MERYLLION Resources

MERYLLION RESOURCES CORP.
Management's Discussion and Analysis
For the Three and Six Months Ended March 31, 2021 and 2020
(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 audited financial statements and related notes for the year ended September 30, 2020 and the Company's unaudited condensed interim financial statements for the three and six months ended March 31, 2021 and 2020. The Company's financial statements for the year ended September 30, 2020 have been prepared in accordance with 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 27, 2021.

1 OVERVIEW

Meryllion Resources Corp. was incorporated on July 25, 2013 under the laws of British Columbia, Canada. Meryllion Resources Corp. (the "Company") is a natural resource company, at the exploration stage, engaged in the acquisition and exploration of resource properties.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.

On May 14, 2015, the Company's common shares were voluntarily delisted from the TSX-V. Subsequently, the Company's common shares were listed and commenced trading on the CSE on May 15, 2015.

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 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

On May 27, 2021, the Company granted an aggregate of 1,390,000 incentive stock options, with an exercise price of $0.115 each, to certain officers, directors and consultants of the Company. The options vest immediately and are exercisable for a period of 60 months from date of issuance.

On April 12, 2021, the Company completed the second and final tranche of its previously announced non-brokered private placement of common shares on March 2, 2021. Pursuant to this second tranche, the Company issued a total of 6,904,617 common shares at a price of $0.065 per share for gross proceeds of $448,800.

On March 22, 2021, the Company granted an aggregate of 900,000 incentive stock options, with an exercise price of $0.105 each, to certain officers and directors of the Company. The options vest immediately, are exercisable for a period of 60 months and are subject to the policies of the Canadian Securities Exchange.

On March 17, 2021, the Company completed a first tranche of its previously announced non-brokered private placement of common shares on March 2, 2021. Pursuant to this first tranche, the Company issued a total of 4,615,383 common shares at a price of $0.065 per share for gross proceeds of $300,000. The Company will use the proceeds of the private placement for working capital purposes.

Pursuant to agreements entered into, the Company has also issued 100,000 common shares in the capital stock of the Company at a deemed issue price of $0.10 per share to each of two former long-term independent directors in full settlement of outstanding directors' fees.

On June 12, 2020, the Company completed a non-brokered private placement of 10,000,000 common shares in the capital stock of the Company at a price of $0.005 per share for gross proceeds of $50,000. The proceeds from the private placement will be used for general working capital purposes.

The Company has also concluded a shares-for-debt transaction pursuant to which a total of $66,500 of debt was settled by the issuance of 13,300,000 common shares in the capital stock of the Company a deemed issue price of $0.005 per share.

On August 4, 2020, the Company announced a number of changes to it Board of Directors and the composition of its management. Mr. Ben Gelfand has resigned as a director and as Chief Executive Officer of the Company, and Mr. Frank Kordy has resigned as a director and as Interim Chief Financial Officer and Corporate Secretary of the Company. Mr. Jeremy Edelman and Mr. David Steinepreis have been appointed as replacement directors of the Company, and Mr. Guy Charette has been appointed as an additional director of the Company. Mr. Edelman has been appointed the Chief Executive Officer of the Company. Mr. Steinepreis has been appointed as the Chief Financial Officer of the Company. Mr. Michael Kozub has been named the Corporate Secretary of the Company.

On December 8, 2020, the Board of Directors authorized the implementation of the consolidation (the "Consolidation") of the Company's issued and outstanding common shares on the basis of one (1) post-Consolidation common share for every ten (10) pre-Consolidation common shares, the whole effective as of December 11, 2020. The Consolidation was approved by the shareholders of the Company at the annual and special meeting of shareholders held on October 27, 2020.

(In Canadian Dollars unless otherwise stated)

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 funding 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.

4. SUMMARY OF SELECTED QUARTERLY RESULTS

	2021 Q2	2021 Q1	2020 Q4	2020 Q3	2020 Q2	2020 Q1	Q4 2019	Q3 2019
Total assets	$317,777	$ 38,938	$ 42,424	$ 62,410	$ 16,794	$17,480	$ 18,733	$ 19,168
Net loss for the period	(164,084)	(56,630)	(113,829)	(4,357)	(8,059)	(15,574)	(50,856)	(8,986)
Comprehensive loss for the period	(164,084)	(56,630)	(113,829)	(4,357)	(8,059)	(15,574)	(50,856)	(8,986)
Basic and diluted loss per share	(0.02)	(0.01)	(0.02)	(0.00)	(0.00)	(0.00)	(0.05)	(0.00)

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

5. 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.

Three months ended March 31, 2021 ("Q2 2021") compared to the three months ended March 31, 2020 ("Q2 2020")

The Company recorded a net loss of $164,084 for Q2 2021, compared to a net loss of $8,059 for Q2 2020. The increase in loss of $156,025 is mainly due to share-based payments expense of $91,994 from the vesting of the option granted and management fees of $36,000 accrued in the quarter.

Three months ended December 31, 2020 ("Q1 2021") compared to the three months ended December 31, 2019 ("Q1 2020")

The Company recorded a net loss of $56,630 for Q1 2021, as compared to a net loss of $15,574 for Q1 2020. The increase in loss of $41,056 is mainly due to management fees of $36,000 accrued in the quarter.

6. 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.

(In Canadian Dollars unless otherwise stated)

All of the Company's financial instruments are classified as amortized costs. All financial instruments are measured in the statement of financial position at fair value initially. Subsequent measurement and changes in fair value will depend on their initial classification.

The Company has designated its cash and amounts receivable as amortized cost and accounts payable and accrued liabilities as amortized cost. Cash 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.

