

**MANAGEMENT DISCUSSION FOR TRANS CANADA GOLD CORP.
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025
PREPARED AS OF FEBRUARY 13, 2026**

Contact Information

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This management's discussion and analysis ("MD & A") provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the six months ended December 31, 2025, in comparison with the previous year. This report supplements our unaudited condensed interim financial statements and should be read in conjunction with our condensed interim financial statements and the accompanying notes. Our condensed interim financial statements are prepared in accordance with IFRS Accounting Standards ("IFRS") and all monetary values included in this report are in Canadian dollars, unless it is indicated otherwise. Our condensed interim financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Additional information regarding the Company is available on SEDAR+ at www.sedarplus.ca.

Forward-Looking Statements

The matters discussed in this MD&A include certain forward-looking statements. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements. Forward-looking statements may be identified, without limitation, by the use of such words as "anticipates", "estimates", "expects", "intends", "plans", "predicts", "projects", "believes", or words or phrases of similar meaning. In addition, any statement that may be made concerning future performance, strategies or prospects and possible future corporate action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political, and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks, and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date. Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Company. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events. We stress that the above mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. The Company disclaims any intention or obligation to update or revise these forward-looking statements as a result of new information, future events or otherwise, except as required under applicable securities laws.

Forward-looking statements are included throughout this Report. In particular, this Report contains forward-looking statements pertaining to the following:

- the quantity and quality of reserves or resources;
- the performance characteristics of the Company's oil and gas properties;
- oil and natural gas production levels;
- capital expenditure programs and the timing and method of financing thereof;
- future development and exploration activities and the timing thereof;
- future land expiries;
- estimated future contractual obligations and the amount expected to be incurred under our farm-in commitments;
- realization of the anticipated benefits of acquisitions and dispositions;
- future liquidity and financial capacity;
- projections of market prices and costs;
- supply and demand for oil and natural gas;
- expectations regarding the Company's ability to raise capital and to continually add to reserves through acquisitions and development;
- expectations relating to the award of exploration permits by governmental authorities; and
- treatment under government regulatory and taxation regimes.

With respect to forward-looking statements contained in this Report certain assumptions have been made including:

- oil and natural gas production levels;
- commodity prices;
- future currency and interest rates;
- future operating costs;
- the Company's ability to generate sufficient cash flow from operations and to access existing credit facilities and capital markets to meet its future obligations;
- availability of labour and drilling equipment;
- general economic and financial market conditions; and
- government regulation in the areas of taxation, royalty rates and environmental protection.

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:

- volatility in market prices for oil and natural gas;
- liabilities and risks inherent in oil and natural gas operations;
- uncertainties associated with estimating oil and gas reserves;
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of acquisitions;
- imprecision in estimating capital expenditures and operating expenses;
- availability of sufficient financial resources to fund the Company's capital expenditures;
- the possibility that government policies or laws, including those related to the environment, may change or governmental approvals may be delayed or withheld;
- stock market volatility and market valuation;
- potential delays or changes with respect to exploration and development projects or capital expenditures;
- geological, technical, drilling and processing problems;
- fluctuations in foreign exchange or interest rates and stock market volatility;
- general economic and business conditions;

- changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry;
- failure to obtain industry partner and other third party consents and approvals, as and when required;
- failure to realize the anticipated benefits of acquisitions; and
- the other factors identified in other documents incorporated herein by reference.

These factors should not be considered exhaustive. Statements relating to “reserves” or “resources” are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions, that the resources and reserves described can be profitably produced in the future. The forward-looking statements contained in this Report are expressly qualified by this cautionary statement. The Company does not undertake any obligation to publicly update or revise any forward-looking statements except as required by securities laws.

NON-IFRS MEASURES

The Company’s management uses and reports certain measures not prescribed by IFRS Accounting Standards (referred to as “non-IFRS measures”) in the evaluation of operating and financial performance. Operating netback, which is calculated as average unit sales prices less royalties and operating expenses, and corporate netback, which further deducts administrative and interest expense, represent net cash margin calculations for every barrel of oil equivalent sold. Net debt, which is current assets less current and other financial liabilities (e.g. note payable), is used to assess efficiency and financial strength. Operating netback, corporate netback and net debt do not have any standardized meanings prescribed by IFRS and therefore may not be comparable with the calculation of a similar measure for other companies. The Company uses these terms as an indicator of financial performance because such terms are often utilized by investors to evaluate junior producers in the oil and natural gas sector.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

Trans Canada Gold Corp. is a Canadian Oil & Gas exploration and mining resource development Company that is focused in developing its’ production capabilities, obtaining potential future oil production revenues, discovering and acquiring advanced gold and base metal assets. The Company identifies, acquires, and finances the acquisition, exploration and development of mining and oil and gas assets primarily situated in Canada and the United States. The Company is currently reviewing exploration opportunities and identifying low risk exploration opportunities through selective acquisitions and development of mining, petroleum and natural gas resource assets situated in favorable resource jurisdictions.

