

WESCAN ENERGY CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") of the consolidated financial condition and results of operations of WesCan Energy Corp. ("WesCan" or the "Company") dated November 28 2025, which includes its subsidiaries, is for the three and six months ended September 30, 2025. For a full understanding of the financial condition and results of operations of the Company, the MD&A should be read in conjunction with the Company's audited consolidated financial statements at March 31, 2025 together with the documents filed on SEDAR, including historical financial statements and MD&A. These documents are available at www.sedar.com.

DESCRIPTION OF BUSINESS

WesCan is an evolving exploration and production company with a key objective of providing its shareholders with attractive, long term sustainability by developing and exploiting the Company's assets at east-central, Alberta in a financially disciplined manner and by acquiring and consolidating additional oil and gas assets that are analogous to its infrastructure and focus area(s). Wescan's assets are comprised of 100% operated, oil-weighted properties characterized by multi-zone oil reservoirs with low declines that include a number of low risk, multi-lateral horizontal development drilling locations. WesCan continues to pursue and evaluate strategic acquisitions with synergistic characteristics of long life producing assets and opportunities with low risk, upside potential.

RESULTS OF OPERATIONS

All financial and operating metrics were moderately lower in 2025 compared to 2024 and for the quarter ended September 30, 2025, compared to the same periods in 2024. This was a result of lower commodity prices, and production declines from 2024.

PRODUCTION	Three months ended			Six months ended		
	September 30			September 30		
	2025	2024	Change	2025	2024	Change
Total BOE						
Oil - 76% light/med 24% heavy (BBL/D)	112	129	(13)	206	260	(21)
Natural Gas Liquids (BBL/D)	5	5	-	10	9	11
Conventional Natural Gas (MCF/D)	63	149	(58)	211	247	(15)
Total (BOE/D)	128	160	(20)	251	310	(19)
Oil & NGL % of Production	92%	84%		86%	87%	

Average production decreased by 20% to 128 boe/d in Q2/26 from 160 boe/d in Q2/25. The decrease is due to production declines and field maintenance.

PRICES

	Six months ended September 30		
	2025	2024	% Change
Average Benchmark Prices:			
WTI crude oil (US\$/BBL)	65.22	77.83	(16)
US\$/CDN\$ exchange rate	0.72	0.73	(1)
Bow River crude oil (CDN\$/BBL)	76.37	87.16	(12)
AECO daily spot (\$/GJ)	1.25	1.14	10
Average Realized Prices:			
Light and medium oil (\$/BBL)	74.99	91.30	(18)
Natural gas (\$/MCF)	0.99	0.52	90
Average price (\$/BOE)	64.11	78.50	(18)

WTI crude traded down 16% from an average price of \$77.83 (US\$/BBL) during 2024 to an average price of \$65.22 (\$US/BBL) in 2025. Bow River crude traded down 12% from an average price of 87.16 (\$CDN/BBL) in 2024 to an average price of \$76.37 (\$CDN/BBL) during 2025. The average realized price for AECO natural gas increased 90% from \$0.52/MCF in 2024 to an average price of \$0.99/MCF in 2025.

REVENUE

(\$)	Three months ended September 30			Six months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Oil & NGL Sales	788,347	1,059,284	(26)	1,446,065	2,208,966	(35)
Natural Gas Sales	2,024	3,089	(34)	18,911	11,652	62
Total revenue	790,371	1,062,373	(26)	1,464,976	2,220,618	(34)

Revenue in Q2/26 was \$788,347 a 26% decrease from Q2/25 revenue \$1,059,284. When comparing Q2/26 to Q2/25, the decrease in oil was a result of both decreased production and commodity price. The decrease in natural gas revenue was solely attributable to lower production.

