report

Proposed private placement

On October 2, 2013, the Company proposed a private placement for aggregate proceeds of \$250,000 at a price of \$0.23/unit. As of the date of this report, this proposed private placement is not completed ("Future Financing"). Each unit is comprised of one common share and one common share purchase warrant. Each share purchase warrant allows its holder to exercise into one common share of the Company at \$0.5/share for a period of two years upon closing of this Future Financing. The Company may pay finders' fee of up to 10% of the gross proceeds raised.

As at the date of this report, the Company has received \$110,000 subscription in connection with this Future Financing.

SELECTED ANNUAL INFORMATION

The following chart includes selected annual information for the most recent three years.

	2013	2012	2011
	\$	\$	\$
Revenues	-	-	-
Net loss	310,032	86,460	194,024
Net loss per share, basic and diluted	0.01	0.00	0.01
Total assets	5,095	22,996	24,741
Total long term liabilities	-	-	-

SELECTED QUARTERLY INFORMATION

The following table summarizes the results of operations for the eight most recent quarters of the Company:

	2014		2013				2012	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
	\$	\$	\$	\$	\$	\$	\$	\$
Total Assets	100,345	80,564	5,095	6,258,316	31,437	6,511	22,996	18,273
Revenue	134,675	108,190	-	-	-	-	-	-
Expenses	369,668	366,151	168,751	17,974	100,420	22,887	34,312	10,130
Loss from continued operations	(234,993)	(257,961)	(168,751)	(17,974)	(100,420)	(22,887)	(34,312)	(10,130)
Loss per share, basic & diluted	(0.00)	(0.00)	(0.10)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

The Company's businesses are not subject to seasonal variations. Losses in the last eight quarters are mainly due to operating expenses incurred to support the Company's operations and development of the Company's IP into marketable products. Other factors that affect the losses among these eight quarters are losses from the disposition of the Company's resource properties and other assets, and accounting adjustments.

The Company expects the operating expenses will further increase in the next two years in connection with the research and development of the Company's MRU100 units. The Company expects to finance these expenditures with addition equity/debt financing.

RESULTS OF OPERATIONS

Six Months ended June 30, 2014 ("2014 Six Months")

The Company's loss in 2014 Six Months was \$492,954 compared with a loss of \$123,307 in the same period of 2013, an increase of \$369,647.

The increase of losses was mainly a combined result of the following:

- 1) An increase of administrative expense of \$612,512 (2014 Six Months - \$735,819; 2013 Six Months - \$123,307). The main components of the administrative expenses are as follows:

	2014 Six Months - 2013 Six Months	2014 Six Months	2013 Six Months
	\$	\$	\$
Stock-based compensation	444,068	444,068	-
Research	48,086	66,568	18,482
Consultant fees	134,588	175,788	41,200

- The Company granted 5,230,150 stock options to officers and external consultants during 2014 Six Months. The Company recorded \$444,068 stock-based compensation to account for partially vesting of these options. There was not similar option vesting in 2013 Six Months. As a result, stock-based compensation in 2014 Six Months increased.
- The Company incurred \$66,568 research expenditure in 2014 Six Months in connection with the Company's Polytechnique Research Contract that has been discussed in previous section. There was no similar research contract in place in 2013 Six Months. Thus, research expenditure increased.
- Including in the \$175,788 consultant fees was \$130,000 (paid in the form of 1,300,000 common share of the Company) in connection with the Company's Gregory Consulting Agreement that has previously discussed. There was no similar research work performed in 2013 Six Months, therefore, consulting and professional fees increased.

- 2) An increase in revenue of \$242,865 (2014 Six Months - \$242,865; 2013 Six Months -\$Nil). On January 22, 2014, the Company entered into a license and distribution agreement (the "License Agreement") with Well Power Inc. ("WPI"). Under the License Agreement, WPI obtained the exclusive right to distribute and deploy the Company's MRU100 units in Texas. WPI will pay a non-refundable licensing fee as follows to the Company of

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

US\$100,000 and US\$300,000 respectively within 30 business days and 90 business days after WPI files its Super 8-K with the SEC. During 2014 Six Months, the Company received \$242.865 (US\$225,000).

There were no similar selling activities in 2013 Six Months, thus revenue increased during 2014 Six Months.

