

**EARL RESOURCES LIMITED PROVIDES INFORMATION REGARDING CHANGE OF BUSINESS
TRANSACTION, CONCURRENT PRIVATE PLACEMENT FINANCING
DIRECTOR APPOINTMENT AND OPTION ISSUANCE**

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VANCOUVER, BRITISH COLUMBIA – November 26, 2021 –Earl Resources Limited (“**Earl Resources**”) (TSXV: ERL.H), further to its press release dated March 17, 2021, announces that, effective November 24, 2021, it has terminated its previously announced agreement with Kepis & Pobe Financial Group Inc., to acquire an assignment of certain property rights in Northwest Arizona, which was intended to constitute Earl Resources’ proposed “Change of Business” as such term is defined in TSX Venture Exchange (“**TSXV**”) Policy 5.2 (“**Policy 5.2**”).

Earl Resources is pleased to announce that it has instead entered into: (i) a letter of intent with Pomeroon Trading (Holdings) Ltd. (“**PTHL**”) and certain shareholders (that together hold the majority of the issued shares) dated November 25, 2021 to acquire a minimum 60% interest in PTHL (the “**Guyana Transaction**”); (ii) a letter of intent with Rewilding Maforki Ltd. (“**RML**”) and its sole shareholder Aristeus Projects Limited (“**APL**”) dated November 25, 2021, to acquire the assignment of a minimum 51% of RML’s rights and interests to develop and market carbon credits with respect to certain areas in Sierra Leone (the “**Sierra Leone Transaction**”); and (iii) a definitive assignment agreement with Compania Mexicana de Captacion de Carbono (“**CMCC**”) dated November 25, 2021 to acquire an assignment of all of CMCC’s rights and interests to develop and market carbon credits with respect to certain areas in the State of Yucatan in Mexico, conditional upon approval of the Government of the State of Yucatan, Mexico, and the TSXV (the “**Yucatan Transaction**”, and together with the Guyana Transaction and the Sierra Leone Transaction, the “**Proposed Transactions**”). It is intended that the Proposed Transactions will constitute Earl Resources’ “reactivation” under the policies of the TSXV and that upon completion of the Proposed Transactions (“**Closing**”) and satisfaction of all conditions of the TSXV, Earl Resources will have its listing transferred from the NEX board of the TSXV (“**NEX**”) to the TSXV.

Proposed Change of Business/Reactivation Transactions

Information regarding Earl Resources

Earl Resources was incorporated under the *British Columbia Companies Act* as a specialty limited company on November 21, 1963. In July 1998, Earl Resources continued its jurisdiction into the Cayman Islands and in February 2019 Earl Resources continued its jurisdiction back into British Columbia. Earl Resources is currently inactive with limited operations and the common shares of Earl Resources (“**Common Shares**”) are currently listed on the NEX.

Following the Closing, Earl Resources expects to address the rapidly growing demand for carbon credits in global voluntary and regulated markets by investing in the exploration, development and management of terrestrial and marine systems that can either be protected to enhance sequestration of greenhouse gases or restored from a degraded status to fully productive ecosystems. Earl Resources anticipates that it will significantly expand the production of carbon credits drawing on a senior executive team and board that bring experience in key target markets from the mining and natural resources sectors. Earl Resources plans to deploy capital at risk under various arrangements (including cooperation, assignment and production sharing agreements) with large land owners in various suitable jurisdictions around the world.

Information regarding Guyana Transaction

On November 25, 2021, Earl Resources entered into a letter of intent with PTHL and certain shareholders (that together hold the majority of the issued shares) (the “**Guyana LOI**”) to purchase a minimum of 887,703 shares of PTHL (“**PTHL Shares**”) from such shareholders for an inferred price of US\$3,550,812, on the basis that such PTHL Shares are valued at US\$4.00 per share. The consideration for the foregoing PTHL Shares is expected to be settled by the issuance of 9,917,575 Common Shares issuable at a deemed value of \$0.45 per share. In addition, Earl Resources has agreed pursuant to the Guyana LOI to concurrently subscribe for an additional 187,000 shares of PTHL for cash, at an implied price per share of US\$4.00 or consideration in the amount of US\$748,000, which, with the aforementioned purchase of PTHL Shares, will result in Earl Resources holding a 60% ownership interest in PTHL. The Guyana LOI also provides that the PTHL shareholders that are party to the Guyana LOI may also convert certain existing loans they have made to PTHL for up to 149,797 additional PTHL Shares that would in turn be acquired by Earl Resources at the Closing at a implied price of US \$4.00 per share, to be satisfied by the issuance of up to 599,188 Common Shares at a deemed value of \$0.45 per shares, resulting in Earl Resources holding a 70% ownership interest in PTHL (on a fully-diluted basis).

