EARL RESOURCES LIMITED

Management's Discussion and Analysis of Financial Condition and Results of Operations for the third quarter ended September 30, 2016

(Prepared by Management)

Date: November 2, 2016

General

The following Management's Discussion and Analysis ("MD&A") should be read in conjunction with Earl Resources Limited's (the "Company") unaudited condensed interim financial statements for the third quarter ending September 30, 2016 and audited financial statements for the year ended December 31, 2015, including the respective notes thereon. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") and include the operating results of the Company. The date of this Management Discussion and Analysis is November 2, 2016.

Additional information relating to the Company can be found on the SEDAR website at www.sedar.com

All dollar figures stated herein are expressed in Canadian dollars, unless otherwise specified.

Forward-Looking Statements

This MD&A may contain forward-looking information and is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ from those projected in the forward-looking statements. Readers can identify many of these statements by looking for words such as "believes", "expects", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof.

Forward-looking information is based on the opinions and estimates of management and its consultants at the date the information is given. It is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. The information is based on reasonable assumptions which include but are not limited to expectations with respect to new business opportunities and expectations regarding the ability to raise capital (see "Liquidity and Capital Resources" below).

Factors that could cause actual results to differ materially from those in forward-looking statements include competition, escalating costs and professional fees, stock market volatility, unanticipated operating events, liabilities inherent in industry and the lack of availability of necessary capital, which may not be available to the Company on terms acceptable to it or at all.

Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements. There can be no assurance that the plan, intentions or expectations upon which these forward looking statements are based will occur. Forward looking statements are subject to risks, uncertainties and assumptions. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements should not be in any way construed as guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements.

Readers are cautioned not to put undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

Overview

Earl Resources Limited (the "Company") is an inactive company with limited operations. Management is in the process of seeking business opportunities for the Company. The Company was incorporated under the British Columbia "*Companies Act*" as a Specialty Limited Company on November 21, 1963 under the name Aspen Grove Copper Mines Ltd. (N.P.L), changed its name to Aspen Grove Mines Ltd (N.P.L.) on July 7, 1965, converted to Aspen Grove Mines Ltd, a limited company on February 7, 1984, changed its name to Legion Resources Ltd on March 25, 1986, and on July 17, 1998 changed its name to Earl Resources Limited and continued to the Cayman Islands. The Company had options to explore and develop five mineral properties in the People's Republic of China but in 2001, due to its inability to secure the necessary funding with which to finance the projects, the Company elected not to exercise its options with respect to the properties. In September 2002, the Company entered into two asset purchase agreements to acquire two Cambodian lottery licenses through a Reverse Takeover Transaction ("RTO"), however the RTO was not completed by December 31, 2003 and the transaction was terminated per the terms of the asset purchase agreements. The Company has had no substantive operations since.

The Company was subject to a Cease Trade Order issued by the British Columbia Securities Commission ("BCSC") on June 2, 2004 and subject to a Cease Trade Order issued by the Alberta Securities Commission ("ASC") on June 30, 2004 for failure to file financial statements (collectively, the "Orders"). The Order's were revoked by both the BCSC and ASC on August 13, 2010.

The Company has its common shares listed on the NEX Board of the TSX Venture Exchange (the "Exchange"). Arising from the issuance of the Orders, the Exchange suspended trading in the Company's common shares. With the revocation of the Orders on August 13, 2010, the Exchange reinstated the trading of the Company's common shares on the NEX Board effective September 16, 2010.

Management is also in the process of seeking business opportunities for the Company. The Company's ability to continue as a going concern is dependent upon its ability to identify new business opportunities, generate future profitable operations, obtaining the necessary financing to meet its obligations, receive the continued financial support from its officers and directors and repay any liabilities arising from normal business operations as they come due.

There can be no assurance that a viable business opportunity that can be adequately financed will be identified and available to the Company. Additional equity and/or debt financing is subject to the global financial markets and prevailing economic conditions, which have recently been volatile and distressed. These factors will likely make it more challenging to obtain financing for the company going forward.

In the opinion of management, all adjustments consisting of normal recurring adjustments, considered necessary for a fair presentation of the Company's financial position, results of operations and cash flows, have been included.

