

**TEARLACH RESOURCES LIMITED.**  
**MANAGEMENT'S DISCUSSION and ANALYSIS**  
**FOR THE YEARS ENDED SEPTEMBER 30, 2010 AND 2009**  
**January 31, 2011**

***Overall Performance***

The Company is currently engaged in the business of the acquisition, exploration and development of mineral and oil and gas properties, none of which are in commercial production. None of the Company's mineral properties have any reserves of ore identified thereon and all of the Company's activities to date have been exploratory in nature only.

During the year ended September 30, 2010 the Company was primarily engaged in exploration of its Foy Hess property and in resolving title and legal issues related to its oil and gas properties.

The key determinants of the Company's operating results are:

- (a) the state of capital markets, which affects the ability of the Company to finance its exploration activities;
- (b) the write-down and abandonment of mineral and oil & gas properties as exploration results provide further information relating to the underlying value of such properties; and
- (c) market prices for nickel, copper, platinum, palladium, and other precious metals and minerals.
- (d) market prices for oil and gas.

The Company has no earnings and therefore must finance its activities through financial support from related parties, joint ventures, the sale of common shares or other funding sources.

The Company is involved in legal actions which have adversely affected its ability to raise capital. The *Claim for Expenses* action is set for trial to commence January 31, 2011. The Company believes it will, in due course, be successful in obtaining a complete dismissal of the action and will also obtain judgement on its cross complaint. Upon successful resolution of the action the Company will proceed with realizing on the Kern Front property. This will assist the Company in meeting its obligations and providing capital for future development. Resolution of the legal actions will also enable the Company to raise capital on more favourable terms.

The Company has raised flow through funds to support its exploration work on its mineral properties and intends to raise additional flow through funding to support its 2011 work program. The Company is seeking joint venture partners to assist in the financing of continued exploration and development of its properties and may also consider an outright sale of its properties provided such can be completed on terms and conditions acceptable to the Company. The Company is endeavouring to acquire revenue projects that will provide cash flow. At such time as the Company acquires a revenue project it may seek a combination of debt and equity financing to fund operating requirements.

***Market Trends***

Market prices for nickel, platinum and palladium which decreased significantly as a result of the 2008 recession have continued to recover throughout the 2009 and 2010 year. Management expects nickel and platinum pricing to recover over the next three to five years, as a result of continued production shortfalls in these commodities against rising market consumption, particularly from China and India.

The Midway Sunset price for Bakersfield heavy crude oil was US\$83.95/bbl as of January 26, 2011. Heavy oil will always receive a lower price than light oil due to increased refining costs to process each barrel. Bakersfield heavy crude oil (API 14°) is sold on a local spot basis at a discount of approximately \$13/bbl to quoted light oil prices. Management expects crude oil prices to continue to increase through 2011.

***Foy Hess Property***

In October 2005 the Company completed the acquisition of 100% ownership of 23 mineral claims on the Foy and Hess Offset Dykes on the North Range of the Sudbury Basin region of Ontario. During the year ended September 30, 2008 the Company dropped 14 claims based on geological evaluation. In addition one claim in the Banana Lake area was dropped due to an administrative error. The claim was reacquired on January 23, 2009 for \$2,000 cash and 75,000 shares. One of these claims was re-staked in December 2008. The Company staked three additional claims in June 2009 bringing total claims to 11. The retained claims remain subject to a 2% NSR and annual advance royalty payments.

During the year ended September 30, 2008, no exploration work was carried out on the Company's Foy Hess Property. The Company decided to forego work on the property until it was determined whether assessment work allocations would be

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accepted by the Ontario Ministry of Northern Development and Lands and until title issues, specifically in relation to the Banana Lake claim were resolved. The Company recommenced exploration work in October 2008 and incurred exploration costs totalling \$32,200 in the year ended September 30, 2009 and \$13,961 in the year ended September 30, 2010.

The Foy Hess property is comprised of 11 mineral claims covering of inclusion-bearing quartz diorite offset dykes on the North Range of the Sudbury Basin. Field programs of line cutting, ground magnetometer surveys, airborne geophysical programs and geological field work, conducted over the period 2003-2007, have identified three elongated zones of disseminated nickel/copper /PGM sulphide mineralization within the plane of the dykes. Surface stripping and washing of the Banana Lake (Hess Dyke) and Sandcherry (Foy Dyke) anomalies have exposed the sulphide zones as 20-60 meters wide and up to 600 meters long. Grab samples of disseminated blebby sulfides in the sulphide zones carried values of 0.1-0.3 % nickel and 0.1% - 0.3% copper with up to 0.5 parts per million of combined platinum, palladium and gold.

In October, 2008, a program of stripping and power washing was carried out on the third anomaly, which lies about 2,000 meters north of Schkowona Lake (Schkowona anomaly) on the north-eastern extension of the Foy dyke. Visual results indicate strong showings of disseminated sulphides carrying chalcopyrite. A number of channel samples were cut and have been sent for assay. In June and July 2009 the area of the Schkowona North prospect, previously stripped and assayed in October 2008 was enlarged by stripping to the north and southwest, and 15 additional samples were taken. Selected results for nickel, copper, platinum and palladium are reported in the table below.

Sample	Ni	Cu	Pt	Pd	Ni/Cu	Pt/Pd	Ni/Pt	Cu/Pt
	ppm	ppm	ppm	ppm	Metal Ratios			
619751	1290	2110	0.209	0.296	0.61	0.71	6,172.25	10,095.69
619753	690	1060	0.094	0.143	0.65	0.66	7,340.43	11,276.60
619754	1450	1600	0.176	0.2	0.91	0.88	8,238.64	9,090.91
619757	2900	1520	0.372	0.555	1.91	0.67	7,795.70	4,086.02
619761	1300	1780	0.161	0.224	0.73	0.72	8,074.53	11,055.90

These results, lying within the plane of the offset dyke, are characteristic of the blebby sulphides found in "trace" path of sulphide movements within the offset dyke system and are very similar in grade to sulphide occurrences found at the Company's Banana Lake and Sandcherry Creek showings, previously reported, bringing to three the number of similar anomalies so identified.

In August 2009 the Company performed preliminary prospecting work north and north east of the area previously trenched and sampled. Ten samples were taken and sent for assay, results of which indicated that while in-dyke sulphide mineralization occurred, the strong mineralization found in the southern claims continued northward but with lower grades. These results are consistent with the continuing existence of pathway traces of sulphide mineralization upwards along the plane of the dyke structure.

