ME RESOURCE CORP.

Condensed Interim Financial Statements

Three Months Ended March 31, 2019 and 2018

Unaudited - Expressed in Canadian Dollars

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company.

The Company's independent auditors have not performed a review of these condensed interim consolidated financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

May 29, 2019

ME Resource Corp.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2019	December 31, 2018
		$	$
ASSETS			
Current assets			
Taxes receivable		-	149
Prepaid		-	1,595
		-	1,744
Non-current assets			
Note receivable		1	1
Total assets		1	1,745
LIABILITIES			
Current liabilities			
Bank indebtedness		-	23
Accounts payable and accrued liabilities	4	312,196	328,452
Due to related parties	8	939,871	904,871
		1,252,067	999,733
SHAREHOLDERS' DEFICIENCY			
Share capital	6	5,861,105	5,861,105
Reserves		1,904,826	1,904,826
Deficit		(9,017,997)	(8,997,532)
		(1,252,066)	(1,231,601)
Total shareholders' deficiency and liabilities		1	1,745

Note 1: Nature and operation and going concern

Authorized for issuance by the Board of Directors on May 29, 2019.

/s/ Navchand Jagpal — Director

/s/Ravinder Kang — Director

See accompanying notes to the condensed interim financial statements

ME Resource Corp.

Condensed Interim Statements of Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

Three months ended March 31,	**Note**	**2019**	**2018**
		$	$
Revenue from Licensing	5	-	21,805
Expenses			
Consulting	8	60,000	60,000
Filing fees		1,950	1,950
Office and administration		(41,485)	3,945
Professional fees		-	3,884
Stock-based compensation		-	22,590
Total		20,465	92,369
Loss and comprehensive loss		(20,465)	(70,564)
loss per share – basic and diluted		(0.00)	(0.00)
Weighted average number of outstanding common shares, basic and diluted		63,671,935	63,671,935

See accompanying notes to the condensed interim financial statements

ME Resource Corp.
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

Three months ended March 31,	**2019**	**2018**
	$	$
Cash flows from operating activities		
Loss for the period	(20,465)	(70,564)
Items not involve cash		
- Stock-based compensation	-	22,590
Changes in non-cash working capital items:		
- Prepaid and receivables	-	930
- Accounts payable and accrued liabilities	(39,512)	(7,919)
- Increase (decrease) of amounts due to related parties	60,000	62,100
- Deferred revenue	-	(21,805)
Cash used in operating activities	23	(14,668)
Cash flows from financing activities		
Advanced from (repayment to) related parties	-	25,000
Cash provided by financing activities	-	25,000
Net cash inflow	23	10,332
Cash, beginning of period	(23)	383
Cash, end of period	-	10,715

See accompanying notes to the condensed interim financial statements

ME Resources Corp.
Condensed Interim Statements of Changes in Deficiency
(Unaudited - Expressed in Canadian Dollars)

	Share capital		Reserves				
	Number of shares	Amount $	Stock-option reserve $	Loan $	Warrant $	Deficit $	Total $
Balance, December 31, 2017	63,671,935	5,861,105	1,808,764	5,121	45,761	(8,717,425)	(996,674)
Loss for the period	-	-	-	-	-	(70,564)	(70,564)
Stock-based compensation	-	-	22,590	-	-	-	22,590
Balance, March 31, 2018	63,671,935	5,861,105	1,831,354	5,121	45,761	(8,787,989)	(1,044,648)
Balance, December 31, 2018	63,671,935	5,861,105	1,853,944	5,121	45,761	(8,997,532)	(1,231,601)
Loss for the period	-	-	-	-	-	(20,465)	(20,465)
Balance, March 31, 2019	63,671,935	5,861,105	1,831,354	5,121	45,761	(9,017,997)	(1,252,066)

See accompanying notes to the condensed interim financial statements

1. NATURE AND CONTINUANCE OF OPERATIONS

ME Resource Corp., (the "Company" or "MEC")) was incorporated under the Business Corporation Act (British Columbia) on October 16, 2009. The Company's shares are traded on the Canadian Securities Exchange under the symbol MEC. The Company's head and registered office address is 6038, 131 Street, Surrey, BC V3X3N4.

The Company's principal line of business was research and development of a process to economically transform wasted or stranded natural gas to engineered fuels or clean power.

On January 3, 2018, the Company entered into a letter of intent (the "LOI") with 1113131 B.C. LTD. ("Prime Harvest"), a private British Columbia corporation. Pursuant to the LOI, MEC is proposing to complete a business combination with Prime Harvest by way of share exchange, merger, amalgamation, arrangement or similar form of transaction (the "Proposed Transaction"), whereby the security holders of Prime Harvest will become security holders of the combined entity (the "Resulting Issuer").

On February 28, 2019 the Company announced that the planned acquisition of all the outstanding common shares of Prime Harvest, had been terminated. Prime Harvest had advised the Company that it intends to pursue other opportunities and is no longer proceeding with the transaction with the Company. The Company will also be pursuing new opportunities as a result of this termination.

These financial statements have been prepared using International Financial Reporting Standards applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent whether the Company can develop an economically viable business, and generate funds there from and/or raise equity capital to meet current and future obligations. The Company has not yet achieved profitable operations, has recurring losses, and expects to incur further losses in the development of its business. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management is considering various options, including but not limited to obtaining equity financing, to finance operating costs over the next twelve months.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements for the three months ended March 31, 2019, together with the comparative figures herein have been prepared in accordance with International Accounting Standards ("IAS") 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee .

These condensed interim financial statements do not include all the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that these condensed interim financial statements be read in conjunction with the most recent audited annual financial statements of the Company for its recent year ended December 31, 2018.

These financial statements were authorized for issue by the Board of Directors on May 29, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of measurement

The financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments which are measured at fair value. The financial statements are presented in Canadian dollars, the functional currency of the Company.

Adoption of new accounting standards

The Company has not adopted new accounting standards since the recent year ended December 31, 2018 except the adoption of IFRS 9 and IFRS 15 commencing January 1, 2018.

IFRS 9 "Financial Instruments "replaces IAS 39 "Financial Instruments: Recognition and Measurement". IFRS 9 introduces new requirements for the classification and measurement of financial assets, additional changes relating to financial liabilities, a new general hedge accounting standard which will align hedge accounting more closely with risk management. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39.

IFRS 15 "Revenue from Contracts with Customers" contains a single model that applies to contracts with customers and two approaches to recognizing revenue: at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. New estimates and judgmental thresholds have been introduced, which may affect the amount and/or timing of revenue recognized.

There are no impacts to the Company's financial statements form the adoption of IFRS 9 and IFRS 15.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	March 31, 2019	**December 31, 2018**
	$	$
Trade payables	184,556	235,621
Salaries payable	11,281	25,604
Accrued liabilities	116,359	67,227
	312,196	328,452

5. REVENUE FROM LICENCING

a) On January 22, 2014, the Company entered into a license and distribution agreement (the "Agreement") with Well Power Inc. ("WPI"). Under the Agreement, WPI obtained the exclusive right to distribute and deploy the Company's MRU100 units in Texas for five years. WPI paid a non-refundable licensing fee of $400,000 during the year ended December 31, 2014

   The revenue is recognized over the term of the Agreement (five years) on a straight-line basis and the difference between money received and revenue recognize is recorded as deferred revenue. For three months year ended March 31, 2019, $nil was recognized as revenue (2018 - $20,000).

(Unaudited - Expressed in Canadian Dollars)

5. REVENUE FROM LICENCING (Continued)

b) On August 31, 2014, the Company entered into an exclusive license for additional territories (the "Additional Agreement") with WPI. Under the Additional Agreement, WPI obtained the exclusive right to distribute and deploy the Company's MRU100 units in Montana with the same term as the Agreement above.

The Company received $21,751 during the year ended December 31, 2014 and another $10,000 during the year ended December 31, 2015 in relation to this Additional Agreement. The revenue will be recognized over the term of the agreements (five years) on a straight-line basis. For three months ended March 31, 2019, $nil was recognized as revenue (2018 - $1,805).

As at March 31, 2019, the Company's deferred revenue was $nil (December 31, 2018 - $90,354).

6. SHARE CAPITAL

Authorized share capital:	An unlimited number of common shares without par value. An unlimited number of preferred shares without par value.
Issued and outstanding:	The Company had 63,671,935 common shares issued and outstanding as at March 31, 2019 and December 31, 2018. No shares were issued nor redeemed for three months ended March 31, 2019.

Stock options

The Company has a stock option plan which provides that the Board of Directors of the Company may grant to directors, officers, employees, and consultants to the Company, non-transferable options to purchase common shares. The number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. The term of any options granted under the plan may not exceed 5 years. Vesting terms and conditions are established by the Board of Directors.

There were no options granted or exercised/expired for three months ended March 31, 2018.

For three months ended March 31, 2019, Company recorded share-based compensation of $nil (2018 - $22,590) to account for stock option granted previously.

As at March 31, 2019, the Company had 5,890,000 options outstanding (2,356,000 exercisable) with the exercise price of $0.20 per share. These options will expire on March 11, 2021 if unexercised.

7. RESERVES

Stock option reserve

The stock option reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

Warrant reserve

The warrant reserve records the fair value of warrants issued until such time that they are exercised, at which time the corresponding amount will be transferred to share capital.

Loan Reserve

Recorded in the loan reserve is a discount on a loan which was issued with interest below market rates.

(Unaudited - Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS

a) Transactions with key management personnel were as follows:

Three months ended March 31,	**2019**	**2018**
	$	$
Consulting fees charged by a director	15,000	15,000
Consulting fees charged by a company related to the chief executive officer ("CEO")	30,000	30,000
Consulting fees charged by the chief financial officer ("CFO")	15,000	15,000
Stock based compensation vested by directors and officers	-	22,590

b) Balances due to related parties:

Amounts due to related parties are unsecured, non-interest bearing and have no fixed terms of repayment.

Due to Related parties	**March 31, 2019**	**December 31, 2018**
	$	$
A director	249,000	234,000
Chief financial officer	213,750	198,750
Companies related to the CEO	477,121	472,121
	939,871	904,871

9. FINANCIAL INSTRUMENTS

Classification of financial instruments

Financial assets included in the statement of financial position are as follows:

	March 31, 2019	**December 31, 2018**
	$	**$**
Fair value through profit and loss (FVTPL):		
Cash	-	(23)
Amortized cost:		
Note receivable	1	1

Financial liabilities included in the statement of financial position are as follows:

	March 31, 2019	**December 31, 2018**
	$	**$**
Non-derivative financial liabilities (amortized cost):		
Trade payables	184,556	235,621
Salaries payable	11,281	25,604
Due to related party	939,871	904,871

9. FINANCIAL INSTRUMENTS (Continued)

Fair value

Financial instruments that are not measured at their values are note receivable, trade payables, salaries payable and due to related parties. Their carrying values approximate their fair values due to their short terms to maturity.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Cash is measured at fair value using level 1 inputs.