

FORM 53-901F *Securities Act* (British Columbia)
FORM 27 *Securities Act* (Alberta)

MATERIAL CHANGE REPORT UNDER SECTION 85(1) OF THE *SECURITIES ACT* (BRITISH COLUMBIA) AND SECTION 146(1) OF THE *SECURITIES ACT* (ALBERTA)

Item 1. Reporting Issuer

EARL RESOURCES LIMITED
Suite 2100, 1177 West Hastings Street
Vancouver, British Columbia V6E 2K3
Telephone 604 608 1766
Fax 604 608 1744

Item 2. Date of Material Change

May 2, 2003

Item 3. News Release

A News Release announcing the material change described below was transmitted for filing to the TSX Venture Exchange Corporate Finance Department and, for additional dissemination, to Canada Stockwatch and Market News Publishing, Inc. on May 2, 2003. The News Release was also filed via SEDAR with the British Columbia Securities Commission, the Alberta Securities Commission and the TSX Venture Exchange on May 2, 2003.

Item 4. Summary of Material Change

The Issuer announced that it has entered into a member sponsorship engagement agreement with Wolverton Securities Ltd.

Item 5. Full Description of Material Change

The Issuer previously announced through press releases dated 11th September 2002 and 10th October 2002 that the Issuer had entered into two arm's length asset purchase agreements dated 9th September, 2002 to acquire 100% of Cambodia's Magnum lottery license ("Magnum Agreement") from its Singaporean licensee, Mr Khoo Hang Peng ("Magnum Seller") and 100% of Cambodia's MGM lottery license ("MGM Agreement") from its Singaporean licensee, Mr Khoo Kim Leng ("MGM Seller") through a reverse takeover transaction.

The Issuer also previously announced that it had entered into an Expense Agreement with the MGM Seller, under the terms of which the MGM seller agreed to pay the Issuer Canadian \$80,000, being fees and expenses that the Issuer is expected to incur in relation to these asset purchase transactions. Pursuant to this Expense Agreement, the Issuer announced that it had received the first installment of US\$8,000 and second installment of US\$22,000 to proceed with the filing process.

The Issuer advises that it has now received the final payment of US\$23,000 from the Cambodia's MGM license holder Mr. Khoo Kim Leng under the terms of the Expense Agreement.

Wolverton Securities Ltd., subject to completion of satisfactory due diligence, has agreed to act as sponsor to the Issuer in connection with the transaction. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the reverse takeover may not be accurate or complete and should not be relied upon. Trading in the securities of the Issuer should be considered as highly speculative.

Item 6. Reliance on Section 85(2) of the *Securities Act* (British Columbia) or Section 146(2) of the *Securities Act* (Alberta)

This Report is not being filed on a confidential basis in reliance on Section 85(2) of the *Securities Act* (British Columbia) or Section 146(2) of the *Securities Act* (Alberta).

Item 7. Omitted Information

No information has been omitted from this Report on the basis that the Issuer believes that such information should remain confidential.

Item 8. Senior Officer

The name and business telephone number of a senior officer of the Reporting Issuer who is knowledgeable about the material change and this Report is:

Kaare G. Foy, Director
Telephone 604 608 1766
Fax 604 608 1744
email oceanic@telus.net

Item 9. Statement of Senior Officer

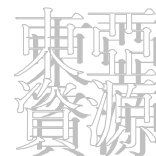
The foregoing accurately discloses the material change referred to herein.

DATED May 9, 2003

EARL RESOURCES LIMITED

“Kaare G. Foy”

Kaare G. Foy, Director



EARL RESOURCES LIMITED

2100-1177 West Hastings Street, Vancouver, B.C. V6E 2K3
Telephone (604) 608-1766 Fax (604) 608-1744

News Release

MAY 2, 2003

TRADING SYMBOL: TSX-V: ERL

The Company's press releases dated 11th September 2002 and 10th October 2002 advised that Earl Resources Limited (TSX-V: ERL) ("the Company") had entered into two arm's length asset purchase agreements dated 9th September, 2002 to acquire 100% of Cambodia's Magnum lottery license ("Magnum Agreement") from its Singaporean licensee, Mr Khoo Hang Peng ("Magnum Seller") and 100% of Cambodia's MGM lottery license ("MGM Agreement") from its Singaporean licensee, Mr Khoo Kim Leng ("MGM Seller") through a reverse takeover transaction.

The Company also announced that it had also entered into an Expenses Agreement with the MGM Seller, under the terms of which the MGM seller has agreed to pay the Company Canadian \$80,000, being fees and expenses that the Company is expected to incur in relation to these asset purchase transactions. Pursuant to this Expense Agreement, the Company announced that it had received the first installment of US\$8,000 and second installment of US\$22,000 to proceed with the filing process.

The Company advises that it also received the final payment of US\$23,300 from the Cambodia's MGM license holder Mr. Khoo Kim Leng under the terms of the Expense Agreement.

Wolverton Securities Ltd., subject to completion of satisfactory due diligence, has agreed to act as sponsor to the Company in connection with the transaction. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and disinterested shareholder approval. The transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the transaction, any information released or received with respect to the reverse takeover may not be accurate or complete and should not be relied upon. Trading in the securities of Earl Resources Limited should be considered as highly speculative.

For further information on Earl Resources Limited please call Kaare Foy at (604) 608-1766.

ON BEHALF OF THE BOARD

"Kaare G. Foy"

Kaare G. Foy, Director

**THE TSX VENTURE EXCHANGE HAS IN NO WAY PASSED UPON THE MERITS OF THE
PROPOSED TRANSACTION AND HAS NEITHER APPROVED NOR DISAPPROVED THE
CONTENTS OF THIS PRESS RELEASE**