ROYALTIES

(\$)	Three months ended September 30			Six months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Crown Royalties	25,543	75,339	(66)	58,243	129,670	(55)
Freehold Royalties	81,289	69,127	18	128,699	135,980	(5)
Royalty Expense	106,832	144,466	(26)	186,942	265,650	(30)
Royalty Expense as a % of Sales	14%	14%		13%	12%	
Royalty Expense per BOE	9	10		8	9	

For this quarter ended, total royalty expense decreased by 26% from \$144,466 in Q2/25 to \$106,832 in Q2/26. With exception for crown royalties, during Q2/26 there was decrease of 66% from \$75,339 in Q2/25 to \$25,543 in Q2/26 due to decrease in oil production.

OPERATING EXPENSE

(\$)	Three months ended September 30			Six months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Operating expense	460,819	708,672	(35)	780,733	1,329,091	(41)
Workover expenses	27,180	43,300	(37)	41,550	237,614	(83)
Total operating costs	487,999	751,972	(35)	822,283	1,566,705	(48)
Operating costs as a % of Sales	58%	70%		56%	70%	
Operating costs per BOE	\$ 40.00	\$ 52.00		\$ 36.00	\$ 55.00	

Total operating costs decreased by 35% to \$487,999 in quarter ended 2025 from \$751,972 for the same quarter ended 2024 primarily due to reduce maintenance and workovers compared to previous year.

GENERAL AND ADMINISTRATIVE EXPENSE ("G&A")

(\$)	Three months ended September 30			Six months ended September 30		
	2025	2024	Change	2025	2024	% Change
Gross G&A	83,911	130,213	(36)	170,592	184,635	(8)
Net G&A expense per BOE	\$ 7.22	\$ 9.00		\$ 7.47	\$ 7.00	

General and Administrative expenses decreased by 36% in Q2/26, from \$130,213 in Q2/25 to \$83,911, mainly because the engineering study for a new drilling prospect in the core area was completed.

INTEREST AND FINANCE EXPENSE

Interest expense is generated entirely by the notes payable. These amounts bear interest of 12%, are secured and mature within three years in 2028.

FINANCE EXPENSE

	Three months ended September 30			Six months ended September 30		
	2025	2024	Change	2025	2024	% Change
Interest expense	91,973	42,242		149,066	120,093	
Total finance expense	91,973	42,242	118	149,066	120,093	24
Total (\$/boe)	\$ 7.91	\$ 3.00		\$ 6.52	\$ 4.00	

Total finance expense for the quarter ended September 30, 2025 increased from the same quarter ended in 2024 due to increase in repayment of debt.

NETBACKS

(\$ / BOE)	Three months ended September 30			Six months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Oil Sales	68.00	73.31	(7)	64.11	78.50	(18)
Royalties	(9.19)	(9.97)	(8)	(8.18)	(9.39)	(13)
Operating costs	(39.65)	(51.89)	(24)	(35.98)	(55.38)	(35)
Operating Netback	19.16	11.45	67	19.95	13.73	45

1. Non-IFRS Financial Ratio; See "Non-IFRS Financial Measures, Non-IFRS Financial Ratios and Capital Management Measures" Section of this MD&A.

During the Q2/26, operating netback increase 67% to \$19.16/boe from \$11.45/boe for the same period in Q2/25 was attributed to a decrease in operating costs relating to workovers and compressor repairs and offset by a decrease of total oil production of 20% from 160 boe/d in the quarter ended 2024 to 128 boe/d same quarter ended 2025.

DEPLETION, DEPRECIATION AND ACCRETION ("DD&A")

(\$)	Three months ended September 30			Six months ended September 30		
	2025	2024	% Change	2025	2024	% Change
DD&A	221,927	232,534		420,649	242,540	
Total	221,927	232,534	(5)	420,649	242,540	73
DD&A (\$/boe)	\$ 19.09	\$ 16.00		\$ 18.41	\$ 17.00	

Depletion, depreciation, and accretion (DD&A) costs decreased by 5% in quarter ended 2025 to \$221,927 from \$232,534 same quarter 2024. The decrease is primarily attributable to a reallocation of capital expenditures from the depletable base to probable reserves as well as lower production volumes during the current period.

