Eaglewood Energy Inc.
Management's discussion and analysis
For the three and nine months ended September 30, 2013 and 2012

CHIEF EXECUTIVE'S MESSAGE

The third quarter 2013 saw good progress on all of our various initiatives. Our applications are complete and lodged with the PNG regulator for a gas and condensate processing facility (APPFL3) and a condensate pipeline (APL9) to process and transport condensate from all the operators in the area with capacity up to 15,000 barrels per day. The Department of Petroleum and Energy review team has completed its review of the applications and has recommended that the Petroleum Advisory Board ("PAB") grant the licenses. We are now waiting for a PAB meeting to convene, deliberate and hopefully approve the grant.

The seismic program we completed earlier this year has converted the Nama prospect in the western part of our PPL 259 license into a drilling location. We continue our preparations to drill that well in the first half of next year. As indicated last quarter we believe we will be successful in completing a farmout of approximately 20% of our interest in PPL 259 which would fund the majority of our remaining 45% interest in the well.

The unitization discussions with respect to the Stanley volumes on PPL 259 and our inclusion in the Stanley development have progressed materially over the past quarter. We hope to execute a Stanley unitization agreement which will determine our equity position and funding obligation for this project prior to year end.

We continue to work on finding partners to farm-in to our two frontier licenses PPL's 257 & 258, and our online data room has seen interest from a wide range of companies. We are working towards securing a partner willing to fund an exploration well in these licenses. .

PNG has had increased levels of onshore and offshore activity with more and more energy companies entering the country. Activity around our licenses in the forelands have increased our strategic and resource value. During the quarter the PRL 21 JV drilled their Tingu prospect, immediately adjacent to our PPL 259 and PRL 28 licenses. The operator of PRL 21, Horizon Oil, has announced the Tingu accumulation is potentially similar in size to the Elevala gas-condensate field (2C contingent resource of approximately 400 billion cubic feet of gas and 22 million barrels of condensate).

We want to thank our shareholders for their patience and support.

Brad Hurtubise
Chief Executive Officer
November 20, 2013

Management's discussion and analysis ("MD&A") of Eaglewood Energy Inc.'s (the "Company" or "Eaglewood") financial condition and results of operations should be read in conjunction with the consolidated financial statements for the three and nine months ended September 30, 2013 and 2012 and related notes therein prepared in accordance with International Financial Reporting Standards. The effective date of this MD&A is November 20, 2013.

Additional information relating to the Company is available on SEDAR at www.sedar.com and the Company's website at www.eaglewoodenergy.ca .

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement.

In particular, this MD&A contains forward-looking statements, pertaining to the following:

- capital expenditure programs;
- development of resources;
- treatment under governmental regulatory and taxation regimes;
- expectations regarding the Company's ability to raise capital;
- expenditures to be made by the Company to meet certain work commitments; and
- work plans to be conducted by the Company.

With respect to forward-looking statements listed above and contained in this MD&A, the Company has made assumptions regarding, among other things:

- the Papua New Guinea legislative and regulatory environment;
- the impact of increasing competition;
- unpredictable changes to the market prices for oil and natural gas;
- that costs related to development of the oil and gas properties in Papua New Guinea will remain consistent with historical experiences;
- anticipated results of exploration activities;
- availability of additional financing and farm-in or joint venture partners; and
- the Company's ability to obtain additional financing in a timely manner and on satisfactory terms.

The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and elsewhere in this MD&A:

- volatility in the market prices for oil and natural gas;
- uncertainties associated with estimating resources;
- geological, technical, drilling and processing problems;
- liabilities and risks, including environmental liabilities and risks, inherent in oil and natural gas operations;
- fluctuations in currency and interest rates;
- incorrect assessments of the value of acquisitions;
- unanticipated results of exploration activities;
- competition for, among other things, capital, acquisitions of reserves, equipment, undeveloped lands and skilled personnel;
- lack of availability of additional financing and farm-in or joint venture partners;
- unpredictable weather conditions; and
- other factors referred to under "Risk Factors" in the Company's annual information form for the year ended December 31, 2012, dated April 17, 2013 and filed on SEDAR on April 24, 2013.

Undue reliance should not be placed on forward-looking statements as the plans, intentions or expectations upon which they are based might not occur. Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by law.

