MERYLLION RESOURCES CORP.
Management's Discussion and Analysis
Six months ended March 31, 2015
(Unaudited)
(Expressed in Canadian Dollars)

This Management's Discussion and Analysis ("MD&A") of Meryllion Resources Corp. should be read in conjunction with the Company's condensed consolidated financial statements and related notes for the six months ended March 31, 2015. The Company's condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, 'Interim Financial Reporting'. This MD&A should also be read in conjunction with the Company's audited consolidated financial statements and related notes for the twelve months ended September 30, 2014, prepared under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). All dollar amounts included therein and in this MD&A are expressed in Canadian Dollars unless otherwise noted. The information contained within this MD&A is current to May 28, 2015.

1. OVERVIEW

Meryllion Resources Corp. was incorporated on July 25, 2013 under the laws of British Columbia, Canada. Meryllion Resources Corp. together with its subsidiaries (collectively known as "Meryllion" or the "Company") is a natural resource company, at the exploration stage, engaged in the acquisition and exploration of resource properties in South America with its focus on the advancement of its Cerro Amarillo Project in Argentina. The Company's shares trade on the Canadian Securities Exchange ("CSE") under the symbol MYR.

Additional disclosures pertaining to the Company's filings, technical reports, press releases and other information are available on SEDAR at www.sedar.com.

2. BACKGROUND

On July 25, 2013, Kaizen Discovery Inc. formerly Concordia Resource Corp. ("Concordia"), incorporated a wholly-owned subsidiary Meryllion Resources Corp. (the subsidiary of Concordia is referred to as "MRC") under the Business Corporations Act of British Columbia. In October 2013, Concordia and MRC entered into a vend-in agreement (the "Vend-In Agreement"), whereby MRC issued 17,125,510 common shares to Concordia in exchange for approximately $4,700,000 in cash, subject to closing adjustments, and Concordia's 100% interest in Meryllion Minerals Corporation ("MMC"). The Vend-In Agreement resulted in MRC controlling a 100% interest in MMC and Concordia's indirect interest in the Providencia and Cerro Amarillo Projects and the related assets in Meryllion Argentina SA ("MAS"), a wholly-owned subsidiary of MMC (together called the "Argentine Assets").

On December 4, 2013, Concordia completed a Plan of Arrangement (the "Arrangement") under the Business Corporations Act of British Columbia whereby it distributed 100% of its interest in MRC to its shareholders. Concurrently with the completion of the Arrangement, Meryllion obtained approval to list its common shares on the TSX-V and began trading under the ticker symbol MYR on December 6, 2013. The net cash received by the Company after closing adjustments was $4,527,006.

2. BACKGROUND (Continued)

The Company's consolidated results of operations, financial position and cash flows for the comparative periods prior to the closing date of the transaction on December 4, 2013, reflected the assets, liabilities, and expenses directly attributable to the Argentine Assets and management's estimates of general and administration expenses directly related to the operations. The allocation of general and administrative expenses was calculated on the basis of the ratio of expenditures incurred on the Providencia and Cerro Amarillo Projects as compared to the expenditures incurred on all of Concordia's properties during each quarter. The contributed surplus of the Company as at December 4, 2013, of $10,228,178 represented the cash advances and historic allocation of general and administrative expenses from Concordia to that date. Upon closing of the Arrangement $10,228,178 was transferred to share capital of the Company.

Management cautions readers that the allocation of historic expenses may not be indicative of the actual expenses that would have been incurred, and do not reflect the Company's consolidated results of operations, financial position and cash flows, had the Company been operating as a separate, stand-alone public company for the periods presented.

3. CORPORATE ACTIVITY

Key corporate developments for the Company for the six months ended March 31, 2015 and to the date of the MD&A are discussed below.

Effective November 30, 2014, the Company terminated its contract with Apex Capital Inc. ("Apex") to provide investor relations and corporate communication services to the Company effective November 30, 2014. Following the termination Apex forfeited 66,666 unvested stock options that were exercisable at $0.12, and a further 33,334 options exercisable at $0.12 were cancelled on March 1, 2015, as per the Company's stock option plan.

On December 1, 2014, the Company announced that during the congressional deliberations that took place in November 2014, it was determined that any decision regarding the ratification of the Cerro Amarillo *Declaración de Impacto Ambiental* ("DIA") would be delayed pending the completion of an inventory of glaciers in or near the project to be conducted by *Instituto Argentino de Nivología Glaciología y Ciencias Ambientales* ("IANIGLA"), the federal body charged with conducting the inventory under the Protection of Glaciers Law 26.639. IANIGLA has already begun the inventory, which is expected to be completed in 2015. Given the timing required to complete the inventory, the Company will not receive ratification of its DIA in time to undertake a 2015 drill program at Cerro Amarillo.

