ACL INTERNATIONAL LTD.

MANAGEMENT DISCUSSION AND ANALYSIS

FOR THE QUARTER ENDED

SEPTEMBER 30, 2015 AND YEAR ENDED MARCH 31, 2015

The following Management Discussion and Analysis ("MD&A") prepared as of September 30, 2015, and dated November 30, 2015 , is provided for the purpose of reviewing the results for the quarter ended September 30, 2015 and is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations as at September 30, 2015 and year ended March 31, 2015. This discussion and analysis of the performance, financial condition and future prospects of ACL International Ltd. (the "Company" or "ACL") should be read in conjunction with the Company's audited financial statements for the year ended March 31, 2015 together with the notes thereto.

Petroleum and natural gas reserves and volumes are converted to a common unit of measure on a basis of six thousand cubic feet (Mcf) of gas to one barrel (bbl) of oil. BOEs may be misleading, particularly if used in isolation. The forgoing conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms to the Canadian Securities Regulators' National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities. For the purpose of this MD&A, oil is defined to include the following commodities: light and medium oil and primary heavy oil.

Amounts are shown in Canadian dollars unless otherwise stated.

FORWARD LOOKING STATEMENTS

This discussion includes certain statements that may be deemed "forward-looking statements". All statements in this discussion, other than statements of historical facts that address activities, events or developments that ACL expects are forward-looking statements. The Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions which the Company is required to make regarding future events and may constitute forward-looking statements within the meaning of applicable securities laws. Management's assessment of future plans and operations, capital expenditure requirements, methods of financing and the ability to fund financial liabilities, changes in royalty rates and the timing and impact of accounting policies may constitute forward-looking statements under applicable laws and necessarily involve risks including and without limitation, risks associated with oil and gas exploration, development and exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations imprecision of reserve estimates, environmental risks, competition from, other producers, the inability to fully realize the benefits of acquisitions, delays resulting from, or inability to obtain, required regulatory approvals and ability to access sufficient capital from internal and external sources. Readers and investors are cautioned that such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include market prices, exploration and exploitation successes, continued availability of capital and financing and general economic, market or business conditions.

Although the Company believes the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will be realised. The use of any of the words "anticipate", "believe", "continue", "estimate", "expect", "may", "will", "forecast", "project", "plan", "should" and similar expressions are intended to identify forward-looking information. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. The risks associated with these forward-looking statements include, but are not limited to, the following:

Fluctuations in oil production levels;
Volatility in market prices for gas, liquids and oil;
Uncertainties associated with estimating reserves;
Well production and decline rates;
Changes in the general economic conditions in Canada and Worldwide;
The effects of weather conditions;

The ability of ACL to obtain financing including equity and debt; and
Actions taken and policies by governmental or regulatory authorities including changes to tax laws, incentive programs, royalty calculations and environmental regulations.

Furthermore, the forward-looking statements contained in this MD&A are made as of the date of this MD&A and the forward-looking statements are expressly qualified in their entirety by this cautionary statement.

Additional information related to the Company is available on SEDAR at www.sedar.com, and on the Company's website at www.acinternational.ca.

DESCRIPTION OF BUSINESS

ACL is a Canadian natural resources company presently engaged in the acquisition, exploration and development of oil and gas properties in Indonesia. Shares of the Company trade on the TSX Venture Exchange ("Exchange") under the symbol "ACL".

ACL formerly operated general insurance brokerages in Canada and the United States. On May 1, 2014 the Company completed the sale of all of its shares (51%) in the Canadian subsidiary Anthony Clark Insurance Brokers Ltd. held by the Company, to an arm's length third party for cash consideration of approximately $13,000,000, before repayment of certain senior debt and adjustments. As the transaction contemplated the sale of all or substantially all of the Company's assets shareholder approval was obtained on April 14, 2014 and TSX Venture Exchange approval on April 22, 2014. The Company paid certain liabilities in the amount of $7,942,971 from the sale proceeds including debt settlement $6,101,475, legal expenses $277,221 and severance and outstanding compensation of $1,564,275.

Subsequent to obtaining TSX Venture Exchange approval on April 29, 2014, the Company changed its name to ACL International Ltd. effective May 1, 2014 and transferred its common shares listing to the NEX Board of the TSX Venture Exchange effective May 2, 2014.