Readers should be cautioned that the Company's MRU100 unit is still in its research stages. As a result, there is no guarantee that the Company will be able to earn more revenue from licensing in the future.

As at June 30, 2014, the Company had \$94,780 cash (2013/12/31-\$160), accounts payable and accrued liabilities of \$38,193 (12/31/2013 - \$39,230), due to related party of \$79,608 (2013/12/31 - \$59,504), note payable of \$10,351 (12/31/2013 - \$25,282), share capital of \$1,088,330 (2013/12/31 - \$958,330), and subscription receipt of \$110,000 (2013/12/13 - \$100,000). The increase of cash is mainly a result of receiving \$99,551 from the operation (cash used in operating activities in 2013 Six Months was \$128,874) during 2014 Six Months.

The Company received a positive cash inflow from operation during 2014 Six Months which was mainly due to the receipt of \$242,865 from licensing of its MRU100 units. Reader should be cautioned that there is no guarantee that the Company can receive licensing fees in the future as the Company's MRU units are still in its research stages.

For the quarter ended June 30, 2014 ("2014 Q2")

The Company's loss in 2014 Q2 was \$234,993 compared with a loss of \$100,420 in the same quarter of 2013, an increase of \$134,573.

The increase of losses was mainly a combined result of the following:

- 1) An increase of administrative expense of \$269,248 (2014 Q2 - \$369,668; 2013 Q2 - \$100,420). The main components of the administrative expenses are as follows:

	2014 Q2-2013 Q2	2014 Q2	2013 Q2
	\$	\$	\$
Stock-based compensation	326,125	326,125	-
Research	(16,376)	1,568	17,944
Consultant fees	(19,702)	15,298	35,000

- The Company granted 5,230,150 stock options to officers and external consultants during 2014 Q1. As a result, the Company recorded \$326,125 stock-based compensation in 2014 Q2 to account for partially vesting of these options. There was not similar option vesting in 2013 Q2. As a result, stock-based compensation in 2014 Q2 increased.

- 2) An increase in revenue of \$134,675 (2014 Q2 - \$134,675; 2013 Q2 -\$Nil). The increase of revenue is a result of receiving \$134,675 (US\$125,000) in connection with the WPI's License Agreement which has been discussed in the above. There were no similar selling activities in 2013 Q2, thus revenue increased.

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

LIQUIDITY & CAPITAL RESOURCES

During 2014 Six Months, the Company did not have cash inflow/outflow from investing activities. Cash outflow from financing activities was \$4,931 which was a combined result of a \$14,931 decrease of the balance owing of a promissory note which was partially offset by receipt of \$10,000 share subscription.

As at June 30, 2014 the Company had a working capital deficiency of \$27,808. In order to eliminate the working capital deficiency and to finance the Company's operating expenses in fiscal year 2014, the Company plans to close the Future Financing and will initiate addition equity financings.

Management will consider different financing options, including, but not limited to, further debt or equity financing, or formation of joint ventures, to secure addition financing to provide adequate capital resource for the Company to meet its long term business objective.

As of the date of this MD&A, the Company does not have commitments for capital expenditures other than those related to the Company's research work which are disclosed in the section "Commitment in connection with the research work"

OFF BALANCE SHEET ARRANGEMENTS

The Company does not have off balance sheet arrangements.

PROPOSED TRANSACTIONS

Other than the Future Financing, the joint venture arrangement with ABS under negotiation, the Company does not have proposed transactions that may have material impact on the Company.

TRANSACTIONS WITH RELATED PARTIES

Commencing January 2013, the Company entered into a rental agreement with an entity controlled by the spouse of the Company's CEO at monthly rent of \$1,250. This rental agreement can be terminated by a 30-day notice. The office rent charged during the year ended 2014 Six Months was \$7,500 (2013 Six Months - \$9,420).

During 2014 Six Months, the Company was charged of \$36,000 by a director (Gurdeep Johal) for his services rendered (2013 Six Months - \$18,000); \$130,000 research consulting fees was charged by a director (Dr. Gregory Patience) for services rendered (2013 Six Months - \$89,959 (2013/12/31 - \$59,504). Breakdown is as follows:

- \$58,080 (2013/12/31 - \$43,300) (consulting) payable to Gurdeep Johal (Director),
- \$Nil (2013/12/31-\$2,992) (consulting) payable to Dr. Gregory Patience (Director),
- \$21,528 (2013/12/31 - \$13,212) (office rent) payable to a company controlled by the spouse of the CEO.
- \$10,351 (2013/12/31 - \$25,282) promissory note payable to the spouse of the Company's CEO

Due to related parties, including the promissory note, are unsecured, non-interest bearing and payable on demand.