On November 14, 2014, the Company announced that Terry Krepiakevich had resigned as a member of the Board of Directors of the Company. Mr. Krepiakevich also resigned as the Company's Chief Executive Officer effective December 14, 2014. David Birkenshaw, Chairman of the Company's Board, took on the duties of Chief Executive Officer. Greg Shenton resigned as a member of the Board of Directors of the Company effective February 26, 2015.

On March 3, 2015 the Company announced that its Board of Directors has appointed Zula Kropivnitski as Chief Financial Officer and Cassandra Gee as Corporate Secretary both effective March 1, 2015. Ms. Kropivnitski replaces Saurabh Handa while Ms. Gee replaces Alex Bayer.

4. TRENDS AND OUTLOOK

Meryllion is an exploration company with its focus on South America. It has a highly qualified team of professionals engaged in exploration activities and the search for quality resource opportunities. The Company's goal is to discover and develop mineral projects that can significantly add value to its shareholders while building for the future. The Company has set realistic targets for each of the projects currently under development and will make decisions to progress the properties based entirely on the results generated from those properties and the perceived risks and expenses associated with taking those properties to the next phase of development.

In the past fiscal year the Company completed a NI 43-101 technical report for its Cerro Amarillo Project setting a drill proposal for the first-stage target testing. The Company also submitted the necessary documentation required for a drilling permit to the relevant authorities of the Province of Mendoza. Due to a requirement for IANIGLA to complete a glacier inventory and the anticipated timing of the completion of the inventory on the property, the Company did not receive the ratification for the drill permit in time to conduct a 2015 drill program. Accordingly, the Company will focus on reducing costs as it awaits final ratification of its DIA for Cerro Amarillo. The Company will also turn its focus on other strategic initiatives. For the Providencia Project, the Company terminated two option agreements and is currently exploring strategic options for the remaining option agreement that now makes up the Providencia Project.

The Company does not believe its current working capital is sufficient to maintain its core operations for the next twelve months, and additional funding will be required by the Company to complete its strategic objectives and continue as a going concern. There is no certainty that additional financing at terms that are acceptable to the Company will be available. The Company may raise additional funds through debt, the issuance of shares or through a strategic partnership. The inability to obtain additional financing may cast substantial doubt on the Company's ability to continue as a going concern.

5. SUMMARY OF SELECTED QUARTERLY RESULTS

(Amounts are expressed in thousands of Canadian dollars, except per-share amounts)

	2015		2014				2013	
	Q2	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**
Total assets	$ 847	$ 1,486	$ 1,937	$ 2,735	$ 3,913	$ 4,742	$ 798	$ 851
Mineral interests	416	351	339	521	991	788	764	770
Evaluation and exploration expenses	(115)	(212)	(251)	(517)	(510)	(584)	(187)	(168)
Net loss for the period	(564)	(499)	(824)	(1,251)	(874)	(1,058)	(355)	(260)
Comprehensive loss for the period	(525)	(486)	(811)	(1,272)	(836)	(1,296)	(371)	(233)
Basic and diluted loss per share	(0.03)	(0.03)	(0.05)	(0.07)	(0.05)	(0.21)	(0.02)	(0.02)

Note: Quarterly amounts added together may not equal the total reported for the period due to rounding.

5. SUMMARY OF SELECTED QUARTERLY RESULTS (Continued)

As the Company is currently in the exploration stage variations in financial results of the Company on a quarter by quarter basis are primarily due to fluctuations in the level of exploration activity and administration costs.

The net loss and comprehensive loss for the second quarter of 2015 increased slightly compared to the first quarter of 2015 mainly due to change in management and terminations fee expenditures related to it. The net loss and comprehensive loss for the second quarter of 2015 decreased compared to the third and fourth quarters of 2014 primarily due to the recording of impairment charges of $468,298 and $280,756 in the third and fourth quarter of 2014, respectively, while no impairment was recorded in 2015.

Exploration expenses in the second quarter of 2015 were in line with the first quarter of 2015 and fourth quarter of 2014 and were lower than the first three quarters of 2014 as during that period the Company carried out signification exploration activity as it was working towards the completion of a NI 43-101 technical report for its Cerro Amarillo Project which was completed and released on July 28, 2014.