The Company has qualified management and has Oil & Gas and Mining teams of professionals seasoned in production, field exploration and drilling. The Company has the necessary manpower in place to develop its natural resource properties and manage its production properties. The Company is committed to minimizing risk through the selective acquisition, exploration and development of both petroleum and natural gas resource and mineral exploration assets.

The Company farmed into four (4) exploratory heavy oil wells located in the Lloydminster area of Western Saskatchewan. On April 24, 2013, three (3) of these producing heavy oil wells were sold. The Company maintained a 60% interest in the C-12 well which is situated in Landrose, Saskatchewan.

On July 1, 2018, the Company increased its working interest ownership by 10 % for a total working ownership interest of 60%. On June 12, 2019, the operator (“Petrocapita”) announced that as of June 11, 2019, the Court of Queens Bench of Alberta has appointed Hudson and Company Insolvency Trustees Inc. (the “Receiver”) as Receiver and Manager of Petrocapita. The Receivership Order was granted upon the application of Safeway Holdings Ltd., one of the secured creditors of Petrocapita. The Receiver was to manage the affairs of Petrocapita. During the year ended June 30, 2021, Petrocapita’s assets were assigned to Revitalize Energy Inc. (“Revitalize”), one of the secured creditors of Petrocapita. Revitalize was the operator of the well and is currently in receivership.

On November 29, 2024, Revitalize Energy Inc. was issued a Minister’s forfeiture order under The Oil and Gas Conservation Act from the Energy Regulation Division from The Saskatchewan Ministry of Energy and Resources, that any materials, oil, gas or products at any well or facility site licensed to Revitalize Energy Inc., is forfeited to the Crown in right of the Province of Saskatchewan.

On January 13, 2025, was issued a Alberta Minister’s forfeiture order from the Alberta Energy Regulator (the” AER”) / Alberta Orphan Well Association (the “OWA”), that all oil, gas or products at any well or facility site licensed to Revitalize Energy Inc., is forfeited to the Crown in right of the Province of Alberta, excluding any of the licensed oil and gas assets located in the Province of Saskatchewan.

On January 20, 2025, Pricewaterhouse Coopers Inc., LIT (“PWC”) was appointed as Receiver, without security, of all of Revitalize Energy Inc.’s current and future assets.

On September 29, 2020, the Company entered into an agreement to purchase a 100% interest, subject to a 2% net smelter returns royalty in the Dinorwic Gold Property in the Dryden area of Ontario by paying \$60,000 (paid) and issuing 4,000,000 shares of the Company (issued and valued at \$640,000). In October 2020, the Company has completed a comprehensive technical report (NI 43-101) on the Dinorwic Gold Property. The Trans Canada Gold Project comprises a 14,880-hectare area located to the northwest of Dryden, Ontario. These areas collectively comprise the Trans Canada Gold Project and encompass a contiguous area of 14,880 hectares. In July 2023, after a lengthy permit process and being granted extensions, the Company allowed the claims on the Dinorwic Gold Property to lapse resulting in an impairment of \$728,903 during the year ended June 30, 2023.

On April 29, 2021, the Company entered into an agreement to purchase a 100% interest, subject to a 3% net smelter returns royalty in the Gold Crow Gold Property in the Pickle Lake area of Ontario by paying \$75,000 (paid) and issuing 4,000,000 shares of the Company (issued and valued at \$480,000). During the year ended June 30, 2024, management decided to impair the Gold Crow Gold Property to a nominal amount as it has no further plans to explore the property.

On June 2, 2021, the Company entered into an agreement to acquire a 100% interest, subject to a 2% net smelter returns royalty in favour of Kevin Keats and Allan Keats in respect to license numbers 24203 and 24204 comprising part of the Crippleback Lake Gold Project located in Newfoundland and Labrador; and a 1% net smelter returns royalty in favour of Sokoman Minerals Corp. (“Sokoman”) by paying an aggregate of \$100,000 (\$10,000 paid subsequent to year end) and issuing 1,250,000 shares of the Company (250,000 shares issued and valued at \$53,750). On June 10, 2021, the Company has submitted an Application/Notification for Planned Mineral Exploration Work for Crippleback Lake Gold Property. The Trans Canada Gold Project comprises of 3,025-hectare area located in the Corridor of Gold, in Central, Newfoundland. During the year ended June 30, 2022, the Company terminated the property option agreement with Sokoman.