Selected Annual Information and Results of Operations

As at December 31,	2015 $	2014 $	2013 $
Total assets	22,796	18,936	20,711
Deficit	(1,730,924)	(1,633,905)	(1,544,006)
Working Capital (deficiency)	(1,136,844)	(1,039,825)	(949,926)
Net income (loss)	(97,019)	(89,899)	(84,172)
Per share – (basic and diluted)	(0.01)	(0.01)	(0.01)

Total assets were $9,695 at September 30, 2016 (December 31, 2015 - $22,796).

For the three and nine months ended September 30, 2016, the Company recorded a net loss of $18,678 and $60,662 and $0.003 and $0.009 per share (September 30, 2015 - net loss $22,493 and $77,782 and $0.003 and $0.011 per share), respectively. The significant decrease in net loss is primarily due to foreign exchange fluctuations.

General and administrative expenses for the three and nine months ended September 30, 2016 were $18,678 and $60,662 (September 30, 2015 - $22,493 and $77,782). The Company's expenses are comprised mainly of management, accounting, filing and transfer agent fees. While the Company remains inactive, filing fees continue to incur for the Company's quarterly listing fees and the annual maintenance fees. Expenses have remained relatively low as a result of minimal corporate and operational activity.

Summary of Quarterly Results

The following table sets forth selected (unaudited) quarterly financial information for each of the last eight most recently completed quarters.

	For the three months ending			
	Sep 30/16 $	Jun 30/16 $	Mar 31/16 $	Dec 31/15 $
Total Assets	9,695	14,577	27,477	22,796
Deficit	(1,791,586)	(1,772,908)	(1,746,873)	(1,730,924)
Working Capital (deficiency)	(1,197,506)	(1,178,828)	(1,152,793)	(1,136,844)
Net income (loss)	(18,678)	(26,035)	(15,949)	(19,237)
Per share – (basic and diluted)	(0.003)	(0.004)	(0.002)	(0.003)

	For the three months ending			
	Sep 30/15 $	Jun 30/15 $	Mar 31/15 $	Dec 31/14 $
Total Assets	12,659	15,323	23,286	18,937
Deficit	(1,711,687)	(1,689,194)	(1,669,677)	(1,633,905)
Working Capital (deficiency)	(1,117,607)	(1,095,114)	(1,075,597)	(1,039,825)
Net income (loss)	(22,493)	(19,517)	(35,772)	(19,406)
Per share – (basic and diluted)	(0.003)	(0.003)	(0.005)	(0.003)

The decrease in expenses during the three months ended September 30, 2016 was primarily due to the foreign exchange fluctuations.

General and administrative expenses for the three months ended September 30, 2016 were $18,678 (2015 - $22,493). The Company's expenses are comprised mainly of management, accounting, filing and transfer agent fees. While the Company remains inactive, filing fees continue to incur for the Company's quarterly listing fees and the annual maintenance fees. Expenses have remained relatively low as a result of minimal corporate and operational activity. Some amounts due to the directors of the Company are denominated in United States Dollars and the fluctuation in net loss between the periods is partly due to fluctuations in the Canadian Dollar against United States Dollar foreign exchange rates.

Significant Accounting Judgments, Estimates and Assumptions

The preparation of these condensed interim financial statements in conformity of IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Share Capital

(a) Authorized: 100,000,000 common shares without par value.

(b) Issued and Outstanding:

	No. of Shares	Amount
Balance, September 30, 2016 and December 31, 2015	6,925,823	$ 532,580

(c) Stock Options

The Company has a Stock Option Plan (the "Plan") which was approved by shareholders on November 10, 2010 and accepted for filing by the Exchange that allows it to grant options, subject to regulatory terms and approval, to its officers, directors, employees, and service providers. The Plan is based on the maximum number of eligible shares equaling a rolling percentage of up to 10% of the Company's outstanding common shares, calculated from time to time.

Pursuant to the Plan, if outstanding options are exercised, or expire, and/or the number of issued and outstanding common shares of the Company increases, then the options available to grant under the plan increase proportionately. The exercise price of each option is set by the Board of Directors at the time of grant but cannot be less than the Discounted Market Price, as calculated pursuant to the policies of the Exchange, or such other minimum price as may be required by the Exchange.

Options can have a maximum term of ten (10) years and typically terminate 90 days following the termination of the optionee's employment or engagement, except in the case of retirement or death. Vesting of options is at the discretion of the Board of Directors at the time the options are granted.