Mineral interests did not change materially in the second quarter of 2015 and increased over the four quarters ending the second quarter of 2014 mainly due to the option payments made on the Cerro Amarillo and Providencia Projects. In the third and fourth quarters of 2014, mineral interest decreased due to the termination of the La Providencia & M. Tola option agreement and the associated write-off of all costs capitalized as mineral interests related to the option agreement in the third quarter and the remainder of the costs capitalized as mineral interests related to the remaining option agreements for the Providencia Project in the fourth quarter of 2014. In the second quarter of 2015 the Company terminated two out of three remaining agreements that made up the Providencia Project; no impairment charge was recorded as no costs were capitalized since the last impairment.

6. RESULTS OF OPERATIONS

The operating results of junior mining companies can fluctuate significantly from period to period. The Company is in the exploration stage and has no revenue from operations.

Review of Quarterly Financial Results – Three months ended March 31, 2015 ("Q2 2015") compared to the Three months ended March 31, 2014 ("Q2 2014")

The Company recorded a net loss of $563,953 for Q2 2015, as compared to a net loss of $874,208 for Q2 2014. The decrease in the loss of $310,255 was attributable to the following material differences:

Salaries and benefits were $256,785 for Q2 2015, as compared to $163,435 for Q2 2014. This increase of $93,350 is because the Company changed its management team and paid termination fees in the second quarter of 2015.

Professional fees were $139,036 for Q2 2015, as compared to $97,698 for Q2 2014. This increase of $41,338 was related primarily to additional costs the Company incurred in transitioning from being listed on TSX-V to CSE.

6. RESULTS OF OPERATIONS (Continued)

Share-based compensation was $(10,941) for Q2 2015 as compared to $52,579 for Q2 2014. This decrease of $63,520 was due to the fact that the Company granted stock options in Q1 2014 which were expensed based on their vesting conditions and no options were granted in Q1 2015 and due to reversal of the expense related to forfeited stock options.

Travel expenditures were $18,312 for Q2 2015, as compared to $92,096 for Q2 2014. This decrease of $73,784 was due to the Company preserving available resources during a period of unprecedented downturn in the industry.

Evaluation and exploration expenses were $114,615 for Q2 2015 as compared to $510,353 for Q2 2014. This decrease of $395,738 was related to the decreased level of exploration activities in the Q2 2015 as compared to Q2 2014 when the Company was working on a technical report for the Company's Cerro Amarillo Project.

The Company recorded a foreign exchange gain of $13,029 for Q2 2015 as compared to a foreign exchange gain of $83,205 for Q2 2014. This amount will fluctuate on a period to period basis as a result of changes in market exchange rates.

Review of Year-to-Date Financial Results – Six months ended March 31, 2015 ("YTD 2015") compared to the Six months ended March 31, 2014 ("YTD 2014")

The Company recorded a net loss of $1,062,775 for YTD 2015, as compared to a net loss of $1,932,528 for YTD 2014. The decrease in the loss of $869,753 was attributable to the following material items:

Professional fees were $216,263 for YTD 2015, as compared to $376,542 for YTD 2014. Regulatory and filing fees were $14,293 for YTD 2015, as compared to $45,927 for YTD 2014. These decreases of $160,279 and $31,634 respectively were related primarily to one-time costs the Company incurred as part of the close of the Arrangement and the Company's public listing in December 2013.

Salaries and benefits were $380,442 for YTD 2015, as compared to $231,143 for YTD 2014. This increase of $149,299 was primarily related to termination costs that were incurred in YTD 2015 and not incurred in YTD 2014. This amount was partially offset by decreased salaries in YTD 2015 as the Company changed its management team.

Share-based compensation was $15,449 for YTD 2015 as compared to $204,917 for YTD 2014. This decrease of $189,468 was related to the stock options granted by the Company in December 2013 and some of the options being forfeited in YTD 2015 and due to reversal of the expense related to forfeited stock options.

Evaluation and exploration expenses were $326,198 for YTD 2015 as compared to $1,094,270 for YTD 2014. This decrease of $768,072 was related to the decreased level of exploration activities in the period for the Company's Cerro Amarillo Project.

6. RESULTS OF OPERATIONS (Continued)

For the YTD 2015 the Company recorded $22,624 in impairment of assets. There was no asset impairment recorded for YTD 2014. Rent expense was $33,809 for YTD 2015 as compared to $15,738 for YTD 2014. This increase in rent expense of $18,071 and impairment charges related to the Company reorganizing its offices, office equipment and administration expenditures.

Travel expenditures were $58,924 for YTD 2015, as compared to $116,808 for YTD 2014. This decrease of $57,884 was due to the Company preserving available resources during a period of unprecedented downturn in the industry.