COMPANY OVERVIEW

Eaglewood is an international, junior oil and gas company which trades on the TSX Venture Exchange (trading symbol "EWD"). The Company's primary activity is exploration and development of its petroleum prospecting and retention licenses located in Papua New Guinea (the "PNG Licenses") which were acquired in October 2007. The Company has no oil and gas properties other than the PNG Licenses. Currently there is no production or reserves associated with the PNG Licenses.

EVENTS IN Q3:2013

- On June 25, 2013, common shares began trading on OTCQX International under the symbol "EWDYF". OTCQX International is a segment of the OTCQX marketplace reserved for high-quality non-U.S. companies that are listed on a qualified international exchange and provide their home country disclosure to U.S. investors.

DESCRIPTION OF PNG LICENSES AND COMMITMENTS

Each of the PNG Licenses gives the Company the right to explore for oil and natural gas on specified blocks in PNG. If exploration is successful, the Company can apply to the PNG government for either a retention license or a development license. A retention license is generally applied for if natural gas reserves have been identified but additional time is required to either prepare a development plan or, if the amount of natural gas reserves is not of a sufficient commercial quantity, to explore for further natural gas reserves. A development license is generally applied for if oil and/or natural gas reserves have been discovered and production is commercially viable. The PNG government has historically granted retention or development licenses however there is a risk that a retention or development license may not be granted to the Company when, or on the terms, applied for.

PPL 259

In September 2011, a five-year extension to PPL 259 was granted effective the date of the grant. Within the first two years from the date of extension of this license, the Company must, at a cost of not less than US$26,000,000 to acquire 100km of 2D seismic, drill one exploration well, and conduct geological and geophysical studies. Prior to the beginning of the third year of the extension, the Company must submit and have approved by the Minister, the work program for the remaining three years of the extension which must include drilling an appraisal well or another exploration well. Our work commitment is to initiate drilling operations in September of this year. We have initiated preparation of the drilling site and the contracting of a drilling rig with a view to starting drilling operations in the first quarter of next year. In addition, we have received a license variation to allow us the flexibility to drill the well later in 2014. Eaglewood has a 65% participating interest in this license and is the Operator.

PRL 28

In December 2011, a Petroleum Retention License (PRL) was granted for the Ubuntu gas condensate discovery on PPL 259. The license was granted for five years effective the date of the grant, and during this period, the Company must undertake marketing studies with analysis of future hydrocarbon commercialization scenarios for the Ubuntu gas and gas condensate resource; undertake technical studies to (i) re-map and assess the reserves of the Ubuntu feature, focusing on an integration of the Ubuntu seismic; (ii) determine the potential for an integrated development with other nearby fields; (iii) deliver gas and/or condensate to local markets; (iv) identify landowners and required social mapping; and (v) address other commercialization opportunities for gas/condensate. The cost of the above work is to be not less than US$350,000. Contingent on the conclusions reached on the above items and if the market warrants, the Company must then undertake engineering studies aimed at appraisal and development of gas and/or condensate delivery; perform a conventional or extended well test on Ubuntu-1; consider drilling an appraisal or development well; and undertake commercial negotiation of gas and/or condensate contracts. Eaglewood has a 40% participating interest in this license and is the Operator.

PPL 257

In December, 2011, a five year extension to PPL 257 was granted effective the date of the grant. During the first two years of the extension, the Company must, at a cost of not less than US$500,000 integrate recently completed studies; conduct further field studies as deemed necessary; integrate seismic interpretation and structural studies; and continue farm-out talks.

Prior to the beginning of the third year of the extension, the Company must submit and have approved by the Minister the work program for the remaining three years of the license which must include drilling one exploration well at a cost of not less than $US40,000,000, conduct post well studies and a comprehensive license review at a cost of not less than $US500,000; and provide particulars of the financial resources available to the Company to carry out the foregoing work program. The Company has submitted a license variation to defer our drill or drop decision until October 2014. Eaglewood has a 100% participating interest in this license and is the Operator.

PPL 258

In August 2012, the Company was granted a five year extension to this license effective the date of the grant. During the first two years, the Company must carry out and integrate a number of studies at a cost of not less than US$500,000; in the third and fourth year, the Company must drill one exploration well with a second well required in year five at a cost of not less than US$15,000,000 per well. Eaglewood has a 100% participating interest in this license and is the Operator.