In October 2022, the Company entered into a one-well Farmout Agreement with Croverro Energy Ltd, of Calgary, Alberta, (“Croverro”) to drill a Multi-Lateral Horizontal oil well, the 13-14-49-1W4. The well is in close proximity to Lloydminster, Alberta. The lands for the well are currently controlled by Croverro. Under the terms of the negotiated agreement, the Company must pay 25% of Croverro’s share of the cost to drill, complete and fully equip or abandon the well to earn an 18.75% net interest. Croverro will be carried for a 6.25% interest. The Company successfully drilled and encountered oil on its target zone of interest. The 7-Legs Multilateral horizontal well targeted 3,000 metres of oil pay in the Sparky formation. The well is currently producing 200 barrels/day to its partners.

The Company, after successfully drilling and equipping the first Multilateral Horizontal Well, will have the first right of refusal on an Area of Mutual Interest (AMI) of approximately one mile in each direction from the test well. Additional wells within the AMI will, if the Company elects to participate, be drilled on a non-promoted basis with the Company paying 18.75% to earn 18.75%. Additionally, Croverro currently has a second prospect in the AMI that is in the development stage. Also, Croverro will present additional drilling opportunities to the Company as opportunities are developed and lands/minerals are obtained in the greater Lloydminster region of Alberta & Saskatchewan in 2023-2024.

In August 2024, the Company received the well license to drill its second multi-lateral well targeting the General Petroleum Zone, located near Lloydminster, Alberta. The well was successfully drilled. The lands for the well are currently controlled by a partnership led by Croverro with the Company holding 18.75% interest. Croverro is the operator of the oil well.

On April 1, 2025, the Company sold its 18.75% working interest in the GP zone well including all surface and downhole equipment, and GP petroleum rights within the Area of Mutual Interest for \$100,000, with \$75,000 receivable immediately (\$51,930 received) and a bonus based on cumulative production of 45,000 barrels of oil for a total price of \$100,000. As at December 31, 2025, amounts receivable includes \$48,070 for the remaining cash to be received and bonus. As a result, the Company recognized a loss of \$114,013 during the year ended June 30, 2025.

On February 2, 2026, the Company entered into an arm’s length five-year Option Agreement to acquire a 60% interest subject to a 2% net smelter returns royalty in a district scale gold project called the Harrison Lake Gold Property located near Harrison Lake, situated in south-western British Columbia, Canada (The “Property”), with Bear Mountain Gold Mines (“BMGM”). The terms include paying \$250,000 in cash to BMGM, incurring \$5,000,000 in exploration and drilling expenditures, and issuing 10,000,000 shares of the Company’s common stock to BMGM, over a 5-year period. The transaction is conditional on TSX Venture Exchange (“TSXV”) approval and completion of a financing which is currently pending. The Company can earn its interest by making the following payments and incurring the following expenditure:

- Paying \$50,000 and issuing 2,000,000 common shares to BMGM on the date that is 5 business days following TSXV approval of the Option Agreement (the “Option Date”);
- Paying an additional \$50,000 and issuing an additional 2,000,000 common shares to BMGM, and incurring \$600,000 in exploration expenditures on the Property on or before the first anniversary of the Option Date;
- Incurring an additional \$900,000 in exploration expenditure on the Property on or before September 23, 2027;
- Paying an additional \$50,000 and issuing an additional 2,000,000 common shares to BMGM on or before the second anniversary of the Option Date;
- Paying an additional \$50,000 and issuing an additional 2,000,000 common shares to BMGM, and incurring an additional \$1,000,000 in exploration expenditure on the Property on or before the third anniversary of the Option Date;
- Paying an additional \$50,000 and issuing an additional 2,000,000 common shares to BMGM, and incurring an additional \$1,000,000 in exploration expenditures on the Property, on or before the fourth anniversary of the Option Date; and
- Incurring an additional \$1,500,000 in exploration expenditure on the Property prior to the fifth anniversary of the Option Date.

The initial payment of \$50,000 and issuance of 2,000,000 shares to BMGM are firm commitments and must be made regardless of whether the Company exercises the option in full.

SUMMARY OF QUARTERLY RESULTS

The following selected financial information is derived from the unaudited interim financial statements of the Company. The figures have been prepared in accordance with IFRS.