The following stock options are outstanding as at September 30, 2016:

	Number of Options	Exercise Price	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
Dec 17, 2020	690,000	0.10	4.21 years	0.10

Contractual Obligations

The Company has no outstanding contractual obligations.

Related Party Transactions

The following directors and/or senior officers transacted with the Company in the reporting period. The terms and conditions of the transactions with key management personnel and their related parties were no more favorable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel were as follows:

	Three months ended September 30,		Nine months ended September 30,	
Transactions	**2016**	**2015**	**2016**	**2015**
Vincent Theng Gek Cheng - Management Fees [a]	$ 7,500	$ 7,500	$ 22,500	$ 22,500
Yi-Lin Wong – Accounting Fees [b]	4,500	4,500	13,500	13,500
Total	$ 12,000	$ 12,000	$ 36,000	$ 36,000

(a) Vincent Theng Gek Cheng, the CEO and CFO of the Company provided management services throughout the period.
(b) Yi-Lin Wong, a director of the Company provided accounting services throughout the period.

Related party loans repayable	September 30, 2016	December 31, 2015
Vincent Theng Gek Cheng	$ 711,761	$ 679,661
Yi-Lin Wong	350,300	334,839
Total	$ 1,062,061	$ 1,014,500

The amounts payable to directors of the Company represent non-interest bearing loans the Company borrowed from the directors. The loans are uncollateralized and are repayable on demand.

Liquidity and Capital Resources

The Company has been financing its operations primarily from advances from the Company's directors and related parties and its ability to continue as a going concern and meet its working capital deficiency is dependent on obtaining additional financing. Based on the Company's existing working capital deficiency of $1,197,506 at September 30, 2016, the Company does not have sufficient capital to meet its ongoing corporate obligations and initiate any business acquisition programs going forward. While the Company's cash consumption from operations is relatively low given the lack of operations, without the continued support of its directors and related parties, the Company will not have sufficient cash to pursue and fund future operations, including the operational and administrative expenses that will result. In the short term, the Company intends to raise additional funds through debt or equity financing as well as advances from the Company's directors and related parties to meet its working capital and expenditure requirements. The Company expects to continue to utilize these modes of financing until it develops cash flow from its future operations. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company and its shareholders.

Future IFRS Standards and Interpretations Issued But Not Yet Effective

The Company has not yet applied the following new standards, interpretations or amendments to standards that have been issued but are not yet effective. Unless otherwise stated, the Company does not plan to early adopt any of these new or amended standards and interpretations.

IFRS 9 Financial instruments

IFRS 9 was issued in November 2009 and subsequently amended as part of an ongoing project to replace IAS 39 Financial instruments: Recognition and measurement. The standard requires the classification of financial assets into two measurement categories based on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. The two categories are those measured at fair value and those measured at amortized cost. The classification and measurement of financial liabilities is primarily unchanged from IAS 39. However, for financial liabilities measured at fair value, changes in the fair value attributable to changes in an entity's "own credit risk" is now recognized in other comprehensive income instead of in profit or loss. This new standard will also impact disclosures provided under IFRS 7 Financial instruments: disclosures.

In July 2014, the International Accounting Standards Board (IASB) issued the final version of IFRS 9 (2014) as a complete standard including the requirements previously issued and the additional amendments to introduce a new expected loss impairment model and limited changes to the classification and measurement requirements for financial assets.

IFRS (2014) is effective for reporting periods beginning on or after January 1, 2018 with early adoption permitted (subject to local endorsement requirements). The Company is in the process of evaluating the effect of the proposed standards, if any.

Off-Balance Sheet Arrangements

The Company has not entered into any off balance sheet arrangements, other than previously disclosed, that have, or are reasonably likely to have, an impact on the current or future results of operations or the financial condition of our Company.

Subsequent Events

No significant events or transactions have occurred during the time from the date of the financial statements up to the date of this report.

Risks and Uncertainties

Other than the working capital deficiency and the going concern risk, the Company's current activities do not present any other material risks such as political, environmental, foreign exchange or mining activities.

Outstanding Share Data

The Company has one class of common shares. As at September 30, 2016 and November 2, 2016, there were 6,925,823 common shares outstanding.

The Company has a stock option plan. As at November 2, 2016, there were 690,000 stock options outstanding.

The Company has no warrants outstanding as at November 2, 2016.