The Company's financial instruments are as follows:

	As at	
	March 31, 2021 2020	September, 30 2020
Financial assets		
Assets at amortized cost		
Cash	**$ 300,518**	$ 27,442
Amounts receivable	**17,259**	14,982
Total financial assets	**$ 317,777**	$ 42,424
Financial liabilities		
Liabilities at amortized cost		
Accounts payable and accrued liabilities	**$ 226,340**	$ 136,107
Total financial liabilities	**$ 226,340**	$ 136,107

Additional financial instruments disclosure, including an analysis of risks associated with financial instruments, is contained in Note 5 of the Company's condensed interim financial statements for the three and six months ended March 31, 2021 and 2020.

7. LIQUIDITY AND CAPITAL RESOURCES

(a) Liquidity

The Company's working capital as at March 31, 2021 was $91,437 as compared to a working capital deficiency of $93,683 at September 30, 2020. Included in working capital was cash of $300,518 (September 30, 2020 - $27,442).

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 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 period and going forward is the evaluation of acquisition targets. The major expenses that will be incurred by the Company in the next twelve months will be costs associated with its 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.

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. 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.

Management reviews its capital management approach on a regular basis. There were no changes in the Company's approach to capital management during the three and six months ended March 31, 2021 and 2020 and the Company is not subject to any externally imposed capital requirements.

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.

(d) Proposed Transactions

The Company has no proposed transactions.

8. RELATED PARTY TRANSACTIONS

Transactions with related parties are incurred in the normal course of business and are measured at their fair values, which is the amount of consideration established and approved by the related parties.

a. Key management compensation

During the six months ended March 31, 2021, the Company incurred $72,000 (2020 - $Nil) in management fees to the CEO and CFO of the Company. As at March 31, 2021, the Company owed $108,000 (September 30, 2020 - $36,000) in these fees.

b. Other related party transactions

During the six months ended March 31, 2021, the Company incurred $Nil (2020 - $7,500) in fees paid to a management company to provide administration services including services of a Chief Financial Officer and a Corporate Secretary. As at March 31 2021, $Nil (September 30, 2020 - $Nil) was payable to this company.

During the six months ended March 31, 2021, the Company's directors subscribed for 3,846,152 common shares in the capital stock of the Company at a price of $0.065 per share for gross proceeds of $250,000.

9. OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares without par value. As at May 27, 2021, the Company had 20,834,840 common shares issued and outstanding.

The Company had 900,000 stock options outstanding and exercisable as at March 31, 2021.

As at March 31, 2021, the Company had no share purchase warrants outstanding.

10. RISKS AND UNCERTAINTIES

The Company's exploration activities and related results are subject to a number of different risks at any given time. These factors, include but are not limited to disclosure regarding: additional financing, insurable risks and limitations of insurance, management, regulatory requirements, currency fluctuations and environmental regulations risks.

A summary of the Company's financial instruments risk exposure is provided in Note 5 of the Company's financial statements for the year ended September 30, 2020. The following are additional risk factors which the Company's management believes are most important in the context of the Company's business. It should be noted that this list is not exhaustive and that other risk factors may apply.

Meryllion will need substantial additional financing in the future and cannot assure that such financing will be available

To meet its operating costs and to finance its respective future acquisition and operating activities, the Company will require financing from external sources, including from the sale of equity and debt securities, entering into joint ventures or seeking other means to meet its financing requirements. There can be no assurance that additional funding will be available to the Company or, if available, that such funding will be offered on terms acceptable to the Company. If additional financing is raised through the issuance of equity or convertible debt securities, control of the Company may change and the interests of shareholders in the net assets of the respective company may be diluted.

If unable to secure financing on acceptable terms, the Company may have to cancel or postpone certain of its activities and may not be able to take advantage of acquisition opportunities. The failure of the Company to obtain additional financing would have a material adverse effect on its business, financial condition, results of operations or prospects.

The volatility of the capital markets may affect the Company's access to and cost of capital

Securities markets throughout the world are cyclical and, over time, tend to undergo high levels of price and volume volatility, and the market price of securities of many companies, particularly those in the resource sector, can experience wide fluctuations which are not necessarily related to the operating performance, underlying asset values or prospects of such companies. Increased levels of volatility and resulting market turmoil may adversely impact the Company and its share price. If the Company is required to access credit markets to carry out their respective development objectives, the state of domestic and international credit markets and other financial systems could affect their respective access to, and cost of, capital. If these credit markets were significantly disrupted, as they were in 2007 and 2008, such disruptions could make it more difficult for the Company to obtain, or increase its cost of obtaining capital and financing for its operations. Such capital may not be available on terms acceptable to the Company or at all, which may have a material adverse impact on its business, financial condition, results of operations or prospects.

The Company's prospects depend on its ability to attract and retain qualified personnel

Recruiting and retaining qualified personnel will be critical to the Company's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. The Company believes that it will have the necessary personnel to meet its corporate objectives but, as its business activities grow, it will require additional

key financial, administrative, mining and public relations personnel as well as additional staff on the operations side. Although the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

Directors and officers may be subject to conflicts of interest

Certain directors and officers of the Company are or may become associated with other target acquisition companies which may give rise to conflicts of interest. Directors who have a material interest in any person who is a party to a material contract or a proposed material contract with the company with which they serve are required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve such a contract. In addition, directors and officers are required to act honestly and in good faith with a view to the best interests of their respective company. Some of the directors and officers have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these directors and officers. Further, any failure of the directors or officers of the Company to address these conflicts in an appropriate manner, or to allocate opportunities that they become aware of to the Company, could have a material adverse effect on the Company's business, financial condition, results of operations or prospects.

11. 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.

12. 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:

- availability of additional financing or joint-venture partners
- the Company's ability to obtain additional financing on satisfactory terms.

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.

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.