	2nd Qtr Ended 12-31-25	1st Qtr Ended 09-30-25	4th Qtr Ended 06-30-25	3rd Qtr Ended 03-31-25	2nd Qtr Ended 12-31-24	1th Qtr Ended 09-30-24	4th Qtr Ended 06-30-24	3rd Qtr Ended 03-31-24
Total Revenues	69,607	\$86,425	\$268,331	\$138,560	\$217,685	\$198,058	\$360,132	\$180,258
Net and Comprehensive Income (Loss)	(\$51,037)	(\$20,549)	\$(479,529)	\$(346)	\$49,811	\$86,953	\$(628,046)	\$65,548
Earnings (Loss) Per Share	(\$0.00)	(\$0.00)	(\$0.01)	(\$0.00)	\$0.00	\$0.00	\$(0.01)	\$0.00

RESULTS OF OPERATIONS – THREE MONTHS ENDED DECEMBER 31, 2025

The Company's net and comprehensive loss for the three months ended December 31, 2025 was \$51,037 or \$0.00 loss per share compared to a net and comprehensive income of \$49,811 or \$0.00 earnings per share for the three months ended December 31, 2024. The significant changes during the current period compared to the prior period are as follows:

Petroleum revenue during the three months ended December 31, 2025 was \$69,607 (2024 – \$217,685). After deducting royalties of \$14,790 (2024 – \$6,253), production and transportation costs of \$10,376 (2024 – \$33,658), and depletion of depreciation of \$9,847 (2024 – \$34,876), net petroleum production revenue of \$34,594 (2024 – \$142,898) was recorded.

General and administration expenses decreased to \$11,089 for the three months ended December 31, 2025 from \$19,897 for the three months ended December 31, 2024. The change is mainly due to reduced travel & accommodation, and meal and entertainment expenses that were incurred in during the three months ended December 31, 2025.

Management fees increase to \$31,500 for the three months ended December 31, 2025 from \$29,500 for the three months ended December 31, 2024. The change is mainly due to the increase in compensation to the Chief Executive Officer of the Company.

Professional fees increased to \$21,821 for the three months ended December 31, 2025 from \$8,059 for the three months ended December 31, 2024. The change is mainly due to increased accounting and legal fees incurred in the three months ended December 31, 2025.

Consulting fees decreased to \$3,635 for the three months ended December 31, 2025 from \$18,615 for the three months ended December 31, 2024. The change is mainly due to cessation of consulting services rendered by a company owned by a director in December 31, 2025.

FINANCIAL AND OPERATING SUMMARY
TABLE A - OPERATIONS BY QUARTER (January 2024 to December 2025)

All production is conventional heavy oil

	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Production and per share								
Production - total barrels	1001	1,048	1,346	1,952	3,104	2,756	2,425	2,680
Production - bbls/ day	11	11	15	22	34	30	27	29
Heavy oil revenue	69,607	86,425	268,331	138,560	217,685	198,058	360,132	180,258
TORRI revenue	-	-	-	-	-	-	-	-
Royalties	(14,790)	(18,700)	(173,118)	(833)	(6,253)	(3,210)	(110,437)	(738)
Production & transportation	(10,376)	(3,934)	(45,921)	(25,490)	(33,658)	(26,068)	(84,870)	(19,952)
Operating net back (loss)	44,441	63,791	49,292	112,237	177,774	168,780	164,825	159,568
General and administrative	(84,421)	(73,213)	(109,575)	(94,333)	(91,718)	(67,168)	(197,865)	(58,344)
Corporate net back (loss)	(39,980)	(9,422)	(60,283)	17,904	86,056	101,612	(33,040)	101,224
Depletion & depreciation	(9,847)	(10,309)	(304,425)	(17,529)	(34,876)	(13,856)	(32,595)	(35,189)
Impairment	-	-	-	-	-	-	(560,729)	-
Other (expenses) gain	(1,210)	(818)	(114,821)	(721)	(1,369)	(803)	(1,682)	(487)
Income (loss) for the period	(51,037)	(20,549)	(479,529)	(346)	49,811	86,953	(628,046)	65,548
Basic and diluted earnings (loss) per share	(0.00)	(0.00)	(0.01)	(0.00)	0.00	0.00	(0.01)	0.00
Royalties as % of petroleum revenue	0	0	0	0	0	0	31	0
Per bbl analysis		Per bbl	Per bbl	Per bbl	Per bbl	Per bbl	Per bbl	Per bbl
Heavy oil revenue	69.54	82.46	199.35	70.98	70.13	71.86	148.51	67.26
TORRI revenue	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Royalties	(14.78)	(17.84)	(128.62)	(0.43)	(2.01)	(1.16)	(45.54)	(0.28)
Production and transportation	(10.37)	(3.75)	(34.12)	(13.06)	(10.84)	(9.46)	(35.00)	(7.44)
Operating net back (loss)	44.39	60.87	36.56	57.49	57.28	61.24	67.97	59.54
General and administrative	(84.34)	(69.86)	(81.41)	(48.33)	(29.55)	(24.37)	(81.59)	(21.77)
Depletion	(9.84)	(9.84)	(226.17)	(8.98)	(11.24)	(5.03)	(13.44)	(13.13)
Depreciation of TORRI	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other expenses	(1.21)	(0.78)	(85.31)	(0.37)	(0.44)	(0.29)	(0.69)	(0.18)
Impairment	-	-	-	-	-	-	(231.23)	-
Income (loss) for the period	(51.00)	(19.61)	(356.33)	(0.19)	16.05	31.55	(258.98)	24.46
Funds (invested in) petroleum properties	-	-	-	-	-	-	-	-