In the summer of 2010 Systematic Beep Mat surveying and channel sampling was performed on an area on the north shore of Banana Lake and east towards Mooihoek Pond, Tyrone County, Sudbury Division.

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Nineteen channel samples were taken. Selected results for nickel, copper, platinum and palladium are reported in the table below.

<b>Sample</b>	<b>Ni</b>	<b>Cu</b>	<b>Pt</b>	<b>Pd</b>	<b>Ni/Cu</b>	<b>Pt/Pd</b>	<b>Ni/Pt</b>	<b>Cu/Pt</b>
	ppm	ppm	ppm	ppm				
5012305	660	730	0.068	0.075	0.90	0.91	9,705.88	10,735.29
5012329	790	970	0.101	0.115	0.81	0.88	7,821.78	9,603.96
5012330	850	910	0.080	0.101	0.93	0.79	10,625.00	11,375.00
5012331	1710	1940	0.172	0.218	0.88	0.79	9,941.86	11,279.07
5012334	1090	1240	0.104	0.131	0.88	0.79	10,480.77	11,923.08

In October 2010 Systematic Beep Mat surveying and channel sampling was also performed on an area southeast of Sandcherry Lake

All three anomalies are believed to represent traces of the mineralizing path of the upward injection of massive sulphides within the inclusion-bearing quartz diorite dyke rock during the later cooling / consolidation phases of the Sudbury meteorite impact crater. Given the nearly vertical attitude of the offset dykes and the discontinuous lensoid shapes of economic occurrences of massive sulphides found elsewhere in offset dykes and concentric dykes of the Sudbury Basin (Frood-Stobie, Copper Cliff North, Copper Cliff South, Worthington, McLennan and Foy), it is thought that the Foy and Hess dyke anomalies may represent path traces of one or more of these lenses at depth. FNX/Dynatec have identified several mineralized lenses of massive sulphide at depths of approximately 800 meters in the Foy Dyke several kilometers south of intersection of the Foy and Hess Offset dykes. INCO drilled an approximate 200,000-ton occurrence of massive sulphides in the Hess concentric dyke several kilometres west of the site of the company's Banana Lake anomaly.

The Foy Hess property is, to date, without a known body of economic mineralization and work on the property continues to be of an exploration nature only.

**Future Work Programs**

The Company has outlined the following work programs for the 2011 year:

1. Commence a ground electromagnetic study to further refine drill targets identified on the Company's West Banana Lake Sandcherry Lake and Schkowona North prospects
2. Beep map surveying and channel sampling on the Company's East Banana Lake prospect.
3. Preliminary surveying and line cutting on claims staked in June, 2009.

**Project Financing**

The Company intends to raise flow-through funds to finance the work programs planned for the 2011 year.

The Company is also currently seeking a suitable joint partner with drilling expertise and adequate available funds and knowledge of operating in the Sudbury environment.

**Acquisition and Exploration Expenditures**

The Company's assets categorized in the financial statements as "Mineral Properties" were \$921,710 at September 30, 2010 and \$897,749 at September 30, 2009.

The company incurred property acquisition costs of \$nil (2009 - \$12,768) and exploration costs of \$13,961 (2009 - \$32,200) and paid advance royalties of \$10,000 (2009 - \$10,000) in the year ended September 30, 2010 with respect to the Foy Hess Property. The claims remain subject to a 2% NSR and annual advance royalty payments of \$10,000 per year.

The Company does not have any mineral properties in production and, therefore, did not generate any revenue from mineral properties during the year ended September 30, 2010.

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As of September 30, 2010 the following costs were incurred for the acquisition and exploration of the Foy Hess property:

	Acquisition	Deferred Exploration Costs	Advance Royalties	Total
Balance at September 30, 2007	\$ 377,576	\$ 439,924	\$ 10,000	\$ 827,500
	5,281	-	10,000	15,281
Balance at September 30, 2008	382,857	439,924	20,000	842,781
	12,768	32,200	10,000	54,968
Balance at September 30, 2009	\$ 395,625	\$ 472,124	\$ 30,000	\$ 897,749
		13,961	10,000	23,965
Balance at September 30, 2010	\$ 395,625	\$ 486,085	\$ 40,000	\$ 921,710

### **Kern Front Field**

#### **Acquisition**

On April 21, 2006, as amended May 30, 2006 and November 14, 2006, the Company entered into an agreement (the "Kern Agreement") with Western States International, Inc. and Gas & Oil Technologies, Inc. ("G&O"), both of Monrovia, California and their principal shareholders (the "Vendors") to purchase a 60% working interest in an oil and gas property known as the Kern Front Field (the "Property") in consideration for \$1 in cash and the issuance of 7,500,000 common shares of the Company with a fair value of \$0.1575 per share totalling \$1,181,250 (the "Vend-In Shares") and 30,000,000 special warrants with a fair value of \$0.1575 per special warrant totalling \$4,725,000 (the "Special Warrants"), each of which may be converted into one common share of the Company at no additional cost, subject to certain limitations if as a result of such conversion the special warrant holder would own 10% or more of the shares of the Company, for a total fair value of \$5,906,251. The transaction received TSX-V approval on December 5, 2006 and closed on December 12, 2006.

#### **History**

The Kern Front Field was discovered in 1912 and commercial production started in 1915. The oil was discovered in the Etchegoin-Chanac formations. The oil is 12-14 degree gravity API ("heavy oil") with a sulphur content of 0.9%. The initial oil content was between 1,300 and 1,700 barrels per acre-foot. The peak production of the field was 4,535,059 barrels in 1929. Cyclic steam enhanced recovery was initiated in 1964 and steam-flood operations in 1978.

Because of low oil prices in early 1980, wells on the Company's property were shut-in at the end of January of that year. The cumulative production was 11.2 million barrels of oil and 191.6 million barrels of water within the Period from 1973 to January 1980. No substantial production has been taken from the property since that time.

The subject leases are located in the north portion of the Kern Front Field and are on the east side of the San Joaquin Valley, approximately six miles north of Bakersfield, California. The previous operators were geared towards increasing oil production rather than optimizing oil recovery and much of the prime oil sands may have experienced poor oil recoveries.