On May 26, 2014, the Board of Directors of the Company declared a capital distribution to the shareholders and set the record date for the distribution at June 9, 2014. The Company made an initial distribution of $0.28 per common share to its shareholders on June 18, 2014.

On July 2, 2014, the Company received $2,008,240 representing the balance of the sale proceeds for the sale of all of the shares of Anthony Clark Insurance Brokers Ltd.

On January 26, 2015, the Company entered into a letter of intent ("**LOI**") with Blue Sky International Holdings, Inc. ("**BSIH**") for the acquisition of oil and gas interests in the North Sumatra region of Indonesia. Under the terms of the LOI, the Company was to acquire 100% of the issued and outstanding shares of BSIH's subsidiary Blue Sky Langsa Ltd. ("**BSL**"), effective January 1, 2015.

On April 30, 2015, the Company entered into an Amended and Restated Asset Purchase Agreement with Blue Sky Langsa Ltd. ("**BSL**"), pursuant to which the Company agreed to acquire, from BSL, a 50% interest in a Technical Assistance Contract for a block referred to as "**Langsa TAC**". Located in the East Aceh Offshore contract area in North Sumatra, Indonesia the block covers an area of approximately 77 square kilometers. The purchase price of C$9,924,600 was settled with C$100,000 in cash and the issuance of 81,871,667 Common Shares in the capital of the Company at C$0.12 per Common Share. The Effective Date of the transaction was January 1, 2015.

On June 8, 2015 the Exchange conditionally approved the proposed acquisition.

On June 11, 2015 the Company closed its Amended and Restated Asset Purchase Agreement dated April 30, 2015 with Blue Sky Langsa Ltd. with an effective date of January 1, 2015 for an aggregate purchase price of C$9,924,600.

On June 30, 2015 the TSX Venture Exchange accepted the Company's change of business from a general insurance brokerage issuer to an oil and gas issuer. The Company met the requirements to be listed as a TSX Venture Tier 1 issuer. Effective July 2, 2015, listing of the Company's shares was transferred from the NEX to the TSX Venture exchange.

On June 29, 2015 the Company paid C$762,786 ($800,000 Australian) to acquire a 38.25% working interest in a Production Sharing Contract for the block referred to as "South Block A" (the "**Assets**") located onshore, North Sumatra, Indonesia, from Peak Oil & Gas (Australia) Pty Ltd. ("**Peak**"). The acquisition had an effective date of May 1, 2015 and closed on July 2, 2015. The Company acquired of all of the issued and outstanding shares of Peak Oil & Gas SBA Pte Ltd., ("POGSBA"), a loan in the amount of US$4,164,763 which was due to Peak from POGSBA. POGSBA owns 75% of the issued and outstanding shares of Renco Elang Energy Pte. Ltd. which owns a 51% working interest in the Assets and is the operator.

OVERALL PERFORMANCE

Revenues from operations were $2,187,235 for the quarter ending September 30, 2015. The loss for the quarter ending September 30, 2015 was $1,842,467 due primarily to depreciation and amortization expenses and one time well work-over charges expensed during the period.

Working capital for the quarter ended September 30, 2015 decreased to $970,530 from $1,104,350 for the quarter ended June 30, 2015 .

SUMMARY QUARTERLY INFORMATION

The following table summarizes the Company's key consolidated financial information for the last eight quarters.

Quarter ended	Revenue ($)	EBITDA ($)	Net earnings ($)	EPS –Basic and Diluted ($/share)
September 30, 2015	2,187,235	(157,643)	(1,842,467)	(0.02)
June 30, 2015	757,037	256,717	(280,917)	-
March 31, 2015	-	(197,629)	(170,961)	(0.05)
December 31, 2014	-	(147,306)	(200,102)	-
September 30, 2014	-	(40,997)	(41,253)	-
June 30, 2014	-	(1,581,449)	10,447,503	1.09
March 31, 2014	-	(494,783)	(555,913)	(0.07)
December 31, 2014	-	(182,084)	(1,893,282)	(0.22)

- EBITDA is defined as Earnings before interest, income taxes, and depreciation and amortization.
- EBITDA is discussed and presented here as a non-IFRS measure because it is management's major performance indicator.
- EBITDA is reconciled to Net earnings above.
- The Revenue and EBITDA exclude the results of the discontinued operations.