IMPAIRMENT

Impairment is recognized when the carrying value of an asset or group of assets exceeds its recoverable amount, defined as the higher of its value in use or fair value less costs of disposal. Any asset impairment that is recorded is recoverable to its original value less any associated DD&A expense should there be indicators that the recoverable amount of the asset has increased in value since the time of recording the initial impairment.

At September 30, 2025, the Company did not identify indicators of impairment or reversal of previous impairments.

FUNDS FROM OPERATIONS

(\$ except per share amount)	Three months ended September 3			Six months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Cash flow from (used in) operating activities	(170,725)	(163,410)	4	31,241	93,570	(67)
Changes in non-cash working capital	309,534	199,176	55	212,368	110,058	93
Funds from operations	138,809	35,766	288	243,609	203,628	20
Per share - basic / diluted	0.00	0.00		0.01	0.00	

Cash flow from operating activities increased by 288% to 138,809 in Q2/26, compared to \$35,766 in Q2/25 attributed to reduce costs in completion, compressor repairs and workovers programs.

CAPITAL EXPENDITURES

	Three months ended September 30			Six months ended September 30		
	2025	2024	% Change	2025	2024	% Change
Land and seismic	-	-		-	-	
Drilling and completions	1,348,949	-		1,348,949	-	
Facilities, pipelines and well equipment	176,015	74,013		190,764	150,689	
Total capital expenditures	1,524,964	74,013	1,960	1,539,713	150,689	922

The total expenditures increased 1,960% in Q2/26 to \$1,524,964 from \$74,013 in Q2/25. Capital expenditures during the quarter are related to a new drilling program in the core area.

DECOMMISSIONING LIABILITIES

(\$)	September 30 2025	March 31 2025
Balance, beginning of the year	2,044,646	1,537,128
Accretion	28,550	60,372
Change in estimates	-	447,146
Balance, end of year	2,073,196	2,044,646
Less: current portion	162,632	162,632
Long-term portion	1,910,564	1,882,014

During the quarter ended September 30, 2025, the total carrying amount of decommissioning increased to \$2,073,196 from \$2,044,646 at March 31, 2025, due to increases in the risk-free rate.

LONG-TERM DEBT

As at September 30, 2025, total long-term debt was \$2,421,566. These amounts bear interest of 12%, are secured and mature within three years in 2028.

OUTSTANDING SHARE DATA

The Company is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares. At September 30, 2025, and the date of this MD&A, the Company's issued share capital and the outstanding securities that are convertible into or exercisable or exchangeable for any voting or equity securities of the Company are as follows:

Common shares	44,662,958
Stock Options	4,325,000
Warrants	Nil

CAPITAL RESOURCES AND LIQUIDITY

WesCan's major source of liquidity has been the issuance of equity capital. The Company obtains equity capital financings from private placement offerings of shares and share purchase warrants and the exercise of share purchase warrants and stock options. The Company conducts private placement equity financings from time to time, based on cash flow needs and subject to investor interest.

In order to continue as a going concern and meet the Company commitments and current obligations, the Company will require additional equity financing(s) during the next twelve months. At September 30, 2025, the Company's working capital deficiency was \$1,339,139 (March 31, 2025 - \$981,640).

Additional equity financing(s) will be required in order to carry out the exploration and development necessary to achieve a self-sustaining level of production, revenue, cashflow and to further achieve our oil and gas business objectives. There is no assurance that the Company will be successful in obtaining any such financing.

The Company has traditionally supplemented equity financing from time to time by obtaining loans from third parties. These were used to provide interim, short-term financing to meet day-to-day cash flow requirements and are not intended to be a long-term source of capital. At September 30, 2025, the Company has notes payable in the amount of \$3,580,913 including accrued interest. These amounts bear interest of 12%, are secured and mature within three years in 2028.

Our ability to obtain financing is sensitive to economic factors and beyond the control of management. Declines in the Canadian dollar, commodities prices, changes in interest rates and the continued economic concerns or

disruptions could significantly affect our ability to obtain adequate financing.