#### *Producing Formations*

Based on historic production records, the bulk of the oil in the North Kern Front is located in the Upper Chanac sands which appear to be productive over most of the field. Most of the historic production has come from the northern areas of the field in the areas of greatest net pay. The average thickness of the sands varies from 400 to 700 feet and the oil gravity also varies from 12 to 14 degrees.

The North Kern Front was not effectively steamed after the early 1980s due to low oil prices and changes in ownership of the lease. Ineffective steaming is also evident in the low oil recovery per foot of net oil sand in much of the Judkins and Witmer B West regions. The Company's properties are bordered by Chevron and Occidental Oil; both of those companies are actively recovering oil from the same pay zones on their leases using thermal recovery.

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In late May 2006, the operator received the environmental permit to dispose of the produced water and recommence production using primary production techniques in December 2006.

**Test Operation, Legal Actions and Impairment**

During the year ended September 30, 2007 the operator of the Kern Front Field property in California conducted test programs on eight previously drilled wells using non-thermal recovery methods. As a result of the uneconomic operation of the test program, the Company reclassified previously recognized reserves on the property from "Proven and Probable" to unproven as of September 30, 2007, in accordance with NI 51-101 requirements.

In accordance with CICA Handbook Section 3110, Asset Retirement Obligations, the asset retirement obligation was estimated by management based on the Company's working interest in its wells, estimated costs to remediate, reclaim and abandon the wells and estimated timing of the costs to be incurred. The Company estimated the total asset retirement obligation to be \$440,324 (US\$ 427,582) at September 30, 2010 (2009: \$458,453 (US\$ 427,582)). The Company had no reserves as of September 30, 2010 and 2009; accordingly management classified the entire undiscounted liability as current at September 30, 2010 and 2009.

*Relinquished leases*

During the fiscal year ended September 30, 2007 the operator of the Kern Front Field relinquished or lost 2 leases - Snow, Witmer B East and Sentinel B - aggregating 218 of 977 acres and containing 28 of 170 wells of the Kern Front Field property. The relinquished areas represented 2% of recorded historical production in the period 1980 to 1997.

*Witmer A, Witmer B West and Sentinel A*

Due to the failure of WSI to make timely payment of a nominal sum to State authorities in California, the Company's interest in the Witmer A, B West and Sentinel A lease became subject to automatic statutory forfeiture. The required payments to the State authorities in California were made and the Company's interest in the Witmer A, Witmer B West and Sentinel A lease was reinstated effective July 23, 2008.

*Surface leases*

The Company has also commenced a comprehensive review of all operations, title, permitting and other matters affecting the Kern Front Field. As a result, Tearlach identified a number of technical defects in surface lease agreements which will need to be remedied in order to permit conduct of the type and scope of work contemplated on the Property. Tearlach has advised WSI of these defects and anticipates WSI will be able to remedy the remaining defects and will, in due course, be able to secure adequate surface lease agreements. Should it fail to do so, such failure may result in the diminishment of the economic benefits Tearlach has sought to obtain from the Kern Front Property.

*Judkins Lease Termination*

The Company has been advised by WSI, which sold the Company its interest in the Kern Front Field Property in December, 2006, that as a result of litigation commenced by third parties, the Superior Court of the State of California has awarded judgment against WSI terminating its rights over a portion of the Property known as the "Judkins Lease". This lease comprised 320 acres and 23 wells of the total 759 acres and 142 wells on the Property. In its Judgment, the Court ordered that the Judkins Lease was terminated effective December 2003 and that a subsequent lease purportedly granted in favour of WSI was not valid. The Company has concluded that, since the date of termination predates the purported date of sale by almost three years, the Company is not obligated for any development costs incurred on the Judkins Lease. The Company recorded an impairment in relation to the Judkins Lease in the year ended September 30, 2007.

*Tearlach vs WSI*

On December 11, 2008 the Company commenced legal proceedings in the Supreme Court of British Columbia against WSI and G&O of Monrovia, California (the "Defendants"), alleging numerous breaches in a contract between the Company and the Defendants which contract was entered into April 21, 2006. The contract and resulting breaches relate to the Company's purchase of oil and gas properties located in Bakersfield, California, USA from the Defendants as Vendors of the properties. In documents filed in the Action, the Company alleges that, among other things, the Defendants and their representatives have engaged in intentional, fraudulent and deceitful material misrepresentations and concealment of facts and other conduct which justifies an award for exemplary, aggravated and punitive damages, in addition to general and special damages. The Company has obtained a default judgement in the amount of \$18,043,692 against WSI and G&O with costs to be assessed.

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*California Legal Action*

The Company was named as one of a number of co-defendants in a legal action by certain parties claiming damages against United Pacific Energy Corp ("UPEC"), WSI and certain other parties. The Plaintiffs were successful based on service on the Company's California subsidiary (which is not a party to the action) in obtaining default against the Company in California. The Company applied and succeeded in having the default set aside. The action was subsequently dismissed as against the Company, with no payment by the Company.

*Claim for expenses*

WSI, G&O and (UPEC) filed an action against the Company, Tearlach California and two of its directors and officers. The suit alleges causes of action for fraud, breach of contract and declaratory relief in connection with claims for expenses and other matters related to contracts between the parties. The Company, Tearlach California and the directors have filed a defence in the action and have also filed a cross complaint against the plaintiffs and three associated individuals alleging causes of action for breach of contract, fraud and related torts seeking unspecified damages as against the cross defendants. The Company believes it will, in due course, be successful in obtaining a complete dismissal of the action and will also obtain judgement on the cross complaint. The action is set for trial to commence January 31, 2011.

**Impairment**

At September 30, 2010 the Kern Front Field Property has no proven reserves.

In consequence of the uneconomic results of the test program and uncertainties related to the Judkins and California legal actions the Company estimated the net realizable value of the Kern Front Field property to be \$650,000 at September 30, 2007. Accordingly the Company recorded an impairment of \$5,983,145 in relation to the property in the year ended September 30, 2007.

The Company capitalized \$9,076 in development costs in the year ended September 30, 2010 (2009 - \$10,880) resulting in a carrying value at September 30, 2010 of \$697,666 (September 30, 2009 - \$688,590) The Company has estimated the net realizable value of the remaining leases at September 30, 2010 and September 30, 2009 to be greater than the carrying value. Accordingly no impairment was recorded in the years ended September 30, 2010 and September 30, 2009.