The Company recorded a foreign exchange gain of $47,569 in YTD 2015 compared to $199,796 in YTD 2014, this amount will fluctuate on a period to period basis as a result of changes in market exchange rates.

7. MINERAL INTERESTS

Through the Company's wholly-owned subsidiaries, the Company controls exploration concessions in Argentina classified by the Company as the Cerro Amarillo Project and Providencia Project.

On October 1, 2013, the Company granted Fitzcarraldo Ventures Inc. and Willem Fuchter (combined the "FVI") a 1% NSR on the Providencia and Cerro Amarillo Projects (the "FVI NSR"). The Company has the right to buy half of the FVI NSR for US$500,000 until September 30, 2018. The FVI NSR is in addition to any NSR royalties granted on each option agreement as detailed below.

(a) Cerro Amarillo Project, Argentina

The Cerro Amarillo Project is a Copper-Gold-Molybdenum porphyry project located in West-Central Argentina, and lies at the southern end of the highly productive late Miocene – Pliocene magmatic arc that hosts the El Teniente and Los Bronces porphyry deposits in Chile. The property comprises some 16,740 hectares and contains a cluster of mineralized porphyry complexes, including five which are believed to be prospective. These are Cerro Apero, Vaca de Cobre, Cerro Choro, Cajon Grande, and La Blanca. The porphyry prospects lie in a northeast-trending corridor with Cerro Apero and Vaca de Cobre in the northeast, Cerro Choro and Cajon Grande in the center, and La Blanca in the southwest of the 14 km x 11 km property.

Cerro Amarillo Project – Option to Purchase Agreement

In February 2015, the Company amended its option agreement on Cerro Amarillo with the underlying owner by simultaneously terminating its earlier agreement, paying US$22,000 and signing a new agreement which grants the Company the exclusive rights to conduct exploration activities on the property and to acquire a 100% interest in the property.

7. MINERAL INTERESTS (Continued)

(a) Cerro Amarillo Project, Argentina (continued)

Under the terms of the new agreement, Meryllion has the right to purchase the property by paying US$ 3,128,000 as follows:

- On acceptance of the offer — US$ 3,000 (Paid)
- On ratification and receipt of permit — US$ 25,000
- On initiation of exploration activities (or 30 November following receipt of permit) — US$ 50,000
- 12 months after ratification and receipt of permit — US$ 250 000
- 24 months after ratification and receipt of permit — US$ 300,000
- 36 months after ratification and receipt of permit — US$ 2,500,000

If ratification is delayed, then a US$ 25,000 payment will be due on every anniversary of the revised date until ratification and permitting is achieved.

The underlying owners of the property will also be entitled to a 1% NSR in the event that the properties are placed into commercial production, which the Company may purchase for US$ 3,000,000. In addition, Meryllion has granted a further 1% NSR to Fitzcarraldo Ventures Inc (FVI); the Company has the right to buy back half of the FVI NSR for US$ 500,000 until September 2018.

Cerro Amarillo Project – Exploration

The Company has conducted exploration campaigns on the property during the austral summers of 2011/2012 and 2013/2014. During the 2011/2012 campaign, detailed mapping and rock grab-sampling better defined the Cerro Apero and Cajon Grande prospects, and reconnaissance-scale mapping and sampling identified the La Blanca alteration zone.

The 2013/2014 exploration program consisted of mapping and sampling at the newly recognized Vaca de Cobre prospect and detailed follow-up work at La Blanca leading to the identification of the La Blanca mineralized breccia pipes. In addition, close-spaced and locally gridded geochemical surveys were completed over the La Blanca, Cajon Grande, Cerro Choro, and Vaca de Cobre prospects. Ground geophysical surveys (IP and ground magnetics) were completed at Cerro Apero and Cajon Grande, and an airborne magnetic and radiometric survey was conducted over the entire property. As well, the Company continued its routine reconnaissance-scale prospecting and mapping program, following-up on color anomalies over other portions of the property.

Results to date have confirmed the presence of mineralization at the four prospects Cero Apero, Vaca de Cobre, Cajon Grande, and La Blanca originally identified by satellite color-anomalies, and preliminary work on the Cerro Choro prospect has indicated the presence of alteration and geochemical anomalies requiring further follow-up.

7. MINERAL INTERESTS (Continued)

(a) Cerro Amarillo Project, Argentina (continued)

Cerro Amarillo Project – NI 43-101 Technical Report

On July 28, 2014, the Company announced that it has released a maiden NI 43-101 technical report entitled "*Technical Report on the Cerro Amarillo Project, Mendoza Province, Argentina*" which is available on SEDAR at www.sedar.com. The report recommends that the Company proceed with a 14-hole, 5,300 m first stage drilling program on the property. Details about the prospects and the results of the exploration program can be found in the technical report.