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

OUTSTANDING SHARE DATA

As of the date of this MD&A, has 53,096,047 common shares; 5,230,150 stock options and 762,675 share purchase warrants outstanding that can be converted into common shares of the Company on a one-to-one basis.

CHANGE OF ACCOUNTING POLICIES

Adoption of new accounting standards and amendments

The Company has not changed its accounting policies since its most recent year ended December 31, 2013 except the adoption of the amended standard IAS 32 on January 1, 2014. This adoption provides for amendments relating to offsetting financial assets and financial liabilities and had no impact on the 2014 Condensed Consolidated Interim Financial Statements.

New accounting standard not yet effective

New standard IFRS 9 "Financial Instruments" - This new standard is a partial replacement of IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018.

The impact of this new accounting standard has not been determined.

FINANCIAL INSTRUMENT RISK EXPOSURE AND RISK MANAGEMENT

The Company's financial instruments have not significantly changed since its recent year ended December 31, 2013. The Company's financial instruments and related risk management policies are disclosed in the Notes 3 and 10 to the Company's audited annual financial statements for the year ended December 31, 2013 and the breakdown of the Company's financial instruments as at June 30, 2014 is available at the Note 9 to the Company condensed interim financial statements for the six months ended June 30, 2014.

RISKS AND UNCERTAINTIES

Capitalization Risk

It is anticipated that the Company will require additional capital to fully execute its long-term business objectives. There can be no assurance that it will be able to obtain any capital in the future or that attempts to obtain capital in the future will result in terms beneficial to existing investors.

Dilution to the Existing Shareholders

The Company has no other capital resources other than the ability to use its common stock to raise additional capital. The issuance of additional equity securities by the Company could result in a significant dilution in the equity interests of existing shareholders.

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

Management Risk

The Company's success will largely depend on the capability of its management; management has limited experience in managing the growth of a developing business.

Reliance on Management's Expertise

The Company strongly depends on the business acumen and expertise of its management team and there is little possibility that this dependence will decrease in the near term. The loss of the services of any member of the team could have a material adverse effect on the Company. The Company does not have any key person insurance in place for management.

Profitability Risk

Although the Company will work to become profitable, there can be no assurance that factors beyond its control, such as, but not limited to, successful development of its technology into a commercial viable products to the oil and gas industry. No assurances can be provided that the Company can do so.

Key Personnel Risk

The Company is highly dependent upon the services from external consultants. Loss of these external consultants would adversely affect the achievement of the Company's objectives.

Technology Risks

The Company's success in penetrating the desired market segments will also depend upon its ability to advance the technology and functionality of its products. It is also foreseeable that other firms will desire to enter the sector. The Company can provide no assurances that these other firms won't have superior technology or functionality.

Readers are cautioned that the foregoing lists of risks, uncertainties and other factors are not exhaustive.

CONTROLS AND PROCEDURES

Management of the Company is responsible for establishing and maintaining appropriate information systems, procedures and controls to ensure that information used internally and disclosed externally is complete, reliable and timely. Management is also responsible for establishing adequate internal controls over financial reporting to provide sufficient knowledge to support the representations made in this MD&A and the Company's financial statements.

The management of the Company has filed the Venture Issuer Basic Certificate with the filings on SEDAR at www.sedar.com. In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), the venture issuer basic certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency, and timeliness of interim and annual filings and other reports provided under securities legislation.

ME RESOURCE CORP.
MANAGEMENT'S DISCUSSION AND ANALYSIS
SIX MONTHS ENDED JUNE 30, 2014

OFFICERS AND DIRECTORS

Navchand Jagpal	President, CEO & Director
Jamie Lewin	CFO
Gurdeep Johal	Director
Dr. Gregory Patience	Director
Dr. Michael Raymond	Director
Parminder Singh	Director

CONTACT ADDRESS

ME Resource Corp.
900-555 Burrard Street
Vancouver, BC
V7X 1M8