FINANCIAL AND OPERATING SUMMARY
TABLE C – BALANCE SHEET

	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Net cash	257,684	307,218	330,477	295,112	259,458	160,052	478,689	81,863
Total assets	560,127	609,490	648,583	1,043,400	1,035,285	1,294,372	1,015,320	1,168,287
Total liabilities	223,288	221,614	240,158	155,446	146,985	455,883	263,784	264,228
Shareholders' equity	336,839	387,876	408,425	887,954	888,300	838,489	751,536	904,059
SHARES								
Basic outstanding	51,295,337	51,295,337	51,295,337	51,295,337	51,295,337	51,295,337	51,295,337	44,315,337
Weighted average	51,295,337	51,295,337	51,295,337	51,295,337	51,614,324	52,408,590	44,544,189	44,315,337

The above figures have been prepared in accordance with IFRS.

OPERATING RESULTS FOR THE PERIOD ENDED DECEMBER 31, 2025

- **Production volumes and revenues (refer to Financial and Operating Summary)**

The C-12 oil and gas well located in the Lloydminster area of western Saskatchewan was drilled in July 2010. The well started to produce in August, 2010 and the \$378,260 cost to drill and equip was recovered by the Company in April 2011. The Company's working interest was 50% during the year ended June 30, 2018. On July 1, 2018, the Company increased its working interest ownership by 10% for a total working ownership interest of 60%. The well was operated by Revitalize Energy Inc. located in Calgary, Alberta. The C-12 well was shut-in again in January 2023, having reached the end of its production life after successfully producing for over 10 years.

In November 2022, the Company entered into a one-well Farmout Agreement with Croverro Energy Ltd, of Calgary, Alberta, ("Croverro") to drill a Multi-Lateral Horizontal oil well ("13-14 Well"). The 13-14 Well is in close proximity to Lloydminster, Alberta. The lands for the well are currently controlled by Croverro. Under the terms of the negotiated agreement, the Company must pay 25% of Croverro's share of the cost to drill, complete and fully equip or abandon the well to earn an 18.75% net interest. Croverro is the operator of the oil well. The well is producing successfully.

In August 2024, the Company successfully drilled its second multi-lateral oil well ("15-14 Well"). The 15-14 Well is located near Lloydminster, Alberta. The lands for the well are currently controlled by a partnership lead by Croverro with the Company holding 18.75% interest. Croverro is the operator of the oil well.

- **Oil Pricing (refer to Financial and Operating Summary)**

All of the Company's crude oil consists of heavy oil produced in Saskatchewan that is marketed base on refiner's posted prices for Western Canadian Select heavy oil, adjusted for the quality (primarily density) of the crude oil on a well by well basis. The majority of the Company's heavy oil ranges in density from approximately 13.6 API to 15.9 API. The refiner's posted prices are influenced by the US\$WTI reference price, transportation costs, US\$/C\$ exchange rates and the supply/demand situation of particular crude oil quality streams during the year. The prices realized by the Company on heavy oil sales are net of treating fees, blending costs, required for its heavy grades of oil to meet pipeline stream specification, and pipeline tariffs. Results from operations and the Company's overall financial condition are significantly affected by heavy oil commodity prices, which can fluctuate dramatically. These commodity prices are beyond the control of the Company and are difficult to predict.

The price differential between heavy and light crude oil continues to be unfavorable.

- **Royalties (refer to Financial and Operating Summary)**

The Company incurs a mix of crown, freehold and overriding royalties. The volumes and mix of oil wells producing in a quarter impact the overall average burden.

- **Production and transportation costs (refer to Financial and Operating Summary)**

Winter operating costs are higher than other seasons as certain costs (e.g. snowplowing) are incurred only in cold weather. A significant portion of production costs are fixed and therefore production expense per bbl varies significantly with volume. Major repairs in a quarter also significantly increase costs per bbl given the small production volumes of the Company. Heavy oil production costs tend to be higher than light oil production costs. Transportation costs are low and comprise only the trucking of clean oil short distances to the sales terminal.

- **General and administrative (refer to Financial and Operating Summary)**

As production just started as a result of the drilling of the oil and gas wells, costs per bbl will be reduced as general and administrative costs tend to be fixed.

- **Depletion and accretion (refer to Financial and Operating Summary)**

Depletion expense is a function of volume produced as it is computed on a “units of production” basis.

The C-12 well included in Property, Plant and Equipment includes \$11,426 in asset retirement costs and these costs are subject to depletion. In January 2023, the C-12 well was shut-in having reached the end of its production life resulting in an impairment of \$16,161 during the year ended June 30, 2023.