**Proposed Future Testing and Development**

In the year ended September 30, 2008 the Company completed a reservoir study of the Mitchell, Witmer A, Witmer B West and Sentinel A leases. The study identified two pilot areas to implement an enhanced oil recovery (EOR) pilot project. Thermal recovery by either steam injection or steam flood is being used by other producers in the immediate surrounding area.

In the event that the EOR program demonstrates successful economic recovery of oil, it is probable, but not certain, in accordance with the current NI 51-101 regulations, that the Kern Front Field oil deposits may be reclassified to Proven plus Probable reserves. There exists a further possibility that the amount of recoverable oil may change, either of which events may have significant impact on the value of the Company's assets.

The Kern Front property is not currently using the proposed thermal recovery method. Application of such method, while thought to be reasonable, may produce actual results which vary from those anticipated.

The Company is reviewing the recommendations of the reservoir study in light of current economic conditions and other factors to determine future action.

***Selected Annual Information***

<b>Year ended</b>	<b>Revenues</b>	<b>Profit or (Loss)</b>	<b>Profit or (Loss) per share</b>	<b>Exploration &amp; Development Expenditures</b>	<b>General &amp; Admin. Expenditures</b>	<b>Total Assets</b>
	\$	\$	\$	\$	\$	\$
September 30, 2010	-	(372,068)	(0.01)	23,037	376,841	1,638,510
September 30, 2009	-	(615,501)	(0.02)	43,080	638,521	1,617,165
September 30, 2008	-	(569,314)	(0.02)	27,710	739,076	1,554,732

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***Results of Operations***

The following discussion should be read in conjunction with the accompanying Consolidated Financial Statements and related notes. During the year ended September 30, 2010 the Company was principally involved in exploration of the Foy Hess mineral property and the development of the Kern Front oil and gas property.

The Company realized a net loss of \$372,068 for the year ended September 30, 2010 or \$0.01 per share compared to a net loss of \$615,501 or \$0.02 per share for the year ended September 30, 2009.

The Company incurred management fees of \$60,000 in the year ended September 30, 2010 to a company controlled by a director (2009 - \$90,000 to a director and to a company controlled by a director). The decrease is due to termination of management fees to an officer of the Company.

In the year ended September 30, 2010 stock-based management fees of \$nil (2009 - \$37,744) were recorded being the fair value of management stock options that vested in the period. Stock-based consulting fees of \$nil were recorded in the year ended September 30, 2010 (2009 - \$47,230). The decrease in stock-based fees is the result of completed vesting of options in the year ended September 30, 2009.

Professional fees were \$126,812 in the year ended September 30, 2010 (2009 - \$258,188) – a decrease of \$131,376. The decrease is primarily due to lower costs of litigation in connection with the Kern Front field.

Office and general expenses were \$4,716 in the year ended September 30, 2010 (2009 - \$4,053).

Interest expense was \$156,582 in the year ended September 30, 2010 (2009 - \$148,900) - an increase of \$7,682.

Due to the Company's net loss, the continuation of the Company is dependent upon its ability to attain profitable operations and generate cash flow there from and/or to raise equity capital through the sale of its securities, or secure additional exploration funding through option or joint venture agreements on its mineral properties, or through the sale of capital assets or mineral properties. In order to obtain financing sufficient to continue operations, the Company will continue to seek private placement funding, and joint venture partners and/or exploration funding for its properties.

A summary of the Company's financial information on a quarter by quarter basis for the preceding eight quarters appears below.

***Summary Quarterly Results for the Eight Fiscal Quarters Ended September 30, 2010***

<b>Period</b>	<b>Revenues</b>	<b>Profit or (Loss)</b>	<b>Profit or (Loss) per share</b>	<b>Exploration Expenditures</b>	<b>General &amp; Admin. Expenditures</b>
4 <sup>th</sup> Quarter 2010	\$ -	\$ (121,875)	\$ (0.01)	\$ 14,988	\$ 127,475
3 <sup>rd</sup> Quarter 2010	-	(87,320)	(0.00)	1,702	86,493
2 <sup>nd</sup> Quarter 2010	-	(96,894)	(0.00)	4,122	96,894
1 <sup>st</sup> Quarter 2010	-	(65,979)	(0.00)	2,225	65,979
4 <sup>th</sup> Quarter 2009	-	(142,791)	(0.00)	6,610	148,047
3 <sup>rd</sup> Quarter 2009	-	(47,150)	(0.00)	14,836	47,218
2 <sup>nd</sup> Quarter 2009	-	(165,520)	(0.01)	7,605	183,216
1 <sup>st</sup> Quarter 2009	-	(260,040)	(0.01)	14,029	260,040

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***Fourth Quarter***

The Company's primary activities in the three months ended September 30, 2010 were as follows:

The Company realized a net loss of \$121,875 or \$0.00 per share (2009 – net loss of \$142,791 or \$0.00 per share) comprised primarily of accrued interest on loans and convertible notes, and professional fees related to the Kern Front Field property.

Management fees for directors or officers of the Company were \$15,000 (2009 – \$nil). Consulting fees were \$7,500 (2009 - \$7,500). Interest expense of \$32,468 was incurred primarily due to the accrual of interest on convertible notes, loans from related parties and secured accounts payable. (2009 - \$70,332).

Professional fees of \$55,303 were recorded (2009 - \$107,405). The decrease is primarily due to lower costs of litigation in connection with the Kern Front field. Transfer agent and filing fees were \$990 (2009 - \$2,301).

***Liquidity and Capital Resources***

The amount of cash on hand was \$6,230 at September 30, 2010 compared to \$25,743 at September 30, 2009. The primary sources of cash in the year ended September 30, 2010 were proceeds from shares issued \$119,000 (2009 - \$60,000). The primary uses of cash were the funding of operations - \$101,256 (2009 - \$179,029); and mineral and oil and gas property acquisition and development costs – \$25,829 (2009 - \$55,999). The Company has no earnings and therefore must finance its activities by joint ventures or by the sale of common shares or other financing sources.