PTHL is a company that was incorporated under the laws of the Cayman Islands on January 19, 2018. PTHL currently carries on the business of sustainable agriculture, including the rehabilitation of coconut estates. Guyana established the model for large scale carbon projects through a US\$250M agreement with the Government of Norway in 2009 and is a key jurisdiction for future project generation. PTHL will provide an operating base in the country to expand private investment into further carbon credit projects associated with land restoration and conservation and will also provide Earl Resources with a base for developing jurisdictional carbon credit projects in Latin America. PTHL has invested approximately US\$2.3 million to date of capital into three significant agriculture projects comprising approximately 1,600 acres. PTHL anticipates that the growth and maturity of these sites will make significant contributions to revenue in 2021 and 2022. In addition, PTHL is in discussions with certain private stakeholders and the Government of Guyana regarding a material expansion of these project operations (comprising a minimum of 20,000 acres) upon which PTHL would also create carbon-offsetting opportunities. PTHL has completed a detailed feasibility study for a processing facility powered with a pyrolysis plant generating biochar and carbon credits.

As a leading global carbon credit jurisdiction, PTHL’s investment to date provides the operational base for significant exploration and development of very large scale forest carbon credit projects in the country and within the region.

Summary Financial Information of PTHL (in US Dollars)

	Year ended December 31, 2020 (audited)	Year ended December 31, 2019 (audited)
Revenues	\$104,314	\$84,836
Net loss after tax	(205,927)	(471,741)
Total assets	2,700,061	2,676,018
Total liabilities	3,662,265	3,432,295

The Guyana Transaction is expected to constitute an “Arm’s Length Transaction” pursuant to the policies of the TSXV and no new “Control Person” (as defined in TSXV policies) will be created upon completion of the Guyana Transaction.

Information regarding Sierra Leone Transaction

On November 25, 2021, Earl Resources entered into a letter of intent with RML and its sole shareholder APL (the “**Sierra Leone LOI**”), to acquire a minimum 51% of RML’s rights and interests to develop and market carbon credits (“**RML Carbon Credits**”) with respect to certain areas in Sierra Leone for aggregate consideration consisting of 7,500,000 Common Shares issuable at a deemed value of \$0.45 per share for consideration in the amount of \$3,375,000. Pursuant to the Sierra Leone LOI, Earl Resources has also agreed to invest a minimum of US\$750,000 in RML in order to fund the rewilding and reforestation of its projects in the Maforki Chiefdom and has been granted a pre-emptive right with regard to: (i) any other assignment or disposal by RML of its rights in and to carbon credits that have not been previously assigned to Earl Resources; and (ii) any proposed disposal of any shares in RML by APL. RML holds 25,000 ha of land designated for re-wilding. The sites are certain pieces of land situated within the Malal, Rokon, Gbonkohyeni and Maforay communities of the Maforki Chiefdom. The land is cleared and was previously used for mixed use agriculture and ideally located for high impact, high credit value planting. The initial planting phase of 5,000 ha of planting is underway as is nursery establishment with the species and planting plan all confirmed.

The Sierra Leone Transaction is expected to constitute an “Arm’s Length Transaction” pursuant to the policies of the TSXV and no new “Control Person” (as defined in TSXV policies) will be created upon completion of the Sierra Leone Transaction.

Information regarding Yucatan Transaction

On November 25, 2021, Earl Resources entered into an assignment agreement with CMCC (the “**Yucatan COB Agreement**”) to acquire all of CMCC’s rights and interests under a consulting services agreement dated May 11, 2021 with the Government of the State of Yucatan, Mexico (the “**Yucatan Contract**”), to develop and market carbon credits with respect to certain areas in the State of Yucatan in Mexico for aggregate consideration of \$50,000, of which \$25,000 was paid as a non-refundable deposit upon execution of the Yucatan COB Agreement and \$25,000 will be paid at Closing. The assignment of the Yucatan Contract to Earl Resources is conditional upon approval of the Government of the State of Yucatan, Mexico, and the TSXV. Pursuant to the

Yucatan Contract, CMCC has the right to 5% of the net value of the carbon credits successfully sold (or the equivalent to the final transaction price) resulting from the determination, development, execution, structuring, marketing, and selling of such as provided in the Yucatan Contract (the “**Original Commission**”). James Tansey, a holder of 33% of the shares of CMCC and the proposed Chief Executive Officer and a director of Earl Resources upon Closing (as detailed below) has concurrently entered into an agreement with CMCC and Earl Resources (the “**Commission Agreement**”) whereby the parties have agreed that 33% of the Original Commission shall assigned and payable to Earl Resources on a go-forward basis, in consideration for the issuance to Mr. Tansey of 7,250,000 Common Shares issuable at a deemed value of \$0.45 per share for consideration in the amount of \$3,262,500.