Cerro Amarillo Project – Permitting Update

In Argentina, individual provinces implement and enforce the federally enacted Mining Code through their own provincial statutes, which provide broad authority to grant and govern all activities associated with mineral rights. Under the Mining Code, an Environmental Impact Report ("EIR") must be filed with, and approved by, the provincial mining authorities who then issue an Environmental Impact Statement or *Declaración de Impacto Ambiental* ("DIA"). Furthermore, under Provincial Law 7722, Mendoza Province mandates that any DIA approved by provincial mining authorities must also be ratified by the Provincial Congress.

On September 16, 2014, the Company announced that the relevant authorities in Mendoza Province had approved the EIR for planned drilling operations at the Company's Cerro Amarillo Project. The Company was issued a DIA which was submitted to the Mendoza Provincial Congress for ratification.

On December 1, 2014, the Company announced that during the congressional deliberations that took place in November 2014, it was determined that any decision regarding the issuance and ratification of the Cerro Amarillo DIA should be delayed pending the completion of an inventory of glaciers in or near the project to be conducted by *Instituto Argentino de Nivología Glaciología y Ciencias Ambientales* ("IANIGLA"), the federal body charged with conducting the inventory under the Protection of Glaciers Law 26.639. IANIGLA has already begun the inventory, which is expected to be completed in early 2015. Given the timing required to complete the inventory, the Company will not receive ratification of its DIA in time to undertake a 2015 drill program at Cerro Amarillo. The Company remains hopeful that after the conclusion of the glacier inventory by IANIGLA, the Company's Cerro Amarillo Project will receive ratification from the Provincial Congress of its drill permit. The timing, and ultimate receipt, of such ratification is not clear at this time. Failure to receive a drill permit in a timely fashion, or at all, will have a direct impact on the Company's ability to advance the Cerro Amarillo Project.

Cerro Amarillo Project – Future Plans

Exploration carried to-date confirms the over-all potential of the systems as well as specific anomalies which require further testing. Moreover, each system has a large-scale footprint indicating large-tonnage Cu-Au-Mo potential. This, together with Cerro Amarillo's geological similarity to the world class El Teniente and Los Bronces deposits as well as its location within the extension of the same Neogene magmatic arc, are positive indications for future exploration success.

7. MINERAL INTERESTS (Continued)

(a) Cerro Amarillo Project, Argentina (continued)

Due to the delay in receiving the DIA for Cerro Amarillo, the Company will focus on reducing costs in Argentina as it awaits final ratification. Once the Company has received a drill permit it will need to raise additional capital as its current resources will not be sufficient to conduct a drill campaign.

There is no certainty that additional financing at terms that are acceptable to the Company will be available.

(b) Providencia Project, Argentina

The Providencia Project is a Silver-Copper prospect located in North-West Argentina and is made up of a number of properties each subject to their own option agreement. The Providencia Project comprises mineral concessions situated at 4,200 m above sea level and some 260 km by good road from San Salvador de Jujuy, the capital of the Jujuy Province.

On August 22, 2014, the Company announced that it had terminated the La Providencia & M. Tola option agreement, which was one of the four option agreements that previously made up its Providencia Project. Following the encouraging results from its 2014 exploration campaign at Cerro Amarillo, the Company terminated the option agreement at the Providencia Project that contained the most expensive option payment terms. Although the option agreement that was terminated contains the previously disclosed inferred resource estimate, the cost and development profile did not fit with the Company's strategic direction. The decision to terminate the La Providencia & M. Tola option agreement will save the Company US$825,000 in option payments over the next two and a half years.

In March 2015 the Company terminated two out of three remaining agreements that made up the Providencia Project by dropping the Libertad and Olaroz Chico properties.

For strategic reasons and due to their low holdings costs, the Company is maintaining its interests in the Cerro Galán, Coyaguaima, Coranzulí, Panizos, and Nazarena properties of the Providencia Project as well as grounds covered in a separate license application in the general vicinity.

At the fiscal year end the Company assessed the Providencia Project for indications of impairment. The Company has determined that although it has not terminated all the option agreements for the project, the option agreement that was terminated contained all of the previously disclosed inferred resource. Based on the lack of defined resources on the remaining Providencia Project and the Company's focus on the Cerro Amarillo Project going forward, all costs capitalized as mineral interests for the Providencia Project were written off as at September 30, 2014 and an impairment charge of $749,054 was recorded in the twelve months ended September 30, 2014.