Non-IFRS Financial Measures, Non-IFRS Financial Ratios, and Capital Management Measures

This document contains the terms “operating costs”, “operating netback” and “operating field netback”, which are non-IFRS financial measures, or ratios. The Company uses these measures to help evaluate WesCan’s performance. These non-IFRS financial measures and ratios do not have any standardized meaning prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. This document also contains the capital management measures of “quarterly funds from operations”, “working capital deficiency (surplus)”.

- a. Funds from operations (Capital Management Measure) - funds flow is calculated by taking cash-flow from operating activities on a periodic basis and adding back changes in non-cash working capital, expenditures on decommissioning obligations and transaction costs. Expenditure on decommissioning obligations may vary from period to period depending on capital programs and the maturity of the Company’s operating areas. Funds flow and cash flow from (in used) per share is calculated using the same weighted average basic and diluted shares that are used in calculating income (loss) per share, which results in the measure being considered a non-IFRS financial ratio.
- b. Operating costs, Operating Netback and Operating Field Netback (Non-IFRS Financial Measures, and Non-IFRS Financial Ratios if calculated on a per boe basis) - Management uses certain industry benchmarks, such as net operating costs, operating netback and operating field netback, to analyze financial and operating performance. Operating netback equals total petroleum and natural gas sales, including realized gains and losses on commodity, less royalties, net operating costs and transportation expense and can also be calculated on a per boe basis, which results in them being considered a non-IFRS financial ratio. Operating field netback equals total petroleum and natural gas sales, less royalties, net operating costs and transportation expense. These metrics can also be calculated on a per boe basis. Management considers operating netback and operating field netback important measures to evaluate WesCan’s operational performance, as it demonstrates field level profitability relative to current commodity prices. The calculation of the Company’s netbacks can be seen in the section titled “Operating Netback”.

SUMMARY OF QUARTERLY INFORMATION

Quarters ended	2026		2025			2024		
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
OPERATING								
Average daily production								
Oil - 76% light/med 24% heavy (BBL/D)	112	94	103	119	129	131	93	85
Natural Gas Liquids (BBL/D)	5	5	5	4	5	4	1	-
Conventional Natural gas ((MCF/D)	63	148	140	129	149	98	18	14
Total BOE (BOE/D)	128	123	131	144	159	152	97	88
Average sales price								
Oil & NGL (\$/BBL)	73.87	73.21	86.04	83.30	86.61	93.41	80.68	81.07
Natural gas (\$/MCF)	0.35	1.25	1.60	0.97	0.23	0.96	2.08	4.11
Total (\$/BOE)	68.00	60.08	72.41	71.79	73.31	83.94	78.07	79.31
Operating netback (\$/BOE)								
Oil & gas sales	68	60.08	72.41	71.79	73.31	83.94	78.07	79.31
Royalty expense	9.19	7.13	8.28	9.00	9.97	8.78	6.31	9.77
Operating expense	39.65	35.89	55.32	50.89	51.89	59.05	57.80	50.37
Netback	19.16	17.06	8.81	11.90	11.45	16.11	13.96	19.17
FINANCIAL								
Oil & gas sales	790,371	674,605	861,093	953,175	1,062,373	1,158,245	688,460	639,476
Funds from operations	138,809	104,800	250,820	70,752	35,766	167,862	55,947	273,252
Per share - Basic/Diluted	0.00	0.00	0.01	0.00	0.00	0.00	0.00	0.01
Cash flow from (used in)	(170,725)	201,966	370,506	110,727	(163,410)	256,980	159,951	(468,135)
Per share – Basic/Diluted	(0.00)	0.00	0.01	0.00	(0.00)	0.01	0.00	0.02
Net Income (loss)	(192,681)	(151,015)	(293,599)	(215,262)	(135,453)	(155,655)	93,440	99,884
Per share – Basic/Diluted	(0.00)	(0.00)	(0.01)	(0.00)	(0.00)	(0.00)	0.00	0.00
Capital expenditures	1,524,964	14,749	-	-	74,013	76,676	49,668	20,494
Total Assets	7,191,179	5,641,189	5,843,417	5,689,488	5,969,036	6,325,560	6,055,273	6,267,371
Working capital (deficiency)	(1,339,139)	(1,021,038)	(981,640)	(2,379,694)	(2,387,249)	(2,632,390)	(2,622,323)	(2,351,669)
Shareholders' Equity	970,652	1,145,743	1,296,758	1,403,498	1,618,761	1,521,089	1,673,618	1,786,310
Shares Outstanding	44,622,958	44,622,958	44,622,958	44,622,958	44,622,958	41,472,958	41,472,958	41,472,958