As of September 30, 2010 the Company had a working capital deficit of \$2,452,874. The Company currently has no source of operating cash flow, limited financial resources, and has no assurance that additional funding will be available to it for further exploration and development of its properties or to enable it to fulfil its obligations under any applicable agreements. Failure to obtain such additional financing could result in delay or indefinite postponement of further exploration and development of the Issuer's properties and the possible loss of title to such properties. The ability of the Company to continue as a going concern and realize the carrying value of its resource properties is dependent upon the continued financial support from related parties, the ability of the Company to raise equity financing to continue exploration and development activities or contract out further work with joint venture partners, the discovery of economically recoverable reserves, and upon future profitable operations or proceeds from disposition of resource properties.

***Share Capital***

Significant share transactions were as follows:

- a) In October 2008 the Company closed a private placement of 1,000,000 units comprised of 500,000 flow-through units and 500,000 non-flow-through units at \$0.05 per unit for gross proceeds of \$50,000. Each unit is comprised of one common share and one share purchase warrant entitling the holder to purchase one additional common share from the Company at \$0.10 for two years. The warrants were valued at \$0.01 each for a total of \$10,000. The Company renounced flow-through expenditures of \$25,000 on December 31, 2008, and recorded a recovery of future income taxes of \$7,532 related to the tax benefits renounced. As at September 30, 2009 all of the flow-through funds received were expended on qualifying exploration expenditures.
- b) On December 23, 2008, the Company issued 135,000 common shares upon the exercise of 135,000 special warrants. An amount of \$21,262 (\$0.1575 per share) which was previously recorded as special warrants was reallocated to share capital upon exercise of the special warrants.
- c) On August 13, 2009, the Company issued 135,000 common shares upon the exercise of 135,000 special warrants. An amount of \$21,262 (\$0.1575 per share) which was previously recorded as special warrants was reallocated to share capital upon exercise of the special warrants.

On November 12, 2009 the Company closed a non-brokered private placement of 6,250,000 Non-Flow-through Units and 1,000,000 Flow-through units at a price of \$0.02 per Unit for gross proceeds of \$145,000, of which \$20,000 had

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been received by September 30, 2009. A finders' fee of \$6,000 was paid representing a 10% cash commission on subscription proceeds from four places introduced to the placement by the finder. Each Non Flow-through Unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder to purchase one share at a price of \$0.05 for a period expiring one year from the date of issuance and at a price of \$0.10 for the second through fifth years from the date of issuance. Each Flow-through Unit consists of one Flow-through Share of the Company and one Flow-through Warrant. Each Flow-Through Warrant will entitle the holder thereof to purchase one Flow-through Share at a price of \$0.05 for a period expiring one year from the date of issuance and at a price of \$0.10 for the second through fifth years from the date of issuance. The warrants were determined to have a fair value of \$0.004 each for a total value of \$29,000. The Company renounced flow-through expenditures of \$20,000 on December 31, 2009, and recorded a recovery of future income taxes of \$5,776 related to the tax benefits renounced. As at September 30, 2010 \$13961 of the flow-through funds was spent on qualifying exploration expenditures. The balance of \$6,039 was spent subsequent to September 30, 2010.

- d) On December 15, 2009, the Company issued 135,000 common shares upon the exercise of 135,000 special warrants. An amount of \$21,262 (\$0.1575 per share) which was previously recorded as special warrants was reallocated to share capital upon exercise of the special warrants.

***Stock Options***

During December 2006 the TSX Venture exchange approved a stock option plan (the '2006 Plan'). Any options granted under the 2006 Plan vest according to the terms deemed appropriate by the directors of the Company and that are in compliance with exchange policy, or, upon exchange approval, will vest immediately in the event of a change of control of the Company or takeover bid.

The number of common shares allowed under the Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 20% of the total number of issued and outstanding common shares of the Company. The maximum number of common shares which may be issued pursuant to options granted is 4,963,894 or such additional amounts as may be approved from time to time by shareholders of the Company. At the Company's annual general meeting on June 26, 2008 the shareholders approved an increase in the number of options which may be granted to 6,135,307. The Company has not applied for exchange approval for this increase.

The Company had outstanding incentive stock options to directors, employees and consultants entitling the holders to purchase an aggregate of common shares as follows:

September 30, 2010								
		Outstanding			Vested and exercisable			
Issue Date	Expiry Date	Number of Shares	Weighted Average Exercise Price Per Share	Weighted Average Life in Years	Number of Shares	Exercise Price Per Share	Weighted Average Life in Years	
October 1, 2005	October 1, 2010	85,000	\$ 0.20	0.00	85,000	\$ 0.20	0.00	
January 2, 2006	January 2, 2011	100,000	0.20	0.26	100,000	0.20	0.26	
December 1, 2006	December 1, 2011	15,000	0.50	1.17	15,000	0.50	1.17	
December 12, 2007	December 12, 2012	2,305,950	0.10	2.20	2,305,950	0.10	2.20	
		2,505,950	\$ 0.11	1.92	2,505,950	\$ 0.11	1.92	

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A summary of the Company's stock options and changes during the year are presented below:

	Year ended September 30, 2010			Year ended September 30, 2009		
	Number of Common Shares	Weighted Average Exercise Price per Share	Weighted Average Life in Years	Number of Common Shares	Weighted Average Exercise Price per Share	Weighted Average Life in Years
Balance beginning	3,085,950	\$ 0.17	2.92	4,142,000	\$ 0.18	3.09
Granted	-	-	-	-	-	-
Exercised	-	-	-	-	-	-
Expired/cancelled	580,000	0.30	-	(1,056,050)	0.20	-
Balance ending	2,505,950	\$ 0.11	1.92	3,085,950	\$ 0.17	2.92

On December 1, 2006, the Company granted 15,000, 5-year options exercisable at \$0.50 per common share to a consultant. The total fair value of \$6,142 was estimated using the Black-Scholes option pricing model assuming an expected life of five years, a risk-free interest rate of 3.8% and an expected volatility of 126%. The stock options vest as follows: 20% upon grant of the options and a further 13.33% each quarter over the following 18 months. A consulting fee expense of \$2,457 was recorded representing the fair value of the options which vested in the year ended September 30, 2008 (2007 - \$3,071). A consulting fee expense of \$614 was recorded representing the fair value of the options which vested in the year ended September 30, 2009 (2008 - \$2,457).