7. MINERAL INTERESTS (Continued)

(b) Providencia Project, Argentina (continued)

Providencia Project - Option Agreements

The Providencia Project is comprised of the option agreement on the Cerro Galán, Coyaguaima, Coranzulí, Panizos, and Nazarena properties.

Under the terms of the exploration-with-option-to-purchase agreement on Cerro Galán, Coyaguaima, Coranzulí, Panizos, and Nazarena properties signed effective July 11, 2012, and amended in July 2013 and July 11, 2014, MAS has to make a series of annual option payments totalling US$270,000 as follows:

- US$45,000 – paid between 2012 and 2014
- US$225,000 – payable between 2015 and 2017

The exercise fee on the Cerro Galán, Coyaguaima, Coranzulí, Panizos, and Nazarena properties is US$1,010,000, less any option amounts paid at the time of exercise. If all option payments have been made at the time of exercise the amount due will be US$740,000. The properties are subject to a 1% NSR with the Company having the option to buy out the NSR for US$500,000. There is also an additional work commitment of US$100,000 during the term of the agreement.

(c) Qualified Person

Dr. Willem Fuchter P.Geo, CEO of Meryllion Argentina SA, a qualified person for the purposes of NI 43-101, has approved the scientific and technical information in this MD&A.

8. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

All of the Company's financial instruments are classified into one of two categories: loans-and-receivables or other-financial-liabilities. All financial instruments are measured in the consolidated statement of financial position at fair value initially. Subsequent measurement and changes in fair value will depend on their initial classification. Loans-and-receivables and other-financial-liabilities are measured at amortized cost.

The Company has designated its cash and cash equivalents and accounts receivable as loans-and-receivables and accounts payable and accrued liabilities as other-financial-liabilities. Cash and cash equivalents and accounts receivable are included in current assets due to their short term nature. Accounts payable and accrued liabilities are included in current liabilities due to their short-term nature.

(In Canadian Dollars unless otherwise stated)

8. FINANCIAL INSTRUMENTS (continued)

The Company's financial instruments as at March 31, 2015 are as follows:

	As at	
	March 31, 2015	**September 30, 2014**
Financial assets		
Loans-and-receivables		
Cash and cash equivalents	$ 399,210	$ 1,539,958
Accounts receivable	8,878	2,980
Total financial assets	$ 408,088	$ 1,542,938
Financial liabilities		
Other financial-liabilities		
Accounts payable and accrued liabilities	$ 113,788	$ 207,263
Total financial liabilities	$ 113,788	$ 207,263

Additional financial instruments disclosure, including an analysis of risks associated with financial instruments, is contained in Note 4 of the Company's condensed consolidated financial statements for the six months ended March 31, 2015.

9. LIQUIDITY AND CAPITAL RESOURCES

(a) Liquidity

The Company's working capital as at March 31, 2015 was $317,914 as compared to working capital of $1,365,112 at September 30, 2014. Included in working capital were cash and cash equivalents of $399,210 (September 30, 2014 - $1,539,958).

Except as disclosed, the Company does not know of any trends, demands, commitments, events or uncertainties that will result in, or that are reasonably likely to result in, its liquidity either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in liquidity are substantially determined by the success or failure of the Company's exploration programs and the Company's ability to raise additional capital as required.

The Company is not now and does not expect in the future, to be engaged in currency hedging to offset any risk of currency fluctuations.

(b) Capital Resources

The Company's focus for the recently completed fiscal year and going forward is the advancement and development of its exploration projects. The major expenses that will be incurred by the Company in the next twelve months will be costs associated with its exploration activities and general and administrative activities. The Company does not believe its current working capital is sufficient to maintain its core operations for the next twelve months, and additional funding will be required by the Company to complete its strategic objectives and continue as a going concern.

9. LIQUIDITY AND CAPITAL RESOURCES (Continued)

(a) Liquidity (continued)

The Company depends on external financing to fund its activities and there can be no guarantee that external financing will be available at terms acceptable to the Company. The Company will be relying on further equity financing, debt financing, strategic partnerships or joint-venture partnerships as the most likely source of funds for the advancement of the Company's exploration assets to a resource delineation or feasibility stage. In the future the Company may also receive additional funds through the exercise of stock options. If adequate funds are not available when required, the Company may, based on the Company's cash position, delay, scale back or eliminate various programs.

There can be no assurance that the Company will have sufficient financing to meet its future capital requirements or that future additional financing will be available to the Company at acceptable terms. The inability to obtain additional financing may cast substantial doubt on the Company's ability to continue as a going concern.

(c) Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements other than those disclosed under mineral interests.

