INLET RESOURCES LTD.

INL-V

MANAGEMENT DISCUSSION & ANALYSIS

For the quarter ended September 30, 2011

Directors and Officers as at November 29, 2011:

Directors:	David Baker Earl Terris Martin Auyeung
Officers:	President – David Baker CFO – Vivian Gu
Contact Name:	David Baker
TSX Venture Exchange Symbol:	INL

Suite 1550, 200 Burrard Street • Vancouver, British Columbia V6C 3L6 • Tel: (604) 605-0777 • Fax: (604) 683-8087
Email: info@inlet-resources.com www.inlet-resources.com

Form 51-102-F1

INLET RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS

For the Quarter Ended September 30, 2011

1.1 Date of This Report

November 29, 2011.

1.2 Overall Performance

Description of Business

Inlet Resources Ltd. (the "Company") is a publicly listed company that trades on the TSX Venture Exchange as a junior resource company with a focus on acquiring mineral projects that will provide the opportunity to enhance shareholder value.

The Company is incorporated in British Columbia, Canada. The Company's registered and records office in British Columbia is Suite 1550, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6.

During the year ended December 31, 2006, the Company consolidated its share capital on a 30 old for 1 new basis. The name of the Company was unchanged.

Effective at the opening January 11, 2006, shares of the Company commenced trading on TSX Venture Exchange under the new trading symbol "INL". The Company is now classified as a "Resource" company.

1.3 Selected Annual Information

The highlights of financial data for the Company for the three most recently completed financial years are as follows:

	December 31, 2010	December 31, 2009	December 31, 2008
(a) Net sales	-	-	-
(b) Loss before extraordinary items			
(i) Total loss	$285,679	$149,194	$359,883
(ii) Loss per share - basic	$0.02	$0.02	$0.03
(iii) Loss per share - diluted	$0.02	$0.02	$0.03
(c) Net loss			
(i) Total loss	$285,679	$149,194	$359,883
(ii) Loss per share - basic	$0.02	$0.02	$0.03
(iii) Loss per share - diluted	$0.02	$0.02	$0.03
(d) Total assets	$2,134,089	$2,714,163	$1,789,902
(e) Total long-term liabilities	N/A	N/A	N/A
(f) Cash dividends declared per-share	N/A	N/A	N/A

1.4 Results of Operations

Discussion of Acquisitions, Operations and Financial Condition

The following should be read in conjunction with the financial statements of the Company and notes attached hereto.

Mineral Properties

Broken Hill-Leo property

On September 26, 2006, the Company entered into an option agreement with Timer Explorations Inc. ("Timer", name changed to Potash North Resource Corp.), a company related by common directors, to acquire a 50% interest in the Broken Hill-Leo property, located approximately 150 kilometers north-north east of Kamloops, British Columbia.

The property comprises 133 claims (3,325 hectares) located near the village of Avola, and covers a 9-kilometer strike extent of carbonate stratigraphy with numerous zinc-lead-silver showings and occurrences. In June 2005 Timer conducted a 5-hole drill program to test two of several occurrences (the Vista and Paulter showings), which resulted in narrow intercepts of zinc mineralization being drilled, including 5.88% zinc over a drill width of 0.83m. The claims are located approximately 15 kilometers west of the Ruddock Creek property where Selkirk Metals Corp. (TSX-V: SLK) recently announced a drill hole intercept of 15.79% zinc and 3.33% lead over 14.05 meters.

Under the terms of the Option Agreement, the Company must complete an initial $50,000 work program prior to December 31, 2006 and a further $150,000 work program by August 31, 2007 to earn the 50% interest in the clams. The report on the initial program has been received, covering the results of mapping, soil/rock sampling, trenching and ground geophysics to further explore the known showings and define new target areas for drilling.

On April 23, 2008, Timer signed an Amended Option that requires Timer to complete a $125,000 work program on the property by November 2, 2008 in order to keep the option in good standing and to make advance royalty payments of $5,000 each subsequent year to the optionor until $100,000 has been paid.

On April 23, 2008, the Company, through a board resolution, extended the option agreement with Timer pursuant to the Amended Option. Under the extended option agreement, the Company may earn a 50% interest in Broken Hill-Leo property by sharing 50% of the $125,000 required work program expenditures (incurred as of December 31, 2008) and funding 50% of the advance royalty payments of $5,000 each subsequent year to the optionor until a total $100,000 ($10,000 paid) has been paid.

In December 2009, Timer sold their 50% interest to Monster Uranium Corp. ("Monster"). Monster will assume the responsibilities of Timer.

During the year ended December 31, 2010, the Company received a tax credit relating to the exploration expenses incurred in British Columbia in the amount of $18,776.

Exploration and developments updates

A $125,000 exploration program started in late September 2008 which encompasses line cutting, prospecting, rock and soil sampling, trenching in the area of the Navan and Mike showings and 2000 metres of diamond drilling and core sampling in order to better establish the extent of the mineral showings and to define the economic potential of the property. Necessary work permits were received from the BC Government.