PPL 430

In July 2013, the Company was granted this license effective the date of the grant. The term of PPL 430 is six years. The work commitments associated with the grant in the first two years are to conduct technical studies on the license and acquire approximately 20km of seismic. In years three and four, contingent on the results of those studies, the Joint Venture will drill an exploration well; and in years five and six, contingent on a discovery, drill a further well. Gross costs for this license are estimated to be approximately $1.5 million over a two year period. Eaglewood has a 50% participating interest in this license.

The PNG government retains the right to back-in for up to a 22.5 % interest at cost which can be exercised at the time a development license is granted. The PNG government also has a 2% royalty over any oil or natural gas production that may occur with respect to the PNG Licenses.

The Company has issued bank guarantees totaling approximately $225,000 (100,000 Papua New Guinea Kina for each license) as security against the capital requirements associated with the PNG Licenses. If the Company does not fulfill its commitments under a PNG License and has not applied for and been granted an extension, it could potentially lose its guarantee and the applicable PNG License could be revoked by the PNG government.

As the Company does not currently generate sufficient cash flow from operating activities to fund its activities, it will need to raise equity financing and/or enter into joint venture or farm-out arrangements to finance its exploration commitments for the PNG Licenses.

SELECTED QUARTERLY INFORMATION

The following is a summary of selected financial information for the Company for the periods indicated:

($000's except per share data)	**Sep 30 2013**	**Jun 30 2013**	**Mar 31 2013**	**Dec 31 2012**	**Sep 30 2012**	**Jun 30 2012**	**Mar 31 2012**	**Dec 31 2011**
Revenue	28	23	28	28	60	18	-	-
Income (loss) before					3,987	(673)	(616)	(745)

discontinued operations	(637)	(855)	(595)	(1,892)				
Net income (loss)	(637)	(855)	(595)	(1,892)	3,987	(673)	(616)	(745)
Income (loss) per share before discontinued operations	(0.01)	(0.01)	(0.01)	(0.02)	0.05	(0.01)	(0.01)	(0.01)
Total income (loss) per share	(0.01)	(0.01)	(0.01)	(0.02)	0.05	(0.01)	(0.01)	(0.01)
Total assets	61,198	63,168	63,413	61,186	62,008	61,594	58,848	64,305

- The Company currently has no oil or gas production to offset its expenses. The Company's expenses are described more fully in RESULTS OF OPERATIONS.
- The Company's main assets are petroleum and natural gas properties and cash.

RESULTS OF OPERATIONS

The Company had a net loss of $637,303 and $2,087,086 respectively for the three and nine months ended September 30, 2013 compared to a net income of $3,986,511 and $2,697,180 for the three and nine months ended September 30, 2012.

Total net expenses from operating activities for the three and nine months ended September 30, 2013 were $614,540 and 2,003,423 respectively compared to $(3,966,669) and $(2,660,750) for the three and nine months ended September 30, 2012.

The following table provides a breakdown of the Company's general and administrative ("G&A") expenses by material component:

	For the three months ended,		For the nine months ended,	
	September 30, 2013	September 30, 2012	**September 30, 2013**	September 30, 2012
Salaries & wages	**$ 221,366**	$ 277,085	**$ 749,409**	$ 889,808
Stock based compensation	**88,071**	154,768	**289,747**	352,387
Office costs	**39,628**	60,930	**143,911**	222,345
Travel & accommodation	**55,509**	63,864	**178,194**	217,269
Consulting	**30,661**	79,040	**119,884**	217,359
Other general and administrative	**43,209**	56,252	**94,257**	150,653
Public company	**23,988**	23,641	**103,982**	86,282
Professional fees	**37,262**	106,612	**144,307**	166,251
Office rent	**28,189**	25,760	**77,722**	74,805
Overhead recoveries	**(20,544)**	(25,058)	**(116,484)**	(168,754)
	$ 547,339	$ 822,894	**$ 1,784,929**	$ 2,208,405

The G&A expenses for the three and nine months ended September 30, 2013 were $275,555 and $423,476 respectively lower than the expenses for the three and nine months ended September 30, 2012. The variance in G&A expenses are discussed below.

