INLET RESOURCES LTD.

INL-V

MANAGEMENT DISCUSSION & ANALYSIS

For the quarter ended March 31, 2013

Directors and Officers as at May 30, 2013:

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

Form 51-102-F1

INLET RESOURCES LTD.

MANAGEMENT DISCUSSION & ANALYSIS

For the Quarter Ended March 31, 2013

1.1 Date of This Report

May 30, 2013.

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, 2012	December 31, 2011	December 31, 2010
(a) Net sales	-	-	-
(b) Income (loss) before extraordinary items			
(i) Total income (loss)	$638,058	$(223,887)	$(285,679)
(ii) Income (loss) per share - basic	$0.04	$(0.01)	$(0.02)
(iii) Income (loss) per share - diluted	$0.04	$(0.01)	$(0.02)
(c) Net Income (loss)			
(i) Total income (loss)	$638,058	$(223,887)	$(285,679)
(ii) Income (loss) per share - basic	$0.04	$(0.01)	$(0.02)
(iii) Income (loss) per share - diluted	$0.04	$(0.01)	$(0.02)
(d) Comprehensive income (loss)	$175,229	$(140,937)	$(585,104)
(e) Total assets	$2,277,038	$2,098,899	$2,134,089
(f) Total long-term liabilities	N/A	N/A	N/A
(g) Cash dividends declared per-share			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 Company made payments totaling $20,000 to extend the work program deadline. 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 ($20,000 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.

During the year ended December 31, 2011, the Company has initiated the 2011 work program on the property and incurred $109,456 in exploration expenditures. The Company continued its work program on the property during the year ended December 31, 2012.

Exploration and developments updates

The 2011 program included gravity surveys completed by Discovery Geophysics International Ltd. and a small one hole drilling program completed by Target Drilling Ltd. The gravity surveys were completed over untested portions of the Vista and Mike areas in an effort to test for detectable zones of dense zinclead rich massive sulphide mineralization that is difficult to explore for using other geophysical technologies. The Vista occurrence hosts a 12 metre long outcrop grading from 15.9 to 24% zinc, up to 4.9% lead and up to 72 g/t silver over 0.2 to 0.35 metre widths. Drill intersections reported 2.52% zinc over an estimated true width of 2.3 m with numerous narrower higher grade intersections in other holes. The Mike showing situated five kilometres south of the Vista occurrence, hosts dozens of high grade zinc cobbles and boulders grading from 14 to 21% zinc that occur over a 250 metre by 50 metre area. Drill testing in 2008 failed to intersect mineralization.

The results of the gravity survey from the Vista area did not produce targets considered drillable. The results of Mike area survey outlined a 150 metre portion of a stronger open ended gravity target considered worthy of drill testing.

A short 53.6 metres (176 ft) drill hole (BHM11-01) was collared into the strongest part of the gravity anomaly 500 metres west of the MIKE float showing. Three closely spaced, narrow high grade zinc sulphide zones were intersected within a less well mineralized quartz-carbonate unit. Core angles were high, indicating the drilled width was close to true widths.

This is the first bedrock intersection of zinc-lead-silver massive sulphide mineralization in the Mike area. A sample of a deeper massive iron sulphide intersection returned weakly anomalous copper values. The hole was stopped in favourable rocks and the casing was left in the hole.

Discussion of Operations and Financial Condition

Results of Operations

The loss for the three months ended March 31, 2013 was $110,141 as compared with an income of $907,585 for the three months ended March 31, 2012.

During the three months ended March 31, 2012, the Company disposed marketable securities and recorded a gain of $1,038,049.

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

	31-March-13	31-March-12	Increase/ (Decrease)
Consulting & administration	$ 21,000	$ 16,500	$ 4,500
Management fees	15,000	15,000	-
Professional fees	7,333	5,804	1,529
Rent, telephone, office expenses	45,413	10,416	34,997
Shareholders' communication	10,723	997	9,726
Transfer agent & regulatory filing fees	10,672	12,161	(1,489)
Total General & administrative	$ 110,141	$ 60,878	$ 49,263

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:

	Q1 31-Mar-13	Q4 31-Dec-12	Q3 30-Sept-12	Q2 30-Jun-12
Net income (loss)	($110,141)	($124,461)	($66,859)	($78,207)
Per Share	(0.01)	(0.01)	(0.00)	(0.01)
	Q1 31-Mar-12	Q4 31-Dec-11	Q3 30-Sept-11	Q2 30-Jun-11
Net income (loss)	$907,585	($81,239)	($15,411)	($67,067)
Per Share	0.06	(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 March 31, 2013, the Company's working capital was $1,898,938 (compared to $2,009,079 at December 31, 2012). 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 arranging 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:

Key Management Compensation

	Three months ended March 31	
	2013	2012
Management fees paid to the President	$ 15,000	$ 15,000
Consulting fees paid to a director	3,750	3,750
Accounting fees paid to an officer	4,500	4,500
Rent paid to the President	-	1,500
Equipment rental paid to the President	1,453	1,453
Total	$ 24,703	$ 26,203

During the three months ended March 31, 2013, the Company paid $6,000 (2012 - $6,000) in consulting fees to a company controlled by the spouse of the President.

At March 31, 2013 prepaid expenses include $543 (2012 - $543) paid to a company controlled by a director for future expenses.

1.10 First Quarter – 2013

The first quarter results do not differ significantly from other quarters, except for the increase in the rent, telephone, and office expenses by $34,997 compared to the quarter ended March 31, 2012 as the Company shared more office expenses when a former affiliated company moved out in March 2012.

During the quarter ended March 31, 2012, the Company disposed the 3,160,000 common share of Goldbrook Ventures Inc., a public company related by virtue of common directors and a common officer, at the price of $0.39 per share as a result of a take-over acquisition. As a result, a gain of $1,038,049 was recorded in that quarter.

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 Company's financial statements have been prepared in accordance with IFRS and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") applicable to the preparation of annual financial statements.

1.14 Financial and Other Instruments

a) Designations

The Company's financial instruments consist of cash, marketable securities, amounts receivable, accounts payable and accrued liabilities.

The Company has designated its marketable securities, comprising of shares listed on a recognized stock exchange, as available-for-sale securities and reports them at fair value. The amounts by which fair values of these securities differ from cost represents unrealized gains and losses and are recognized in other comprehensive income (loss). All realized gains and losses are recognized in the net income (loss) in the period of disposition. The fair value of these securities is market value. The market value of publicly traded securities is based on quoted market prices.

Cash is designated as held-for-trading; amounts receivable as loans, and receivables and accounts payable and accrued liabilities as other financial liabilities.

b) Fair Value

The three levels of the fair value hierarchy are:

Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair values of financial instruments that are measured on a recurring basis comprise the Company's investments in marketable securities. These fair values are determined based on Level 1 inputs, which consist of quoted prices in active markets for identical assets. The carrying amount of all other financial instruments is a reasonable approximation of fair value.

c) Risk Management

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include currency, credit, interest rate and liquidity risks. Where material, these risks are reviewed and monitored by the Board of Directors.

Credit Risk

The Company's credit risk is primarily attributable to cash. Cash is held in a reputable Canadian bank which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Our interest rate risk mainly arises from the interest rate impact on our cash. A change in interest rate would have a minimal effect on the profitability of the Company.

Liquidity Risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2013, the Company held cash of $1,905,035 and had liabilities of $20,228. All of the Company's liabilities have contractual maturities of less than 30 days and were subject to normal trade terms. Liquidity risk is assessed as minimal.

Other Price Risk

The Company's investment in marketable securities is classified as available-for-sale and is traded on the TSX Venture Exchange. As at March 31, 2013, all the Company's holdings of marketable securities were disposed.

d) Comprehensive income

A statement of comprehensive income (loss) forms part of the Company's financial statements and displays current period net income and other comprehensive income (loss). Other comprehensive income consists of unrealized gains on available-for-sale financial assets. The cumulative changes in other comprehensive income are included in accumulated other comprehensive income within shareholders' equity in the consolidated balance sheet. Upon disposition of the available-for-sale financial assets, the accumulated other comprehensive income (loss) has been reclassified as realized gain (loss) and included in net income (loss).

e) Hedges

As at March 31, 2013, the Company had not entered into any hedging relationships.

1.15 Other

Disclosure of Outstanding Share Capital (May 30, 2013)

	Number	Book Value
Common Shares	17,467,317	$16,172,798

Summary of incentive stock options: None

Summary of warrants outstanding: None

Subsequent Events

On May 1, 2013, the Company announced the appointment of Mr. Don Dybyk to the Board of Directors and member of Audit Committee. Mr. Dybyk is replacing Mr. Martin Auyeung who resigned as a Company director.

Additional information

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