These numbers are preliminary and as production is stabilized, the engineering reserve report will be updated in accordance with industry standards.

Probable reserves for the property may include future locations. Under IFRS the Company chose this larger production basis for the computation of depletion. As probable reserves are determined based on a probability of recovery of 50% or more, this broader depletion base under IFRS generates a more realistic estimate of real depletion.

OUTLOOK

The Company continues to focus on the production of conventional heavy oil, building on the core competency of its field people, qualified operators, and seeking further drill and exploration opportunities in the Lloydminster area of Alberta and Saskatchewan. The Company continues to seek strategic partnerships combined with careful cost controls and development of its production assets. The Company monitors field production costs while monitoring the fluctuations in the price of heavy oil. The Company’s main production well, the C-12 Landrose well, reached the end of its production life and was shut-in January 2023. The Company anticipating its producing wells were at the end of their production life, formed a strategic working interest partnership with Croverro Energy Ltd. of Calgary, Alberta (“Croverro”) which enabled the company to partner and further develop and drill additional large Multi-lateral drilling and exploration opportunities with production upside. The Croverro Team has demonstrated proficiency, expected of an experienced oil and gas technical team that has consistent, proven oil production success with large multi-lateral wells currently under their supervision and operation. The Company has currently drilled two seven leg multi-lateral wells with Croverro.

The Company reviewed a number of potential largescale gold exploration project opportunities, in several mining friendly and safe jurisdictions, within Canada. On September 29, 2020, the Company entered into an agreement to purchase a 100% interest in the Dinorwic Gold Property by paying \$60,000 and issuing 4,000,000 shares of the Company (issued and valued at \$640,000). In July 2023, after a lengthy permit process and being granted extensions, the Company allowed the claims on the Dinorwic Gold Property to lapse resulting in an impairment of \$728,903 during the year ended June 30, 2023.

On April 29, 2021, the Company entered into an agreement to purchase a 100% interest, subject to a 3% net smelter returns royalty in the Gold Crow Gold Property in the Pickle Lake area of Ontario by paying \$75,000 (paid) and issuing 4,000,000 shares of the Company (issued and valued at \$480,000).

On June 2, 2021, the Company entered into an agreement to acquire a 100% interest, subject to a 2% net smelter returns royalty in favour of Kevin Keats and Allan Keats in respect to license numbers 24203 and 24204 comprising part of the Crippleback Lake Gold Project located in Newfoundland and Labrador; and a 1% net smelter returns royalty in favour of Sokoman Minerals Corp. by paying an aggregate of \$100,000 (\$10,000 paid) and issuing 1,250,000 shares of the Company (250,000 shares issued and valued at \$53,750). On June 10, 2021, the Company has submitted an Application/Notification for Planned Mineral Exploration Work for Crippleback Lake Gold Property. During the year ended June 30, 2022, the Company terminated the option agreement related to this property.

In October 2022, the Company entered into a one-well Farmout Agreement with Croverro Energy Ltd, of Calgary, Alberta, to drill a Multi-Lateral Horizontal oil well. The well is in close proximity to Lloydminster, Alberta. The lands for the well are currently controlled by Croverro. Under the terms of the negotiated agreement, the Company must pay 25% of Croverro's share of the cost to drill, complete and fully equip or abandon the well to earn an 18.75% net interest. Croverro will be carried for a 6.25% interest. The Horizontal well was drilled in the Sparky Formation by Croverro, and is currently producing.

The Company will have the first right of refusal on an Area of Mutual Interest (AMI) of approximately one mile in each direction from the test well. Additional wells within the AMI will, if the Company elects to participate, be drilled on a non-promoted basis with the Company paying 18.75% to earn 18.75%. Also, Croverro will present additional drilling opportunities to the Company as opportunities are developed and lands/minerals are obtained in the greater Lloydminster region of Alberta & Saskatchewan in 2023-2024.

On April 1, 2025, the Company sold its 18.75% working interest in the GP zone well including all surface and downhole equipment, and GP petroleum rights within the Area of Mutual Interest for \$100,000, with \$75,000 receivable immediately (\$51,930 received) and a bonus based on cumulative production of 45,000 barrels of oil for a total price of \$100,000. As at June 30, 2025, amounts receivable includes \$48,070 for the remaining cash to be received and bonus. As a result, the Company recognized a loss of \$114,013 during the year ended June 30, 2025.

The management of the Company continues to review and maintain its high standard of due diligence with regard to the selection of any new potential projects and management additions, and is being highly selective while considering and assessing its review of the various oil & gas production and mining opportunities and exploration datasets being presented. The Company continues to be cost effective and maintains its low overhead while opportunities are being explored.