(d) Proposed Transactions

The Company has no proposed transactions.

(e) Commitments

As at March 31, 2015, the Company has mineral interest commitments at its Cerro Amarillo and Providencia Projects in the form of option payments and minimum work commitments for various mineral exploration concessions. The Company is in the process of conducting a strategic review of its properties under option and although as at March 31, 2015 the Company had the commitments shown in the table below some of these commitments could be reduced or eliminated completely pending the outcome of the strategic review.

The Company also has minimum rental and operating expense payments for the Company's office space in Buenos Aires where the lease expires on January 31, 2017 and operating expense payments in Vancouver.

(In Canadian Dollars unless otherwise stated)

9. LIQUIDITY AND CAPITAL RESOURCES (Continued)

(e) Commitments (continued)

The Company's commitments for these items as at March 31, 2015 and when they are expected to be incurred were as follows:

	Within 2015	2016 to 2017	2018 to 2019	Total
Mineral interest commitments				
Cerro Amarillo Project				
Cerro Amarillo property	**$ 95,123**	**$697,565**	**$ 3,170,750**	**$3,963,438**
Providencia Project				
Cerro Galán, Coyaguaima, Coranzulí, Panizos & Nazarena properties	**63,415**	**221,953**	**-**	**285,368**
Total mineral interest commitments	**158,538**	**919,518**	**3,170,750**	**4,248,806**
Minimum rental commitments	**18,384**	**22,076**	**-**	**40,460**
Total commitments	**$176,922**	**$941,594**	**$ 3,170,750**	**$4,289,266**

10. RELATED PARTY TRANSACTIONS

(a) Key management compensation

The remuneration of the Company's Directors (David Birkenshaw, Borden Putnam, John Fognani and formerly Greg Shenton), and other members of key management, being the Chief Executive Officer (David Birkenshaw and formerly Terry Krepiakevich) and the Chief Financial Officer (Zula Kropivnitski and formerly Saurabh Handa), who have the authority and responsibility for planning, directing and controlling the activities of the Company, consists of the following amounts:

	Six months ended March 31, 2015	2014
Short-term benefits (1)	**$ 203,913**	$ 426,175
Share-based compensation (2)	**9,457**	147,028
Termination benefit	**100,000**	-
Total key management compensation	**$ 313,370**	$ 573,203

(1) Short term benefits include salaries, bonuses, consulting fees and directors fees for all directors and key management personnel.
(2) Share-based compensation is the fair value of stock options granted to directors and key management personnel where an expense was recorded in the period due to vesting conditions.

As at March 31, 2015, the Company owed $12,500 (September 30, 2014: $77,500) in directors fees to the directors of the Company which were paid subsequent to the period end.

(In Canadian Dollars unless otherwise stated)

10. RELATED PARTY TRANSACTIONS (Continued)

(b) Other related party transactions

The Company shared office space, equipment and office administrative services with Western Lithium USA Corporation ("WLC"). These services had been mainly provided through a private management company, WMM Services Corporation ("WMM"), equally owned by the Company and WLC and were related by virtue of a common director. In November 2014, the Company transferred its ownership in WMM to the WLC. Costs incurred by the management company are allocated between the Company and WLC based on time incurred and use of services and are charged at cost.

The Company had related party transactions with WMM of $28,793 for the six months ended March 31, 2015 (March 31, 2014 - $52,688) which were included in the following expense categories:

	Six months ended March 31, 2015	Six months ended March 31, 2014
Office and administration	**$ 8,605**	$ 10,666
Rent	**17,190**	11,861
Salaries and benefits	**2,998**	30,161
Total related party transactions	**$ 28,793**	$ 52,688

As at March 31, 2015, the balance due to related parties was $nil (September 30, 2014 - $2,207).

11. OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value. As at May 28, 2015, the Company had 17,125,510 common shares issued and outstanding.

The Company has the following stock options that are outstanding and exercisable as at May 28, 2015:

	Outstanding		Exercisable	
Exercise price	**Number outstanding**	**Weighted average remaining life (years)**	**Number exercisable**	**Weighted average remaining life (years)**
$0.30	1,241,668	3.55	916,671	3.55

As at May 28, 2015, the Company did not have any share purchase warrants outstanding.