On December 13, 2006, the Company granted 480,000 5-year options exercisable at \$0.50 per common share to three consultants. The total fair value of \$196,631 was estimated using the Black-Scholes option pricing model assuming an expected life of five years, a risk-free interest rate of 3.86% and an expected volatility of 126%. The stock options vest as follows: 20% upon grant of the options and a further 13.33% each quarter over the following 18 months. A consulting fee expense of \$78,652 (2007 - \$78,652) was recorded representing the fair value of the options which vested in the year ended September 30, 2008. A consulting fee expense of \$19,663 (2008 - \$78,652) was recorded representing the fair value of the options which vested in the year ended September 30, 2009.

On December 12, 2007, the Company granted 2,405,950 5-year options exercisable at \$0.10 per common share to four directors, three consultants, an employee and an investor relations specialist. The total fair value of \$191,726 was estimated using the Black-Scholes option pricing model assuming an expected life of five years, a risk-free interest rate of 3.87% and an expected volatility of 109%. The stock options vest as follows: 16.67% upon grant of the options and a further 16.67% each quarter over the following 18 months. A management fee expense of \$75,488; a consulting fee expense of \$47,016; and an investor relations expense of \$1,328 were recorded representing the fair value of the options which vested in the year ended September 30, 2008). 100,000 of these options were cancelled in January 2008 upon the resignation of the Company's investor relations consultant. A management fee expense of \$37,744 (2008 - \$75,488); a consulting fee expense of \$23,508 (2008 - \$47,016); and an investor relations expense of \$nil (2008 - \$1,328) were recorded representing the fair value of the options which vested in the year ended September 30, 2009.

On January 24, 2008 the Company granted 100,000 5-year options exercisable at \$0.10 per common share to a consultant of the Company. The total fair value of \$6,890 was estimated using the Black-Scholes option pricing model assuming an expected life of five years, a risk-free interest rate of 3.86% and an expected volatility of 133%. The stock options vest as follows: 25% upon grant of the options and a further 12.5% each quarter over the following 18 months. A consulting expense of \$3,445 was recorded representing the fair value of the options which vested in the year ended September 30, 2008. A consulting expense of \$1,973 was recorded representing the fair value of the options which vested in the year ended September 30, 2009 (2008 - \$1,973).

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The weighted average grant date fair value of options granted during the year ended September 30, 2010 was \$0.11 (2009 - \$0.17) as follows:

September 30, 2010			September 30, 2009		
Grant Date	Number of Shares Granted	Weighted Average Fair Value per Share	Grant Date	Number of Shares Granted	Weighted Average Fair Value per Share
December 12, 2007	2,305,950	0.08	December 12, 2007	2,305,950	0.08
January 24, 2008	-	-	January 24, 2008	100,000	0.07
December 1, 2006	15,000	0.41	December 1, 2006	15,000	0.41
December 13, 2006	-	-	December 13, 2006	480,000	0.41
October 1, 2005	85,000	0.06	October 1, 2005	85,000	0.06
January 2, 2006	100,000	0.04	January 2, 2006	100,000	0.04
	2,505,950	\$ 0.11		3,085,950	\$ 0.17

### Warrants

The Company issues share purchase warrants in connection with its ongoing non-brokered private placements of share units.

The Company had outstanding warrants entitling the holders to purchase an aggregate of common shares as follows:

Date Issued	Exercise Price Per Share	Expiry Date	September 30, 2010		September 30, 2009		
			Number of Shares	Weighted Average Life in Years	Number of Shares	Weighted average exercise price	Weighted Average Life in Years
October 15, 2008	\$ 0.10	October 15, 2010	1,000,000	0.04	1,000,000	\$ 0.10	1.04
November 12, 2009	\$ 0.10	November 12, 2014	7,250,000	4.12			
			8,250,000	3.63	1,000,000		1.04

A summary of the Company's warrants and changes during the periods is presented below:

	Year ended September 30, 2010			Year ended September 30, 2009		
	Number of Warrants	Weighted Average Exercise Price per Share	Weighted Average Life in Years	Number of Warrants	Weighted Average Exercise Price per Warrant	Weighted Average Life in Years
Balance, beginning	1,000,000	\$ 0.10	1.04	-	\$ -	-
Granted	7,250,000	0.10	5.00	1,000,000	0.10	2.00
Exercised	-	-	-	-	-	-
Expired/Cancelled	-	-	-	-	-	-
Balance, ending	8,250,000	\$ 0.10	3.63	1,000,000	\$ 0.10	1.04

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**Special Warrants**

During the year ended September 30, 2007 the Company issued 30,000,000 special warrants with a fair value of \$0.1575 per special warrant for a total fair value of \$4,725,000. Each special warrant may be converted into one common share of the Company at no additional cost, subject to certain limitations if as a result of such conversion the special warrant holder would own 10% or more of the shares of the Company.

A summary of the Company's special warrants and changes for the period is presented below:

	Year ended September 30, 2010	Year ended September 30, 2009
Balance beginning	26,325,000	26,595,000
Exercised	(135,000)	(270,000)
Balance ending	26,190,000	26,325,000

The Special Warrants are to be released over 36 months. A summary of the Company's special warrants held in escrow and changes for the period is presented below:

	Year ended September 30, 2010	Year ended September 30, 2009
Balance in escrow - beginning	4,500,000	13,500,000
Placed in escrow	-	-
Released from escrow	(4,500,000)	(9,000,000)
Balance in escrow - ending	-	4,500,000

***Related Party Transactions***

During the year ended September 30, 2010 the Company entered into the following transactions with related parties:

- a) The Company incurred management fees of \$60,000 to a company controlled by a director.
- b) Loans totaling net \$2,500 were received from a company controlled by a director. As of September 30, 2010 the loan balance was \$422,678. The loans bear interest at 12% per annum. The Company accrued interest of \$47,223 in relation to these loans.
- c) Expenses totaling \$5,804 were paid by a director. Interest of \$2,821 was accrued on total amounts owing to the director for expenses.

During the year ended September 30, 2009 the Company entered into the following transactions with related parties:

- d) The Company incurred management fees of \$90,000 to a director and to a company controlled by a director.
- e) Loans totaling \$153,507 were received from a company controlled by a director. The loans bear interest at 12% per annum. The Company accrued interest of \$41,924 in relation to the total balance of loans owed to this Company.
- f) Expenses totaling \$792 were paid by a director. Interest of \$2,481 was accrued on total amounts owing to the director for expenses.
- g) On March 13, 2009 the Company sold its subsidiary Tearlach Resources Limited (Barbados) to Peninsula, a company with directors in common.
- h) On January 23, 2009 75,000 shares were delivered from his personal holdings by a director of the Company for mineral property acquisition costs. The Company recorded an amount due to the director of \$3,750 representing the fair value of the 75,000 shares.