The most important trend over the last eight quarters has been the decrease in the price of oil from a high of \$93.41/BBL on Q1 of 2025 to a low of \$73.21/BBL in Q1 of 2026. The price of natural gas went from a high of \$4.11/MCF in Q3 2024 to a low of \$0.23/MCF in Q2 2025. Netbacks per BOE were up to \$19.17 in Q3 of 2024 from \$8.81 in Q4 of 2025 were primarily due to a combination of higher commodity prices and lower operating costs.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting year. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to the determination of the recoverability of the carrying value of exploration and evaluation assets, estimates of oil and natural gas reserves, fair value measurements for financial instruments and share-based payments and other equity-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, provision for doubtful accounts, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and judgments.

Management relies on the estimate of reserves as prepared by the Company's independent qualified reserves evaluator. The process of estimating reserves is critical to several accounting estimates. The process of estimating reserves is complex and requires significant judgments and decisions based on available geological, geophysical, engineering and economic data. These estimates may change substantially as additional data from ongoing development and production activities becomes available and as economic conditions impact crude oil and natural

gas prices, operating expense, royalty burden changes, and future development costs charges. Reserve estimates impact net income through depreciation and impairment of petroleum and natural gas properties. Revision or changes in the reserve estimates can have either a positive or a negative impact on net income of the Company.

RESERVES ESTIMATES

Commercial petroleum reserves are determined based on estimates of petroleum-in-place, recovery factors and future oil and natural gas prices and costs. WesCan engages an independent qualified reserve evaluator to evaluate all of the Company's oil and natural gas reserves at each year-end.

Reserve adjustments are made annually based on actual oil and natural gas volumes produced, the results from capital programs, revisions to previous estimates, new discoveries and acquisitions and dispositions made during the year and the effect of changes in forecast future crude oil and natural gas prices. There are a number of estimates and assumptions that affect the process of evaluating reserves.

Proved reserves are the estimated quantities of crude oil, natural gas and natural gas liquids determined to be economically recoverable under existing economic and operating conditions with a high degree of certainty (at least 90 percent) those quantities will be exceeded. Proved plus probable reserves are the estimated quantities of crude oil, natural gas and natural gas liquids determined to be economically recoverable under existing economic and operating conditions with a 50 percent certainty that those quantities will be exceeded. WesCan reports production and reserve quantities in accordance with Canadian practices and specifically in accordance with "Standards of Disclosure for Oil and Gas Activities" ("NI 51-101").

The estimate of proved plus probable reserves is an essential part of the depletion calculation, the impairment test and hence the recorded amount of oil and gas assets. WesCan cautions users of this information that the process of estimating crude oil and natural gas reserves is subject to a level of uncertainty. The reserves are based on current and forecast economic and operating conditions therefore, changes can be made to future assessments as a result of a number of factors, which can include commodity prices, new technology, changing economic conditions, and future reservoir performance and forecast development activity.

Recoverability of Asset Carrying Values

WesCan assesses its property, plant and equipment ("PP&E") for impairment by comparing the carrying amount to the recoverable amount of the underlying assets. The determination of the recoverable amount involves estimating the higher of an asset's fair value less costs to sell or its value-in-use, the latter of which is based on its discounted future cash flows using an applicable discount rate. Future cash flows are calculated based on estimates of future commodity prices and inflation and are discounted based on Management's current assessment of market conditions.