For the three and nine months ended September 30, 2013, salaries and wages were $55,719 and $140,399 respectively lower than for the comparative period in 2012. The reduction in salaries is the result of a reduction in staff in 2013 compared to 2012.

Consulting fees for the three and nine months ended September 30, 2013 were $48,379 and $97,475 respectively lower than for the three and nine months ended September 30, 2012. In 2012, the Company spent $47,000 on consulting fees related to preparing further engineering work on PPL 259 area development options; $50,000 in financial advisory services; and $25,000 in geological consulting which were not required in 2013. These consulting charges were partially offset by additional financial consulting performed in 2013.

Office costs for the three and nine months ended September 30, 2013 were $21,302 and $78,434 respectively lower than the comparative periods in 2012. This variance is mainly the result of a pipeline and facilities application fee of $48,000 being charged in the second quarter of 2012 that was not required in 2013.

Professional fees for the three and nine months ended September 30, 2013 were $69,350 and $21,944 respectively lower than for the same period in 2012. This decrease is related to legal fees incurred in 2012 primarily in conjunction with the failure to complete the additional PPL 259 farm-in costs that were not required in 2013.

For the three and nine months ended September 30, 2013, overhead recoveries were approximately $4,514 and $52,270 lower than the comparable period in 2012. Overhead recoveries are a function of joint operations and capital expenditures. Pursuant to the Joint Operating Agreement for PPL 259 and PRL 28, the Company recovers a percentage of the capital expenditures as compensation for the indirect services provided to the Joint Venture. During 2013, the majority of the capital program occurred in the first quarter so the second and third quarters saw little overhead recoveries. In 2012, expenditures were spent on projects where Eaglewood had a smaller working interest which generated higher overhead recoveries.

In addition to G&A expenses, for the three and nine months ended September 30, 2013, the Company incurred $27,300 and $92,724 in operating costs compared to $76,355 and $113,476 spent in 2012. This variance relates to the purchase of the Camp at Drimdenasuk in 2012 which is used as a base to manage inventory remaining from the Ubuntu project and potentially other work nearby such as road work. Costs were first incurred at the end of the first quarter of 2012.

FINANCIAL CONDITION

At September 30, 2013, the Company had total assets of $61.2 million, the same as at December 31, 2012.

LIQUIDITY AND CAPITAL RESOURCES

At September 30, 2013, the Company had net working capital of $5.7 million compared to net working capital of $10.0 million at December 31, 2012. The decrease in working capital is mainly due to the use of cash for capital projects.

Funds used in operations for the nine months ended September 30, 2013 were $1,643,192, in addition to a decrease in non cash working capital of $326,339. The change in non cash working capital is related to a decrease in accounts payable.

Funds used in investing activities for the nine months ended September 30, 2013 were $2,996,497 which was mainly the result of exploration and evaluation expenditures.

A summary of capital expenditures for the first nine months of 2013 is provided below.

PPL 259 – Drimgas seismic program	$ 2,597,473
Overhead	145,458
Other	260,833
Total cash and equivalence expenditures	$ 3,003,764
Capitalized stock based compensation	55,019
Asset retirement obligation	(48,749)
Total capital expenditures	$ 3,010,034

2013 WORK PROGRAM AND OUTLOOK

2013 Work Program
The Company's 2013 work program is primarily based on meeting its PNG License commitments. In order to fund this work program, the Company is in discussions with industry partners to enter into further joint venture or farm-out arrangements in the PNG Licenses.

PPL 259
The 2013 work program for PPL 259 comprised of a 2D seismic survey in support of selecting a drilling location. The seismic survey included a 67.5 line km shoot over the western portion of the license area, primarily focused on high-grading the Herea and Nama Leads delineated by seismic acquired in April 2012, as well as two exploration lines over the Ekelesia Lead. A second phase of seismic data acquisition will be considered following the analysis of results from this first phase. Eaglewood's 65% share of these costs was approximately US $3.0 million. In the event a drilling location is located, Eaglewood expects to begin the preparation of the location this year, and our work commitment was to initiate preparation for drilling operations in September of this year and we have done so. In addition, we have recieved a license variation to allow us the flexibility to drill the well later in 2014. Eaglewood has a 65% participating interest in this license and is the Operator. Eaglewood's 65% share of the site preparation costs are expected to be $1.3 million. A farmout of 20% of Eaglewood's 65% interest in order to fund the remaining 45% interest is well advanced and expected to be completed prior to year end. Finally, dependent on the results of the Stanley unitization process and completion of various other obligations, Eaglewood will be required to pay its share of the development sunk costs to date, as well as development costs going forward.