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All related party transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Unless otherwise noted related party amounts are unsecured, bear no interest and have no fixed terms of repayment.

Related party advances as at September 30, 2010 and September 30, 2009 were due to:

	September 30, 2010	September 30, 2009
i. Director and companies controlled by the director for management fees, loans and expenses. Secured by a second general charge over the Company's assets which ranks <i>pari passu</i> with secured accounts payable. Refer to Note 7.	\$ 865,932	\$ 743,534
ii. Director for management fees and expenses	194,875	193,900
iii. Companies with directors in common	12,747	9,182
	<u>\$ 1,073,554</u>	<u>\$ 946,616</u>

**Critical accounting policies**

*Mineral properties*

The Company records its interests in mineral properties at the lower of cost or estimated recoverable value. Where specific exploration programs are planned and budgeted by management, the cost of mineral properties and related exploration expenditures are capitalized until the properties are placed into commercial production, sold, abandoned or determined by management to be impaired in value. These costs will be amortized over the estimated useful lives of the properties following the commencement of production or written off if the properties are sold or abandoned.

The costs include cash or other consideration and the assigned value of shares issued, if any, on the acquisition of mineral properties. Costs related to properties acquired under option agreements or joint ventures, whereby payments are made at the sole discretion of the Company, are recorded in the accounts at such time as the payments are made. For properties held jointly with other parties the Company only records its proportionate share of acquisition and exploration costs. The proceeds from options granted are deducted from the cost of the related property and any excess is deducted from other remaining capitalized property costs.

Capitalized costs as reported on the balance sheet represent costs incurred to date and may not reflect recoverable value. Recovery of carrying value is dependent upon future commercial success or proceeds from disposition of the mineral interests.

Management evaluates each mineral interest on a reporting period basis or as changes in events and circumstances warrant, and makes a determination based on exploration activity and results, estimated future cash flows and availability of funding as to whether costs are capitalized or charged to operations.

Mineral property interests, where future cash flows are not reasonably determinable, are evaluated for impairment based on management's intentions and determination of the extent to which future exploration programs are warranted and likely to be funded.

General exploration costs not related to specific properties and general administrative expenses are charged to operations in the year in which they are incurred.

The Company does not have any producing mineral properties and all of its efforts to date have been exploratory in nature.

*Oil and gas properties*

The Company follows the full cost method of accounting for its oil and gas operations whereby all cost related to the acquisition of petroleum and natural gas interests are capitalized. Such costs include land and lease acquisition costs, annual carrying charges of non-producing properties, geological and geophysical costs, costs of drilling and equipping productive and non-productive wells, and direct exploration salaries and related benefits.

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All of the Company's oil and gas interests are held in the United States and accordingly, the Company has a single cost centre, being the United States. Certain oil and gas activities are conducted jointly with others and accordingly the accounts reflect only the Company's proportionate interest in such activities.

The Company reviews the carrying value of its oil and gas properties, which are currently unproven, annually, or when there is a significant change in events or circumstances. The estimate of net realizable value is determined by reference to the project economics, the timing of exploration work, the work programs and the exploration results achieved on the project. Where an impairment occurs, a charge to earnings would be made. Once commercial production is achieved, the Company will apply a ceiling test to ensure that capitalized costs do not exceed total estimated future net revenues from the production of proved reserves less general and administrative expenses, financing costs, site restoration costs and income taxes related to future production. Any reduction in value as a result of the ceiling test will be charged to operations as additional depletion, depreciation, and amortization. The Company did not apply a ceiling test in the year ended September 30, 2009 because it is at the pilot stage of development and no proven reserves have been established.

Once in commercial production, capitalized costs of proven reserves and equipment will be depleted using a unit-of-production method based upon estimated proven reserves net of royalties. Unless a significant amount of reserves is involved, proceeds received from the disposition of oil and gas properties are credited to the capitalized costs. In the event of a significant sale of reserves, a proportionate amount of cost and accumulated depletion, based upon the ratio of reserves sold to total reserves, will be removed from the capitalized costs and the resultant profit or loss is taken into income. To date, there has been no commercial production from the property and as a result no depletion has been recorded.

The recoverability of the amounts shown for oil and gas properties is dependent upon the existence of economically recoverable oil reserves, maintaining title and beneficial interest in the properties, the ability of the Company to obtain necessary financing to bring the reserves into production, and upon future profitable production or proceeds from the disposition of properties. The amounts shown as oil and gas interests represent net costs to date, less proceeds from oil sales received from development programs and impairment provisions.

*Asset retirement obligations*

The Company reviews and recognizes legal obligations associated with the retirement of tangible long-lived assets, including rights to explore or exploit natural resources. When such obligations are identified and measurable, the estimated fair values of the obligations are recognized on a systematic basis over the remaining period until the obligations are expected to be settled.

Resource property related retirement obligations are capitalized as part of carrying values and are accounted for in the same manner as all other capitalized costs.

**New Accounting Standards Not Yet Adopted**

*Business Combination, Non-Controlling Interest, and Consolidation*

In January 2009, the CICA issued Handbook Sections 1582, Business Combination ("Section 1582"); 1601, Consolidated Financial Statements ("Section 1601"); and 1602, Non-controlling Interests ("Section 1602"), which replace CICA Handbook Sections 1581, Business Combinations, and 1600, Consolidated Financial Statements. Section 1582 establishes standards for the accounting for business combinations that are equivalent to the business combination accounting standard under IFRS. Section 1582 is applicable for the Company's business combinations and acquisition dates on or after January 1, 2011. Early adoption of this section is permitted. Section 1601 is applicable for the Company's interim and annual financial statements for its fiscal year beginning January 1, 2011. Early adoption of this section is permitted. If the Company chooses to adopt any one of these sections, the other sections must also be adopted at the same time. The adoption of this standard is not expected to have a material impact on the Company's financial statements.

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*International Financial Reporting Standards (IFRS)*

In January 2006, the AcSB adopted a strategic plan for the direction of accounting standards in Canada. Accounting standards for public companies in Canada are expected to converge with International Financial Reporting Standards ("IFRS") over a transition period ending January 1, 2011. The impact of the transition to IFRS on the Company's financial statements has yet to be determined.