Recoverability of Exploration and Evaluation Assets

Exploration and evaluation ("E&E") assets are assessed for impairment by comparing the carrying amount to the recoverable amount. The assessment of the recoverable amount involves a number of assumptions, including the timing, likelihood and amount of commercial production, further resource assessment plans, and future revenue and costs expected from the asset, if any.

DECOMMISSIONING PROVISION

Decommissioning liabilities are the present value of management's estimate of future costs to be incurred to properly abandon and reclaim the Company's properties. Accretion expense is the increase in the decommissioning liabilities resulting from the passage of time. Decommissioning liabilities increased to \$2,073,196 as at September 30,

2025, from \$2,044,646 as at March 31, 2025.

ASSET RETIREMENT OBLIGATIONS

WesCan recognizes a provision for future abandonment activities in the consolidated financial statements at the net present value, discounted at the risk-free rate, of the estimated future expenditures required to settle the estimated obligation at the balance sheet date. The measurement of the asset retirement obligation (“ARO”) involves the use of estimates and assumptions including the discount rate, the amount and expected timing of future abandonment costs and the inflation rate related thereto. The estimates were made by Management considering current costs, technology and enacted legislation.

FINANCIAL INSTRUMENT RISK

Significant sources of financial instrument risk are detailed as follows:

Interest Rate Risk

Interest rates applicable on the loans payable are fixed and accordingly are not subject to interest rate volatility during the year.

Currency Risk

Changes in the U.S. denominated value of the Canadian dollar would not impact the Canadian dollar cost of meeting any future obligations under that prospect but will affect the Canadian dollar-denominated value of natural gas production.

The Company is exposed to foreign currency risk on its U.S dollar denominated assets and financial liabilities. At September 30, 2025, the Canadian dollar cost of paying the Company’s US dollar denominated liabilities and property payment commitments would have no material impact with a 1% increase in the value of the US dollar relative to the Canadian dollar.

Commodity Price Risk

The Company is exposed to material oil and gas commodity price risks. A relative decrease in the price of oil and gas would reduce the Company’s cashflows, reduce the realizable market value of the Company’s oil and gas assets, reduce the Company’s economic reserves, and make it more difficult for the Company to raise the equity capital required to meet its commitments and carry out its development-stage business plans. The Company sells its production on the spot market. Management has assessed that the Company’s degree of exposure to commodity price risk is material, however, it remains consistent with our development-stage oil and gas operations.

Liquidity Risk

The Company faces material liquidity risk in that it has \$4,147,331 in accounts payable and payable to trade and related parties notes payable at September 30, 2025 and insufficient cash on hand to satisfy those debts should they be demanded. The Company is seeking equity financing(s) to obtain additional liquidity to mitigate and resolve this risk.

OUTLOOK

Management is now positioned for future growth following the successful drilling of a high-impact multilateral well in the core property area during the current period (August/September 2025). This significant capital event confirms the underlying technical potential of our reserves and is expected to capture future growth potential. The focus remains on exploiting this core property and identifying low-cost optimization projects, including the reactivation of shut-in wells, efforts which are anticipated to increase the Company’s cash flow while providing attractive payouts and return on capital. In addition, Management continues to review geological and reservoir engineering evaluations

for a number of further development drilling opportunities. Prior to any significant future capital expenditure, all plans will be prudently reviewed and evaluated against market conditions and the domestic commodity pricing environment with the objective of preserving our reserves and obtaining more favorable pricing for our resources.

BARRELS of OIL EQUIVALENT

Disclosure provided herein in respect of BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of six Mcf to one Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Additionally, given that the value ratio based on the current price of crude oil, as compared to natural gas, is significantly different from the energy equivalency of 6:1; utilizing a conversion ratio of 6:1 may be misleading as an indication of value.