RESULTS OF OPERATIONS AND HIGHLIGHTS IN THE QUARTERS ENDED SEPTEMBER 30, AND JUNE 30, 2015

Production

Total production, net to ACL, for the three month period ended September 30, 2015 from wells L3 and H4 was 62,610 bbls. Production increased by 15,593 bbls or 33% as compared to the three month period ended June 30, 2015. A notable increase in production resulted from bringing well H4 on line in May 2015. The production rate of well H4 at September 30, 2015 was 729 bbls/day with well L3 production at 677 bbls/day. Total average daily production for the three month period ending September 30, 2015 increased by 33% to 1375 bbls/day (688 bbls/day net to ACL) compared to 1033 bbls/day (517 bbls/day net to ACL) for the three month period ending June 30, 2015.

Operating Cost

All activities associated with operating the wells and facilities are included in the operating expenses. They include such items as gathering, processing, lifting, treating and storage production. The operating costs for the three months ended September 30, 2015 was $1,997,859 which include a one time work over charge of $623,372. Management continues to monitor operating costs to minimize expenses where possible. Operating expenses are impacted by production volumes.

General and Administrative

The general and administrative cost for the second quarter ending September 30, 2015 was $266,549 and for the quarter ending June 30, 2015 was $224,287. The totals reflect the cost of managing the Company's properties and associated activities and includes employees' salaries and wages, office rent, computer services, legal, transfer agent fees, reserve evaluation fees, audit and accounting and other professional fees. Also included in General and Administrative costs were a number of one time charges for due diligence and other exchange approval related work for the acquisitions of Blue Sky Langsa Ltd. and Peak Oil & Gas SBA Pte Ltd. ACL continually directs significant efforts to maintaining or reducing its controllable costs. Administrative costs decreased on a per bbl basis in second quarter of 2015 to $4.25, as compared to $4.77 per bbl in first quarter of 2015.

Depletion

A depletion value of $1,577,092 has been charged to Property and equipment representing the decreased value of remaining reserves.

LIQUIDITY AND CAPITAL RESOURCES

The financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing in the future.

Liquidity risk

> The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet its liabilities when due. With the Company's continuing cash flow from operations, the Company may have sufficient cash equivalent to settle its trade and other payables at September 30, 2015 of $789,684. The Company's working capital at September 30, 2015 was $970,530. All of the Company's financial liabilities have contractual maturities of 30 days or less, are subject to normal trade terms and are scheduled for payment within one year.

Typically, the Company ensures that it has sufficient cash on hand to meet expected operational expenses for a period of 12 months. Management believes that the Company has funds to pay its ongoing administrative expenses and to meet its liabilities for the ensuing year as they fall due.

Market risk

Market risk consists of interest rate, foreign currency and commodity price risks.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash and cash equivalents are exposed to minimal interest rate risk. The Company is mainly exposed to interest rate risk through its revolving line of credit.

The Company continues to assess additional petroleum and natural gas projects and plans to raise additional debt or equity amounts as needed to fund acquisitions and to maintain sufficient working capital to meet administrative expenditures.

The Company considers its capital structure to be working capital. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the three months ended September 30, 2015.

Short-term debt

The Company has a short-term debt note of US$645,000, bearing interest at 6.75% and is due and payable on February 21, 2017. The short-term debt is secured by the assets of the Company.

The global credit market crisis, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions have caused significant volatility in commodity prices. Petroleum prices are expected to remain volatile for the near future as a result of market uncertainties over supply and demand of these commodities due to the current state of world economies and the ongoing global conflict and credit and liquidity concerns. This has resulted in an extremely limited ability to execute capital market transactions particularly for junior resources issuers.