The Company has begun to assess its requirements and first time adoption methodologies, including its internal training and resource needs and first time adoption implications.

Management has developed a project plan for the conversion to IFRS. The conversion plan is comprised of three phases:

- 1) Scoping phase which will assess the overall impact and effort required by the Company in order to transition to IFRS;
- 2) Planning phase which will include a detailed analysis of the conversion process and implementation plan required for disclosure for the Company's first quarter; and,
- 3) Transition phase which will include the preparation of an IFRS compliant opening balance sheet as at January 1, 2010, any necessary conversion adjustments and reconciliations, preparation of a fully compliant pro forma financial statements including all note disclosures and disclosures required for the MD&A.

Management has completed phase one, and is now progressing through phase two and three. Management prepared a component evaluation of its existing financial statement line items, comparing Canadian GAAP to the corresponding IFRS guidelines, and has identified a number of differences. Many of the differences identified are not expected to have a material impact on the reported results and financial position. Management is working towards policy choices by the third quarter of 2011.

IFRS 1, "First-Time Adoption of International Financial Reporting Standards". Under IFRS most adjustments made on transition to IFRS must be made, retrospectively, against opening retained earnings as of the date of the first comparative balance sheet presented based on standards applicable at that time. IFRS 1 provides entities adopting IFRS for the first time with a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. During the third quarter of 2011, management will prepare a presentation to the Audit Committee and the Board of Directors which will focus on the key issues and transitional choices under IFRS 1 applicable to the Company. Set out below are the most significant areas, management has identified to date, where changes in accounting policies may have the highest potential impact on the Company's financial statements based on the accounting policy choices approved by the Audit Committee and Board of Directors.

*Share-Based Payments*

IFRS and Canadian GAAP largely converge on the accounting treatment for share – based transactions with only a few differences. Canadian GAAP allows either accelerated or straight line method of amortization for the fair value of stock options under graded vesting. Currently, the Company is using the straight line method. IFRS 2, on the other hand, allows only the accelerated method. Under IFRS, the estimate for forfeitures must be made when determining the number of equity instruments expected to vest, while under Canadian GAAP forfeitures can be recognized as they occur. Upon adoption of IFRS, the Company will change both the method of amortization, which would give rise to an accelerated compensation expense, and the method of forfeiture recognition.

*Future Income Taxes*

Like Canadian GAAP, deferred income taxes under IFRS are determined using the liability method for temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, and by generally applying tax rates applicable to the Company to such temporary differences. Deferred income taxes relating to temporary differences that are in equity are recognized in equity and under IFRS subsequent adjustments thereto are backward traced to equity.

Based on management assessment of the information system currently used by the Company, all information required to be reported under IFRS will be available with minimal system changes.

One of the more significant impacts identified to date of adopting IFRS is the expanded presentation and disclosures required. Disclosure requirements under IFRS generally contain more breadth and depth than those required under Canadian GAAP

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and, therefore, will result in more extensive note references. The Company is continuing to assess the level of presentation and disclosures required to its consolidated financial statements.

In the period leading up to the changeover in 2011, the AcSB has ongoing projects and intends to issue new accounting standards during the conversion period. As a result, the final impact of IFRS on the Company's consolidated financial statements can only be measured once all the IFRS accounting standards at the conversion date are known. Management will continue to review new standards, as well as the impact of the new accounting standards, between now and the conversion date to ensure all relevant changes are addressed.

***Management's Responsibility for Financial Statements***

The Company's management is responsible for presentation and preparation of annual financial statements and the Management's Discussion and Analysis ("MD&A"). The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

***Risks and Uncertainties***

The main risks that can affect the Company include, changes in natural gas and oil prices, currency fluctuation, changes in market prices for nickel copper, platinum, palladium, and other precious metals and minerals and government regulation and operational.

***Natural Gas and Oil prices***

The Company's operations may be adversely affected by changes in crude oil or natural gas prices which can be influenced by global and regional supply and demand, the risks of war, natural disasters and the political and economic conditions of major oil producing countries throughout the world.

***Currency Fluctuation***

The Company will be subject to foreign currency fluctuations in satisfying obligations related to the Kern Front property. Crude oil is priced in US dollars; therefore the strengthening or weakening of the Canadian dollar relative to the US dollar will decrease or increase the amount received in Canadian dollars. Currently the Company does not use any hedging or derivative instruments to reduce its exposure to foreign currency risk.

***Mineral prices***

The Company's operations may be adversely affected by changes in prices for nickel copper, platinum, palladium, and other precious metals which can be influenced by global and regional supply and demand, and the political and economic conditions of major mineral producing countries throughout the world.

***Government regulation***

The Company's operations may be adversely affected by changes in Governmental policies or other economic developments which are not within the control of the Company including a change in crude oil or natural gas pricing policy, taxation policies, economic sanctions, and currency control. The Company is subject to various laws governing prospecting, exploration, development, production, taxes, labour standards and occupational health, toxic substances, land use, water use, land claims of local people and other matters. No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner, which could increase the cost of operations.

***Operational***

The Company is exposed to operational risk associated in exploring for, developing and producing mineral, crude oil and natural gas properties. There are numerous uncertainties in estimating oil and gas reserves and in projecting future production, costs and expenses and the results, timing and costs of exploration and development projects. Total amounts or timing of production may vary significantly from reserves and production estimates.

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*Subsequent Events*

Subsequent to the year ended September 30, 2010:

The maturity date of the Convertible Notes was extended to March 30, 2012.

The Company received additional advances of \$13,000 from a related company controlled by a director.

185,000 options expired unexercised.

*This report includes certain "forward looking statements" with respect to its anticipated future results and activities. Without limitation, statements regarding potential mineralization and resources, exploration results, and future plans and objectives of the Company are forward-looking statements that involve various risks. Actual results could differ materially from those projected as a result of the following factors, among others: risks inherent in mineral exploration; risks associated with development, construction and mining operations; the uncertainty of future profitability and uncertainty of access to additional capital. The information provided herein with respect to the Company's properties and activities should be read in reference to the technical reports and other relevant disclosure documents prepared by or on behalf of the Company, which may be viewed by interested parties at [www.sedar.com](http://www.sedar.com).*