The drilling program was completed on Oct 10, 2008, with seven holes completed. The initial focus of the drilling was on the Mike and Denis showings to test for economic concentrations in bedrock of zinc, lead and silver mineralization and to followup on soil geochemistry anomalies and prospecting finds. Also targeted was stratigraphy between and on the Navan and Paulter showings which are a kilometre apart. Drilling targeted the Paulter showing where 5.88% zinc was reported from previous drilling in the area.

All "significant" mineralized intersections have been sampled and the samples with blanks and standards went to Ecotech Analytical laboratories in Kamloops for ICP analyses and if warranted zinc assay and gold analyses. All disturbed areas have been reclaimed.

After reviewing the results and recommendations from the 2008 program, management will be considering appropriate follow-up measures for the property. The drilling results were generally disappointing although there were minor intersections of zinc and copper sulphides which may warrant further evaluation. Trenching failed to reach bedrock or encounter additional mineralized boulders. A phased program of geophysics and geology followed by drilling has been recommended to identify possible targets in new areas of the property and this will be considered by management.

During the nine months ended September 30, 2011, the Company has initiated the 2011 work program on the Broken Hill-Leo property and $50,000 deposit and expenses has been paid as at September 30, 2011.

Discussion of Operations and Financial Condition

Results of Operations

The loss for the nine months ended September 30, 2011 was $142,585 as compared with a loss of $205,531 for the nine months ended September 30, 2011.

During the nine months ended September 30, 2011, the Company recorded $21,725 deferred income tax recovery (2010 - $40,800 deferred income tax expenses). The Company also recorded $152,075 unrealized gain during the current period (2010 - $285,600 unrealized loss) in value of short term investment as other comprehensive income, which is not included in the net loss.

The details of the general and administrative expenses are as follows:

	30-Sept-11	30-Sept-10	Increase/ (Decrease)
Amortization	$ 565	$ 1,860	$ (1,295)
Consulting & administration	49,500	49,500	-
Management fees	45,000	45,000	-
Professional fees	21,634	16,274	5,360
Rent, telephone, office expenses	32,659	35,361	(2,702)
Shareholders' communication	2,329	2,305	24
Transfer agent & regulatory filing fees	12,623	10,936	1,687
Total General & administrative	$ 164,310	$ 161,236	$ 3,074

Consulting fees for the current period include services related to corporate and administration, shareholder communications, and computer and website. Shareholder communication fees consist of the fees paid to the Company spokespersons that handle all shareholder calls, maintain the company mailing list, and handle all company mail-outs. The Company also retains a consultant for maintenance of the Company's website. Filing and transfer agent fees include fees paid to the TSX Venture Exchange and the B.C. and Ontario Securities Commissions, SEDAR filings, and fees paid to Computershare Trust Company of Canada and the Minister of Finance.

Investor Relations Activities

The Company currently has no formal arrangements with respect to investor relations. During the year, the Company responded to investor inquiries and conducted shareholder and investor mailouts. The Company has assigned spokespersons responsible for responding directly to all investor inquiries and for conducting shareholder and investor mailouts. (See above for costs related to shareholder communications).

1.5 Summary of Quarterly Results

The following is a summary of the Company's financial results for the eight most recently completed quarters:

	Q3 30-Sept-11	Q2 30-Jun-11	Q1 31-Mar-11	Q4 31-Dec-10
Net loss	($15,411)	($67,067)	($60,107)	($80,148)
Per Share	(0.00)	(0.01)	(0.00)	(0.00)
	Q3 30-Sept-10	Q2 30-Jun-10	Q1 31-Mar-10	Q4 31-Dec-09
Net income (loss)	($59,662)	($82,561)	($63,308)	$15,414
Per Share	(0.00)	(0.01)	(0.00)	(0.00)

1.6 Liquidity

The Company has no revenue generating projects at this time. The Company's historical capital needs have been met by equity subscriptions. The Company will require additional financing to fund any property acquisitions as well as exploration programs on any properties it acquires. As at June 30, 2011, the Company's working capital was $1,875,929 (compared to $1,995,008 at December 31, 2010). The ability of the Company to successfully acquire and develop properties in the resource sector is conditional on its ability to secure financing when required. The Company proposes to meet any additional financing requirements through the exercise of outstanding stock options and warrants, or arranging other equity financing, and/or finalizing a joint venture agreement with a partner(s) who will be able to assume the costs of recommended exploration programs. In light of the continually changing financial markets, there is no assurance that funding by equity subscriptions or finding a joint venture partner will be possible at the times required or desired by the Company.

1.7 Capital Resources

The Company entered into an option agreement with Timer Explorations Inc. ("Timer") to acquire a 50% interest in the Broken Hill-Leo property, located approximately 150 kilometers north-north east of Kamloops, British Columbia., as detailed in Section 1.4 "*Results of Operations*."