12. RISKS AND UNCERTAINTIES

Meryllion is engaged in mineral exploration and development activities which, by their nature, are speculative due to the high risk nature of the business and the present stage of the development of the Company's mineral interests. The Company's exploration activities and related results are subject to a number of different risks at any given time. These risk factors, include but are not limited to risks associated with exploration, securing the required permits, additional financing, project delay, titles to properties, price fluctuations and share price volatility, operating hazards, insurable risks and limitations of insurance, management, foreign country and regulatory requirements, currency fluctuations and environmental regulations risks. Exploration for mineral resources involves a high degree of risk. The cost of conducting programs may be substantial and the likelihood of success is difficult to assess. The Company seeks to counter this risk as far as possible by selecting exploration areas on the basis of their recognized geological potential to host economic deposits.

Any investment in the common shares of Meryllion should be considered a highly speculative investment due to the nature of the Company's business. Such risk factors could materially affect the Company's future financial results and could cause actual results and events to differ materially from those described in forward looking statements and forward looking information relating to Meryllion or the business, property or financial results, any of which could cause investors to lose part or all of their investment in the Company.

For a detailed discussion of the risk factors associated with the Company please consult the 'Risks and Uncertainties' section of the Company's MD&A for the year ended September 30, 2014 filed on SEDAR at www.sedar.com. It should be noted that this list is not exhaustive and that other risk factors may apply.

13. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company's management is required to make judgements in the process of applying the Company's accounting policies in the preparation of its financial statements. In addition, the preparation of the financial statements in accordance with IFRS requires that the Company's management make assumptions and estimates of effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. While management believes the estimates are reasonable, actual results could differ from these estimates and could impact future results of operations and cash flows. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

13. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(a) Critical Estimates in Applying Accounting Policies

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the determination of environmental obligations, the recoverability of mineral interests, the assumptions used in the determination of the fair value of share-based compensation and the assumptions used to estimate the useful life of property, plant and equipment.

(b) Critical Judgements in Applying Accounting Policies

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The critical accounting judgements used in the preparation of the condensed consolidated financial statements are discussed below. Please note this list is not exhaustive.

Functional currency
In accordance with IAS 21 "*The Effects of Changes in Foreign Exchange Rates*", management determined that the functional currency of Meryllion is the Canadian dollar and the functional currency of the Company's wholly-owned subsidiaries Meryllion Minerals Corp. and Meryllion Argentina SA is the US dollar, as they are the currencies of the primary economic environments in which the companies operate.

Impairment of property, plant and equipment and mineral interests
Assets or cash generating units are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's property plant and equipment and mineral interests. External sources of information considered are changes in the Company's economic, legal and regulatory environment which it does not control but affect the recoverability of its mining assets. Internal sources of information the Company considers include the manner in which mining properties and plant and equipment are being used or are expected to be used and indications of economic performance of the assets.

If any indication of impairment exists, a formal estimate of recoverable amount is performed and an impairment loss recognized to the extent that carrying amount exceeds recoverable amount. The recoverable amount of an asset or cash generating group of assets is measured at the higher of fair value less costs to sell and value in use.

14. CHANGES IN ACCOUNTING POLICIES

The Company adopted the following accounting standards effective October 1, 2014. The adoption of these accounting standards had no significant impact on the condensed consolidated financial statements.

The accounting standards to be adopted are:

- IAS 32 *Financial Instruments: Presentation*
- IAS 36 *Impairment of Assets*
- IFRIC 21 *Levies*

15. FORWARD LOOKING STATEMENTS

Certain of the statements made and information contained herein are considered "forward-looking information" within the meaning of the British Columbia Securities Act. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following: capital expenditure programs, development of resources, treatment under governmental and taxation regimes, expectations regarding the Company's ability to raise capital, expenditures to be made by the Company on its properties and work plans to be conducted by the Company. With respect to forward-looking statements listed above and contained in the MD&A, the Company has made assumptions regarding, among other things:

- the impact of currency fluctuations in Argentina;
- the impact of increasing competition in gold, silver and copper business;
- unpredictable changes to the market prices for gold, silver and copper;
- exploration and development costs for its properties;
- availability of additional financing or joint-venture partners;
- anticipated results of exploration activities; and
- the Company's ability to obtain additional financing on satisfactory terms.

15. FORWARD LOOKING STATEMENTS (Continued)

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth above and elsewhere in this MD&A including, uncertainties relating to receiving mining and exploration permits in Argentina; volatility in the market price for minerals; uncertainties associated with estimating resources; geological, technical, drilling and processing problems; liabilities and risks, including environmental liabilities and risks, inherent in mineral exploration; fluctuations in currencies and interest rates; incorrect assessments of the value of acquisitions; unanticipated results of exploration activities; competition for, amongst other things, capital, undeveloped lands and skilled personnel; lack of availability of additional financing and/or joint venture partners and unpredictable weather conditions.

Investors should not place undue reliance on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.