Going concern

The Financial Statements and MD&A have been prepared on a going concern basis, which implies the Company will continue to realize its assets and discharge its liabilities in the normal course of business. The Company generated a net loss of $1,842,467 for the quarter ended September 30, 2015. As of September 30, 2015, the Company has a working capital excess of $970,531. As such, there is a material uncertainty related to these conditions that may cast significant doubt on the Company's ability to continue as a going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. The continuation of the Company as a going concern is dependent upon the ability of the Company to obtain necessary equity or other financing to continue exploring its oil and gas properties, and/or to attain sufficient profitable operations. The ability of the Company to be successful in obtaining financing cannot be predicted at the present time. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

OUTSTANDING SHARES

The Company is authorized to issue an unlimited number of Common Shares. As at September 30, 2015 there were 96,716,267 issued and outstanding Common Shares.

STOCK OPTIONS

The Company had a total of 6,617,658 options outstanding at a weighted average exercise price of $0.12 at September 30, 2015.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

In August 2015 an Officer of the Company granted an unsecured loan in the amount of $10,000 for general working capital. The above transaction is in the normal course of business and is at terms agreed to by the related parties.

OTHER SIGNIFICANT EVENTS AND COMMITMENTS

None.

RISKS

The risks in the oil and gas industry are varied and wide-ranging:

Exploration, Development and Production Risks

Oil and natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. Without the continual addition of new reserves, any existing reserves the Company may have at any particular time, and the production there from, will decline over time as such existing reserves are exploited. A future increase in the Company's reserves will depend not only on its ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties and prospects. No assurance can be given that the Company will be able to continue to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, management of the Company may determine that current markets, terms of acquisitions and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that further commercial quantities of oil and natural gas will be discovered or acquired by the Company.

Future oil and natural gas exploration may involve unprofitable efforts, not only from dry wells, but also from wells that are productive but do not produce sufficient petroleum substances to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field-operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents; shut in of connected wells for various reasons including access issues resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical issues. While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

The Company is exposed to interest rate price risk on its fixed rate revolving line facility and to interest cash flow risk on its floating rate debt. A material change in prices of commodities may affect the Company's borrowings and ultimately affecting the raising of equity capital by the Company.

Global Financial Crisis

Recent market events and conditions, including disruptions in the international credit markets and to the financial systems, and the deterioration of global economic conditions, have caused significant volatility to commodity prices. These conditions are continuing in 2015, causing a loss of confidence in the broader Canadian and global credit and financial markets and resulting in the collapse of, and government intervention in, major banks, financial institutions and insurers and creating a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions. Notwithstanding various actions by governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to further deteriorate. These factors have negatively impacted corporate valuations and will impact the performance of the global economy going forward. Although improved, petroleum prices are expected to remain volatile for the near future as a result of the market uncertainties over the supply and demand of these commodities due to the current state of the world economies, OPEC actions, regional conflicts and the ongoing global credit and liquidity concerns.

Commodity Price Risk

The nature of the Company's operations results in exposure to commodity fluctuations. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. The Company is exposed to interest rate price risk on its fixed rate revolving line of facility and to interest cash flow risk on its floating rate debt. A material change in prices of commodities affected the Company's borrowings and ultimately affecting the raising of equity financing. The Company does not hedge commodity price risk and has no physical forward price or financial derivative sales contracts as at or during the quarter ended September 30, 2015.

Operational Dependence

Other companies operate various producing wells in which the Company holds interests. The Company has limited ability to exercise influence over the non-operated assets or their associated costs, which could adversely affect the Company's financial performance. The Company's return on assets operated by others therefore depends upon a number of factors that may be outside of the Company's control, including the timing and amount of capital expenditures, the operator's expertise and financial resources, the approval of other participants, the selection of technology and risk management practices.

Regulatory

Oil and natural gas operations (exploration, production, pricing, marketing and transportation) are subject to extensive controls and regulations imposed by various levels of government, which may be amended from time to time. Governments may regulate or intervene with respect to price, taxes, royalties and the exportation of oil and natural gas. Such regulations may be changed from time to time in response to economic or political conditions. The implementation of new regulations or the modification of existing regulations affecting the oil and natural gas industry could reduce demand for natural gas and crude oil and increase the Company's costs, any of which may have a material adverse effect on the Company's business, financial condition, results of operations and prospects. In order to conduct oil and gas operations, the Company will require licenses from various government authorities. There can be no assurance that the Company will be able to obtain all of the licenses and permits that may be required to conduct operations that it may wish to undertake.