LIQUIDITY AND CAPITAL RESOURCES

Future development of the Company's oil and gas property interests will depend on the Company's cash flow from its existing wells, obtain loans and its ability to obtain additional financing through the sale of its securities or to enter into acceptable agreements with third parties for joint venture development of properties. There is no assurance that such financing and joint venture development opportunities will be available when required by or under terms favourable to the Company.

On May 17, 2023, the Company closed a private placement and issued an aggregate of 10,000,000 units at a price of \$0.05 per unit for gross proceeds of \$500,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.15 per share for a period of three years from the date of issuance.

On June 18, 2024, the Company closed a private placement and issued an aggregate of 6,980,000 units at a price of \$0.05 per unit for gross proceeds of \$349,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share in the capital of the Company at a price of \$0.15 per share for a period of three years from the date of issuance.

At December 31, 2025, the Company had current assets in excess of current liabilities of \$155,262 which is not sufficient to cover expected administrative expenses for twelve months.

Additional funding will be required. The Company anticipates that additional funding will come from its current producing well or in the form of equity financing from the sale of the Company's shares. The Company may also seek loans, although no such arrangement has been made. It may also receive proceeds from the exercise of outstanding share purchase warrants and stock options.

MANAGEMENT AND RELATED PARTY TRANSACTIONS

On April 1, 2006, the Company entered into a management agreement with the Chief Executive Officer of the Company. Effective November 1, 2024, the Company increased the monthly remuneration from \$8,500 per month to \$10,500 per month. Management fees of \$63,000 (2024 - \$55,000) have been recorded for the six months ended December 31, 2025. In addition, the Company paid rent of \$8,700 (2024 - \$8,700) to a company controlled by the Chief Executive Officer of the Company.

During the six months ended December 31, 2025, the Company recorded \$13,200 (2024 - \$11,600) in professional fees to the Chief Financial Officer for accounting services. The amount owing as of December 31, 2025 is \$6,090 (June 30, 2025 - \$6,090).

The amount owing to the Vice President of Business Development and Operations as of December 31, 2025 is \$16 (June 30, 2025 - \$16).

Related party transactions have been recorded at their exchange amounts, which are the amounts agreed to by the related parties. Amounts owing to key management are non-interest bearing, unsecured and due on demand unless otherwise noted.

SHARE DATA

As of the date of this management discussion, the Company has 51,295,337 common shares without par value issued and outstanding.

In addition, the Company has the potential obligation to issue the following additional common shares:

- a) up to 10,000,000 common shares upon the exercise of share purchase warrants at a price of \$0.15 until May 17, 2026.
- b) up to 6,980,000 common shares upon the exercise of share purchase warrants at a price of \$0.15 until June 18, 2027.
- c) up to 850,000 common shares upon the exercise of incentive stock options. These options are exercisable at \$0.20 per share until March 5, 2026.
- d) up to 2,550,000 common shares upon the exercise of incentive stock options. These options are exercisable at \$0.05 per share until April 23, 2029.
- e) up to 250,000 common shares upon the exercise of incentive stock options. These options are exercisable at \$0.05 per share until May 15, 2029.
- f) up to 1,500,000 common shares upon the exercise of incentive stock options. These options are exercisable at \$0.15 per share until February 22, 2029.

CONTINGENCIES

In May 2023 and October 2023, the Company completed mediation for civil claims in relation to a total outstanding balance of \$79,320 included in trade payable and accrued liabilities. Pursuant to the mediation agreement, the Company must pay \$26,562 by monthly payments at a minimum of \$2,500 per month beginning on June 2, 2023 and \$52,758 by monthly payments at a minimum of \$2,500 per month beginning on December 15, 2023 until the total balance is paid in full. As at December 31, 2025, the Company had a remaining balance outstanding of \$44,780 (June 30, 2025 - \$44,780), which is included in trade payables.

The Company was in negotiation to recover equipment-costs in the amount of \$100,000 offsetting payables with Revitalize, who is currently in receivership, the former operator. The Company will recover costs and settle with PWC appointed as the Receiver.

MANAGEMENT'S RESPONSABILITY FOR FINANCIAL INFORMATION

The Company's financial statements and the other financial information included in this management report are the responsibility of the Company's management and have been examined and approved by the Board of Directors. The financial statements were prepared by management in accordance with International Financial Reporting Standards and include certain amounts based on management's best estimates using careful judgment. The selection of accounting principles and methods is management's responsibility. Management recognizes its responsibility for conducting the Company's affairs in a manner to comply with the requirements of applicable laws and established financial standards and principles, and for maintaining proper standards of conduct in its activities. The Board of Directors supervises the financial statements and other financial information through its audit committee, which is comprised of a majority of non-management directors. This committee's role is to examine the financial statements and recommend that the Board of Directors approve them, to examine the internal control and information protection systems and all other matters relating to the Company's accounting and finances. In order to do so, the audit committee meets annually with the external auditors, with or without the Company's management, to review their respective audit plans and discuss the results of their examination. This committee is responsible for recommending the appointment of the external auditors or the renewal of their engagement.