The Yucatan Contract provides an exclusive right to develop carbon credit projects within specified areas in the Yucatan. Pre-feasibility work completed to date indicates there is up to 50,000 ha of degraded mangrove that can be restored to their full carbon sequestration potential of 10-15 tons/ha per annum. Initial feasibility work was completed by Silvestrum Climate Associates, the leading global forest and blue carbon consulting team in October, 2021, and they will lead the completion of the required baseline data and documentation required for carbon credit validation on certain agreed projects. Restoration in these projects will require significant up-front investment by Earl Resources, but thereafter once the restoration is complete revenues will be generated from the sale of voluntary market carbon credits under a Production Sharing Agreement with the relevant government and non-governmental partners associated with the project sites.

The Yucatan Transaction is expected to constitute an “Arm’s Length Transaction” pursuant to the policies of the TSXV and no new “Control Person” (as defined in TSXV policies) will be created upon completion of the Yucatan Transaction.

Concurrent Financing

In connection with the Proposed Transactions, Earl Resources intends to complete a non-brokered private placement to be completed in conjunction with, or prior to the Closing (the “**Concurrent Financing**”). It is anticipated, subject to the policies of the TSXV, that the Concurrent Financing will consist of an offering of subscription receipts (“**Subscription Receipts**”) at a price of \$0.45 per Subscription Receipt for minimum gross proceeds of \$6,100,000. Each Subscription Receipt will be automatically exchanged immediately prior to the completion of the Proposed Transactions (without any further action by the holder of such Subscription Receipt and for no further payment) for one Common Share upon satisfaction of certain escrow release conditions (the “**Escrow Release Conditions**”). The proceeds from the Concurrent Financing will be used to fund the Proposed Transactions, develop the Business (as defined below), and for working capital and general corporate purposes.

Change of Business

Upon Closing of the Proposed Transactions and completion of the Concurrent Financing, it is anticipated that Earl Resources will carry on the business of developing validated and verified carbon credits from afforestation and reforestation of degraded land areas for sale into international voluntary carbon markets (the “**Business**”) and will meet the Tier 2 Initial Listing Requirements for an Industrial Issuer, such that Earl Resources will be graduated from the NEX to the TSXV. In connection with the Closing, it is anticipated that Earl Resources will change its name to “Carbon X Resources Inc.”, or such other name as the directors of Earl Resources may chose (subject to applicable regulatory approvals and approval of the TSXV), in order to more accurately reflect its operations and the Business.

Pursuant to Section 4.1 of Policy 5.2, Earl Resources will not be obtaining shareholder approval of the Proposed Transactions as: (i) the transactions are not a “Related Party Transaction” and do not involve any Non-Arm’s Length Parties (as such terms are defined in the policies of the TSXV); (ii) Earl Resources is without active operations and is currently listed on the NEX; and (iii) Earl Resources is not subject to, and, to the best of its knowledge will not be subject to, a cease trade order on completion of the Proposed Transactions.

Completion of the Proposed Transactions is subject to a number of conditions, including but not limited to, closing conditions customary to transactions of the nature of the Proposed Transactions, approvals of all regulatory bodies having jurisdiction in connection with the Proposed Transactions and approval of the TSXV.

Director Appointment and Resignation

Earl Resources is pleased to announce that Ford Nicholson and Paul Matysek have each been appointed as independent directors. Based on each of Mr. Nicholson’s and Mr. Matysek’s extensive experience with public companies (as summarized below), Earl Resources is confident that the newly appointed board members will be valued contributors to the Business and Closing of the Proposed Transactions. In connection with these appointments, Earl Resources announces that Paul Larkin has resigned from his positions as President, Chief Executive Officer and director, and the board of directors has accepted his resignation. Chris

Colborne, a director of Earl Resources, has been appointed as interim Chief Executive Officer in connection with Mr. Larkin's resignation. Earl Resources thanks Mr. Larkin for his valuable contributions and wishes him success in his future endeavors.