1.8 Off Balance Sheet Arrangements

There are no off-balance sheet arrangements to which the Company is committed.

1.9 Transactions with Related Parties

All related party transactions and amounts owing are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

The Company retains the services of certain directors and officers. Management fees, consulting fees, and accounting fees are as follows:

	Nine months ended September 30 2011	2010
Management fees paid to the President	$ 45,000	$ 45,000
Consulting fees paid to a company controlled by the spouse of the President	18,000	18,000
Consulting fees paid to a director	11,250	11,250
Accounting fees paid to an officer	13,500	13,500
Total	$ 87,750	$ 87,750

At September 30, 2011, prepaid expenses include $543 (2010 - $543) paid to a company controlled by a director for future expenses.

1.10 Third Quarter – 2011

The third quarter results do not differ significantly from other quarters, except for the recognizing of $21,725 future income tax recovery in net loss as a result of the recording of unrealized gain on available-for-sale financial assets in other comprehensive loss. $152,075 unrealized gain arising on available-for-sale investments has been recorded as other comprehensive loss, which is not included in the net loss.

1.11 Proposed Transactions

None.

1.12 Critical Accounting Estimates

N/A

1.13 Changes in Accounting Policies

Effective January 1, 2011, the Company adopted IFRS with a transition date of January 1, 2010.

The guidance for the first time adoption of IFRS is set out in IFRS 1 "First-time Adoption of International Financial Reporting Standards". Under IFRS 1, the IFRS are applied retrospectively at the transition date with all adjustments to assets and liabilities as stated under GAAP taken to retained earning unless certain exemptions are applied. The Company has applied the following exemptions to its opening statement of financial position dated January 1, 2010.

a) Business Combinations

IFRS 1 indicates that a first-time adopter may elect not to apply IFRS 3 "Business Combinations" retrospectively to business combinations that occurred before the date of transition to IFRS. The Company has taken advantage of this election and will apply IFRS 3 to business combinations that occur on or after January 1, 2010. There is no adjustment required to the January 1, 2010 statement of financial position on the transition date.

b) Share-based Payments

IFRS 1 encourages, but does not require, first-time adopters to apply IFRS 2"Share-based Payment" to equity instruments that were granted on or before November 7, 2002, or equity instruments that were granted subsequent to November 7, 2002 and vested before the later of the date of transition to IFRS and January 1, 2005. The Company has elected not to apply IFRS 2 to awards that vested prior to January 1, 2010.

c) IAS 27 – Consolidated and Separate Financial Statements

In accordance with IFRS 1, if a company elects to apply IFRS 3 "Business Combinations" retrospectively, IAS 27 "Consolidated and Separate Financial Statements" must also be applied retrospectively. As the Company elected to apply IFRS 3 prospectively, the Company has also elected to apply IAS 27 prospectively.

d) Restoration, Rehabilitation and Environment Obligations

The Company has elected to apply the exemption from full retrospective application of decommissioning provisions allowed under IFRS 1. As a result, the Company has re-measured the provisions at January 1, 2010 under IAS 37 "Provision, Contingent Liabilities and Contingent Assets" and estimated the amount to be included in the cost of the related asset by discounting the liability to the date at which the liability first arose.

IFRS 1 also outlines specific guidelines that a first-time adopter must adhere to under certain circumstances. The Company has applied the following guidelines to its opening statement of financial position dated January 1, 2010:

Estimates - In accordance with IFRS 1, an entity's estimates under IFRS at the date of transition to IFRS must be consistent with estimates made for the same date under previous GAAP, unless there is objective evidence that those estimates were in error. The Company's IFRS estimates as of January 1, 2010 are consistent with its GAAP estimates for the same date.

The accounting policies in Note 3 of the Condensed Interim Financial Statements have been applied in preparing the interim financial statements for the nine months ended September 30, 2011, the comparative information for the nine months ended September 30, 2010, the statement of financial position as at December 31, 2010, and September 30, 2010, and the preparation of an opening IFRS statement of financial position on the transition date of January 1, 2010.

IFRS employs a conceptual framework similar to Canadian GAAP. However, significant differences exist in certain matters of recognition, measurement and disclosure. The adoption of IFRS had no significant impact on the financial statements of the Company.

1.14 Financial and Other Instruments

The carrying value of cash and cash equivalents and accounts payable approximate their fair values due to the short maturity of those instruments.

1.15 Other

Disclosure of Outstanding Share Capital (November 29, 2011)

	Number	Book Value
Common Shares	17,467,317	$16,131,250

Summary of incentive stock options:

Number of Shares	Expiry Date	Exercise Price Per Share
32,500	November 30, 2011	$0.24

Summary of warrants outstanding: None

Additional information

Additional in on relating to the company is on SEDAR at www.sedar.com.