OFF BALANCE SHEET ARRANGEMENT

The Company has not engaged in any off-balance sheet arrangements such as obligations under guaranteed contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments (except as disclosed) or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Company or engages in leasing or hedging services with the Company.

INDUSTRY CONDITIONS AND RISKS

The business of exploration, development and acquisition of oil and gas reserves and mineral resources involves a number of business risks inherent in the oil and gas industry and mineral resource development industry which may impact the Company's results and several of which are beyond control of the Company. These business risks are operational, financial and regulatory in nature. The Company does not use derivative instruments as a means to manage risk.

The Company has limited financial resources, no source of operating cash flows and no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its projects or to fulfill its obligations under the terms of any option or joint venture agreements. If the Company's generative exploration programs are successful, additional funds will be required for the development of one or more projects. Failure to obtain additional financing could result in the delay or indefinite postponement of further exploration and development or the possible loss of the Company's properties.

CRITICAL ACCOUNTING ESTIMATES

The preparation of the Company's financial statements requires management to make estimates and assumptions regarding future events. These estimates and assumptions affect the reported amounts of certain assets and liabilities, and disclosure of contingent liabilities.

Significant areas requiring the use of management estimates include the determination of impairment of assets, decommissioning liabilities, and variables used in determining share-based payments. These estimates are based on management's best judgment. Factors that could affect these estimates include risks inherent in mineral exploration and development, changes in reclamation requirements, changes in government policy and changes in foreign exchange rates.

Management has assessed the carrying value of its assets and does not believe the remaining assets have suffered any impairment.

The Company has certain asset retirement obligations/decommissioning liabilities related to its oil and natural gas properties, details of which are discussed in Note 4 of the financial statements for the six months ended December 31, 2025.

Management has made significant assumptions and estimates in determining the fair market value of share-based payments granted to employees and non-employees and the value attributed to various warrants issued. These estimates have an effect on the share-based payments expense recognized and the reserve accounts and share capital balances. Management has made estimates of the life of stock options and warrants, the expected volatility and expected dividend yields that could materially affect the fair market value of these types of securities. The estimates were chosen after reviewing the historical life of the Company's options and analyzing share price history to determine volatility.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

The Company classifies all financial instruments as either financial assets or liabilities through profit or loss ("FVTPL"), available-for-sale, loans and receivables or other financial liabilities. Loans and receivables and other financial liabilities are measured at amortized cost. Available-for-sale instruments are measured at fair value with unrealized gains and losses recognized in accumulated other comprehensive income. Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss.

The Company has designated its cash as FVTPL, which is measured at fair value. Amounts receivable are classified as loans and receivables which is measured at amortized cost. Accounts payable and due to related parties are classified as other financial liabilities which are measured at amortized cost.

Fair value - The fair value of cash and cash equivalents, amounts receivable, trade payables and due to related parties approximates their carrying value due to the short-term nature of these financial instruments.

Exchange risk - The Company operates solely in Canada and therefore is subject to minimal foreign currency risk arising from changes in exchange rates with other currencies.

Interest rate risk - The Company is exposed to interest rate risk on its short-term investments, but this risk relates only to investments held to fund future activities and does not affect the Company's current operating activities.

Credit risk - The Company places its temporary investment funds with government and bank debt securities and is subject to minimal credit risk with regard to temporary investments.

The Company does not have any risk associated with “other instruments”; that is, instruments that may be settled by the delivery of non-financial assets.

Definitions

“Developed Non-Producing” reserves are those reserves that either have not been on production, or have previously been on production, but are shut in, and the date of resumption of production is unknown.

“Developed Producing” reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut in, they must have previously been in production, and the date of resumption of production must be known with reasonable certainty.

“Gross Reserves” are working interest (operating or non-operating) shares before deducting royalties and without including any royalty interests.

“Net Reserves” are working interest (operating or non-operating) shares after deduction of royalty obligations, plus royalty interests in reserves.

“Probable” reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved plus probable reserves.

“Proved” reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

“Undeveloped” reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

ABBREVIATIONS

Oil and Natural Gas Liquids

Bbl	barrel
Mbbls	thousand barrels
MSTB	thousands of Stock Tank Barrels

Natural Gas

Mmcf	million cubic feet
MMBtu	million British Thermal Units

boe	barrel of oil equivalent of natural gas and crude oil on the basis of 1 Bbl of crude oil for 6 Mcf of natural gas (this conversion factor is an industry accepted norm and is not based on either energy content or current prices)
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