Updates to Directors and Management of Result Issuer

It is currently contemplated that on completion of the Proposed Transactions and the receipt of the requisite approvals from the applicable regulatory authorities, including approval of the TSXV, that, Mischa Zajtmann will resign from the board of directors of Earl Resources and that James Tansey will join the board of directors, in addition to Chris Colborne, Paul Matysek and Ford Nicholson, who are existing directors. Earl Resources expects to hold a shareholder meeting in due course in order to approve the new board of directors upon completion of the Proposed Transactions. The following is a brief description of the background and experience of the proposed directors of Earl Resources upon Closing:

James Tansey – Chief Executive Officer and Director

Mr. Tansey is an experienced carbon markets executive who advised on the creation of the BC carbon market and the Great Bear Rainforest Carbon. He was also involved with the planning of the 2010 Vancouver Winter Olympics which were the first to be carbon neutral. As former CEO of NatureBank, he created one of the first and largest voluntary market carbon developers in North America producing more than 50M tonnes. More recently, he has created jurisdictional carbon development agreements in countries like Mexico.

Paul Matysek – Director and Co-Chairman

Serial entrepreneur, geochemist and geologist with over 40 years of experience in the mining industry. Since 2004 as CEO and Chairman, Mr. Matysek has primarily focused on the exploration, development and sale of five publicly listed companies, in aggregate worth over \$2bn.

Chris Colborne – Chief Financial Officer, Corporate Secretary and Director

Mr. Colborne has 13 years professional experience providing consulting and executive management services in the energy industry. Mr. Colborne is an executive director of both Cutter Resources Ltd. and Southwest Partners. Mr. Colborne began his professional career at PricewaterhouseCoopers LLP (PwC), focused on North American energy and infrastructure clients. Prior to joining PwC, Mr. Colborne worked in energy services in the area of new facility construction. Mr. Colborne is a Chartered Accountant and is a graduate of the University of Lethbridge.

Ford Nicholson – Director and Co-Chairman

Mr. Nicholson is a Managing Partner and founder of Kepis & Pobe Financial Group. Over the past 25 years Ford has invested in and provided executive management to multiple international projects. He currently serves as the Chair of the board of EverGen Infrastructure Corp and Satisfai Health.

Mr. Nicholson is the former deputy chairman of the board of InterOil Corporation, a fully integrated company developing LNG for Asian markets formerly listed on the NYSE before its sale to ExxonMobil. He was a co-founder and Director of Nations Energy Ltd. in Kazakhstan and a co-founder and former board member of Bankers Petroleum Ltd. in Albania. Ford is also a former member of the President's council of the International Crisis Group.

Incentive Stock Options

On November 26, 2021, Earl Resources granted 3,849,040 incentive stock options (“Options”) to certain directors, officers and consultants, with an Option exercise price of \$0.445 per Common Share and with an expiry date of five years from the date of grant, being November 26, 2026.

Sponsorship

Sponsorship of the Proposed Transactions is required by the TSXV unless an exemption from this requirement can be obtained in accordance with the policies of the TSXV. Earl Resources intends to apply for an exemption to the sponsorship requirement. There is no assurance that an exemption from this requirement will be obtained.

Trading Halt

In accordance with Policy 5.2, the Common Shares of Earl Resources are currently halted from trading and are expected to remain halted pending the requirements of Section 2.5 of Policy 5.2 being met.

Additional Information

For further information:

Earl Resources Limited

Christopher Colborne
Suite 390, 1050 Homer Street
Vancouver, British Columbia V6B 2W9
Phone: 1-778-373-3736

Reader Advisory

Completion of the Proposed Transactions is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable, disinterested shareholder approval. Where applicable, the Proposed Transactions cannot close until the required shareholder approval is obtained. There can be no assurance that the Proposed Transactions will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Earl Resources should be considered highly speculative. The TSXV has in no way passed upon the merits of the Proposed Transactions and has neither approved nor disapproved the contents of this news release.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. Any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “anticipate”, “will”, “estimates”, “believes”, “intends” “expects” and similar expressions which are intended to identify forward-looking information or statements. More particularly and without limitation, this press release contains forward looking statements and information concerning: the Proposed Transactions; the proposed structure by which the Proposed Transactions are to be completed; the approval of the assignment of the Yucatan Contract by the applicable governmental authorities; the Concurrent Financing; the Escrow Release Conditions; the proposed change of name of Earl Resources; that the Proposed Transactions will constitute the “reactivation” of Earl Resources under the policies of the TSXV; and the officers and directors upon completion of the Proposed Transactions. Earl Resources cautions that all forward-looking statements are inherently uncertain, and that actual performance may be affected by a number of material factors, assumptions and expectations, many of which are beyond the control of Earl Resources, including expectations and assumptions concerning Earl Resources, the Proposed Transactions, the timely receipt of all required TSXV and regulatory approvals and exemptions (as applicable) and the satisfaction of other closing conditions in accordance with the terms of the Sierra Leone LOI, the Yucatan COB Agreement, the Guyana LOI and the Commission Agreement. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of Earl Resources. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

The forward-looking statements contained in this press release are made as of the date of this press release, and Earl Resources does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by securities law.

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