PRL 28

The 2013 work program for PRL 28 will include technical and commercial studies that support the development of the Ubuntu Discovery. In addition, the Company will continue to maintain and secure the inventory remaining from the Ubuntu-1 well, as well as the Ubuntu-1 location and wellhead. Eaglewood's share of these costs is expected to be approximately US $127,200.

PPL 257
The 2013 work program for PRL 257 will include field studies and study integration work, at a cost expected to be approximately US $250,000.

PPL 258:
The 2013 work program for PPL 258 will include integration of a number of studies at a cost of approximately US $100,000.
As a result of the nature of the petroleum and natural gas exploration, development and exploitation industry, budgets are regularly reviewed with respect to both the success of expenditures and other opportunities that become available. Accordingly, while it is currently intended by management of the Company that the general expenditures set out in the work program above will be made by the Company, actual expenditures may in fact differ from these plans, amounts and allocations.

Additionally, completion of activities are subject to potential barriers such as, but not limited to, lack of capital, lack of available equipment and poor weather which may impact the timing and duration of operations. Additional risk factors are disclosed in the Company's Annual Information Form, for the year ended December 31, 2012 dated April 17, 2013 and filed on SEDAR on April 24, 2013.

OUTSTANDING SHARE DATA

As at November 20, 2013, the Company had 87,368,942 common shares outstanding and 7,776,000 stock options outstanding under its stock option plan. The Company also had 6,200,000 performance warrants outstanding.

RELATED PARTY TRANSACTIONS

For the three and nine months ended September 30, 2013, the Company paid $6,677 and $38,850 respectively (September 30, 2012 - $33,708 and $74,063) for legal services to a firm of which an officer of the Company is a partner.

For the three and nine months ended September 30, 2013, the Company paid $3,000 and $9,000 respectively in management fees to a company controlled by a director. These fees were paid for administrative services which were provided by the director.

Key management personnel compensation
In addition to their salaries, the Company also provides non-cash benefits to executive officers. The executive officers include the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer. Executive officers also participate in the Company's stock option

program. Key management personnel compensation for the three and nine months ended September 30, is comprised as follows:

	For the three months ended,		For the nine months ended,	
	September 30, 2013	September 30, 2012	**September 30, 2013**	September 30, 2012
Salaries and wages	**$ 173,478**	$ 201,905	**$ 545,844**	$ 579,488
Directors fees	**16,250**	16,250	**48,750**	48,750
Short-term employee benefits	**1,371**	1,935	**7,360**	12,679
Share-based payments	**146,257**	142,098	**328,223**	304,067
	$ 337,356	$ 362,188	**$ 930,177**	$ 944,984

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company's financial instruments consist of cash and cash equivalents, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The Company is a venture issuer that has not had significant revenue from operations in either of its last two financial years. In accordance with National Instrument 51-102, additional disclosure on material costs is presented below.

	For the three months ended,		For the nine months ended,	
	September 30, 2013	September 30, 2012	**September 30, 2013**	September 30, 2012
Salaries & wages	**$ 221,366**	$ 277,085	**$ 749,409**	$ 889,808
Stock based compensation	**88,071**	154,768	**289,747**	352,387
Office costs	**39,628**	60,930	**143,911**	222,345
Travel & accommodation	**55,509**	63,864	**178,194**	217,269
Consulting	**30,661**	79,040	**119,884**	217,359
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Public company	**23,988**	23,641	**103,982**	86,282
Professional fees	**37,262**	106,612	**144,307**	166,251
Office rent	**28,189**	25,760	**77,722**	74,805
Overhead recoveries	**(20,544)**	(25,058)	**(116,484)**	(168,754)
	$ 547,339	$ 822,894	**$ 1,784,929**	$ 2,208,405
Capitalized exploration and evaluation costs	**$ 82,754**	$ 602,463	**$ 3,010,034**	$ 2,514,308