Environmental

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach of applicable environmental legislation may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require the Company to incur costs to remedy such discharge. Although the Company believes that it will be in material compliance with current applicable environmental regulations no assurance can be given that environmental laws will not result in a curtailment of production or a material adverse effect on the Company's business, financial condition, results of operations and prospects. Given the evolving nature of the debate related to climate change and the control of greenhouse gases and resulting requirements, it is not possible to predict the impact on the Company and its operations and financial condition.

Substantial Capital Requirements

The Company anticipates making capital expenditures for the acquisition, exploration, development and production of oil and natural gas reserves in the future in order to replace reserves. If the Company's revenues or reserves decline, it may not have access to the capital necessary to undertake or complete future drilling programs. In addition, uncertain levels of near term industry activity coupled with the recent global credit crisis exposes the Company to additional access to capital risk. There can be no assurance that debt or equity financing, or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes including repayment of loan facilities when due or, if debt or equity financing is available, that it will be on terms acceptable to the Company. The inability of the Company to access sufficient capital for its operations and capital requirements could have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Dilution

The Company may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Company which may be dilutive.

RECENT ACCOUNTING STANDARDS

The Company has adopted the following new accounting standards effective April 1, 2013. These changes were made in accordance with the applicable transitional provisions and had no impact on the financial statements.

1. (i) IFRS 10 *Consolidated Financial Statements*. IFRS 10 defines a single concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of a parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

2. (ii) IFRS 11 *Joint Arrangements*. IFRS 11 focuses on the rights and obligations of an arrangement rather than its legal form, as was previously the case. The standard distinguishes between joint operations, where the joint operator accounts for the assets, liabilities, revenues, and expenses relating to its involvement, and joint ventures, which must be accounted for using the equity method.
3. (iii) IFRS 12 *Disclosure of Interests in Other Entities*. IFRS 12 is a new and comprehensive standard on disclosure requirements for all forms of interests in other entities, including subsidiaries, joint operations, joint ventures, associates and unconsolidated structured entities.
4. (iv) IFRS 13 *Fair Value Measurement*. IFRS 13 is a new standard that applies to both financial and non-financial items measured at fair value. It defines fair value, sets out a single framework for measuring fair value and requires disclosures about fair value measurements. Previously, a variety of fair value techniques and disclosures were possible under the requirements of separate applicable IFRS.

New standards and interpretations not yet adopted:

A number of new standards, amendments to standards and interpretations have been issued by the IASB which are not yet effective for the period ending September 30, 2015, and have not been applied in preparing these consolidated financial statements. The Company does not expect the amendments to have a material impact on the financial statements.

1. (i) IFRS 9 financial instruments

   IFRS 9 addresses requirements for the classification and measurement of financial instruments, impairment methodology and hedge accounting. The IASB set a mandatory effective date for annual periods beginning on or after January 1, 2018. The Company continues to assess this new standard, but does not expect it to have a significant impact.

2. (ii) IFRS 15 revenue from contracts with customers

   IFRS 15 replaces the existing revenue recognition guidance with a new framework to determine the timing and measurement of revenue, providing users of the financial statements more information and relevant disclosures. IFRS 15 is effective for annual periods beginning on or after January 1, 2017, with early adoption permitted. The Company continues to assess this new standard, but does not expect it to have a significant impact.

3. (iii) IAS 38 intangible assets

   Amendments to IAS 38 provide clarification of acceptable methods of depreciation and amortization. The amendments were issued in May 2014 and apply to annual reporting periods beginning on or after January 1, 2016, with early adoption permitted under IFRS. The Company continues to assess this new standard, but does not expect it to have a significant impact.

ACCOUNTING ESTIMATES

Estimates are based on historical experience and on various other assumptions that the Company believes to be reasonable. These estimates form the basis of judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. The Company's most significant areas of estimation are in relation to recoverability of mineral properties, stock-based compensation expenses, and future tax assets and liabilities. Actual results could differ from those estimates.

The significant accounting policies used by ACL are disclosed in note 2 to the financial statements for the quarter ended September 30, 2015 and year ended March 31, 2015.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the consolidated financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Management maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded and to facilitate the preparation of relevant and timely disclosure information.