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 16th, 2026 for the three and six months ended September 30, 2026. 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 financial statements at March 31, 2026 together with the documents filed on SEDAR+, including historical financial statements and MD&A. These documents are available at www.sedarplus.ca.

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 in 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 higher in 2026 compared to 2025 and for the quarter ended and six months ended September 30, 2026, compared to the same periods in 2025. This was a result of combining higher commodity prices and increases in oil and gas production.

PRODUCTION

	Three months ended September 30			Six months ended September 30		
	2026	2025	% Change	2026	2025	% Change
Total BOE						
Oil - 76% light/med 24% heavy (BBL/D	184	112	64	180	206	(13)
Natural Gas Liquids (BBL/D)	6	5	20	5	10	(50)
Conventional Natural Gas (MCF/D)	235	63	273	205	211	(3)
Total (BOE/D)	229	128	80	219	251	(13)
Oil & NGL % of Production	83%	92%		84%	86%	

Average production increased 80% to 229 boe/d in Q2/27 (Q2/26 - 128 boe/d), largely attributed to the Provost 15-27-38-3 well, and an increase in production and commodity prices during in the period ended September 30, 2026.

PRICES

	Six months ended September 30		
	2026	2025	% Change
Average Benchmark Prices:			
WTI crude oil (US$/BBL)	88.89	65.22	36
US$/CDN$ exchange rate	0.72	0.72	-
Bow River crude oil (CDN$/BBL)	104.33	76.37	37
AECO daily spot ($/GJ)	1.48	1.25	18
Average Realized Prices:			
Light and medium oil ($/BBL)	116.40	74.99	55
Natural gas ($/MCF)	1.10	0.99	11
Average price ($/BOE)	97.93	64.11	53

WTI crude traded up 36% from an average price of $65.22 (US$/BBL) during the six months ended September 30, 2025 to an average price of $88.89 ($US/BBL) during the six months ended September 30, 2026. Bow River crude traded up 37% from an average price of $76.37 ($CDN/BBL) during the six months ended September 30, 2025 to an average price of $104.33 ($CDN/BBL) during the six months ended September 30, 2026. The average daily spot price for AECO natural gas increased 18% from $1.25/MCF during the six months ended September 30, 2025 to an average price of $1.48/MCF during the six months ended September 30, 2026.

REVENUE

	Three months ended September 30			Six months ended September 30		
($)	2026	2025	% Change	2026	2025	% Change
Oil & NGL	1,873,811	788,347	138	3,858,644	1,446,065	167
Natural Gas	22,554	2,024	1,014	40,959	18,911	117

Revenue

Petroleum and natural gas revenue increased 140% to $1,896,365 (2025 - $790,371) due to combination of increase in production and commodity prices during the period ended September 30, 2026 and increased 166% to 3,899,603 (2025 -$1,464,976) during the six months ended September 30, 2026.

The Company's 29° API medium-gravity crude is trucked to market in order to capture WTI-based pricing; realizing oil prices that averaged $116.40/bbl (2025 - $74.99/bbl), during the six months ended September 30, 2026, and production remained approximately 98% weighted to oil and liquids.

ROYALTIES

	Three months ended September 30			Six months ended September 30		
	2026	2025	% Change	2026	2025	% Change
Crown Royalties	109,321	25,543	328	198,132	58,243	240
Freehold Royalties	224,814	81,289	177	459,333	128,699	257
Royalty Expense	334,135	106,832	213	657,465	186,942	252
Royalty Expense as a % of Sales	18%	14%		17%	13%	
Royalty Expense per BOE	$ 16.00	$ 9.00		$ 17.00	$ 8.00	

Royalties

For the quarter ended September 30, 2026, total royalties expense increased 213% to $334,135 (2025 - $106,832) due to increase in oil production.
Freehold royalties increased 177% to $224,814 (2025 - $81,289) during the three months ended September 30, 2026 as the new well brought on freehold production, Crown royalties also increased 328% to $109,321 (2025 - $25,543) during the three months ended September 30, 2026 as a larger share of production came from freehold lands; and thus no Crown royalty incentives or holidays were applied. Royalties were $16.00/boe (2025 - $9.00/boe) during the three months ended September 30, 2026. The Company expects royalties as a percentage of revenue to fluctuate with commodity prices and the freehold/Crown mix.

Three months ended September 30			Six months ended September 30		
2026	2025	% Change	2026	2025	% Change
614,371	433,639	42	1,187,650	822,283	44
10,400	27,180	(62)	45,066	41,550	8
624,771	460,819	36	1,232,716	863,833	43
33%	58%		32%	56%	
$ 30.00	$ 40.00	(25)	$ 31.00	$ 36.00	

Operating Costs

Operating costs increased 36% to $624,771 (2025 - $460,819) during the three months ended September 30, 2026 and fell 25% per boe to $30.00/boe (2025 – $40.00/boe) during the three months ended September 30, 2026 - the largest contributor to the period's netback expansion as a result an 80% increase in production.
The Company's oil is trucked to market — a deliberate trade of higher transportation cost for WTI-based realizations. Management continues to focus on field-level cost optimization and the re-activation of shut-in wells into fiscal 2027.

GENERAL AND ADMINISTRATIVE EXPENSE ("G&A")

	Three months ended September 30			Six months ended September 30		
	2026	2025	% Change	2026	2025	% Change
Gross G&A	140,592	83,911	68	250,204	170,592	47
Net G&A expense per BOE	$ 6.76	$ 7.22		$ 6.28	$ 7.47	

An increase in 68% in Q2/27 to $140,592 from $83,911 Q2/26 due engineering project studies in potential prospect wells. The Company does not capitalize any G&A expenses.

INTEREST AND FINANCE EXPENSE

Interest expense is generated entirely by the interest payable on notes. The notes are due over 3 and 4 years, bear interest at 12% per annum and are secured by a general security agreement over all present and after-acquired personal property of the Company.

FINANCE EXPENSE

	Three months ended September 30			Six months ended September 30		
	2026	2025	% Change	2026	2025	% Change
Interest expense	76,237	91,973	-	163,085	149,066	
Total finance expense	76,237	91,973	(17)	163,085	149,066	9
Total ($/boe)	$ 3.67	$ 7.91		$ 4.10	$ 6.52	

Total finance expense decreased to $76,237 for the period ended September 30, 2026 (2025 - $91,973), reflecting

lower average borrowings under the Company's notes payable, which bear interest of 12% per annum.

NETBACKS

	Three months ended September 30			Six months ended September 30		
($ / BOE)	2026	2025	% Change	2026	2025	% Change
Oil and Natural Gas Sales	91.17	68.00	34	97.93	64.11	53
Royalties	(16.06)	(9.19)	75	(16.51)	(8.18)	102
Operating costs	(30.04)	(39.65)	(24)	(30.96)	(35.98)	(14)
Operating Netback [(1)] ($/boe)	45.07	19.16	135	50.46	19.95	153

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

Operating Netback

Operating netback expanded 135% to $45.07/boe (2025- $19.16/boe) during the three months ended September 30, 2026. The improvement was primarily a result of an increase of 80% in oil production and by controlling operating costs related to workovers and regular maintenance programs compared to the same quarter ended in 2025.
Higher netbacks and volumes lifted funds from operations 474% to $796,867 (2025 – $138,809) during the three months ended September 30, 2026 and cash flow from operating activities improved to $1,443,447, compared with an outflow of $170,725 in the prior-year period during the three months ended September 30, 2026 due to new drilling in the Company's core Provost area.

DEPLETION, DEPRECIATION AND ACCRETION ("DD&A)

	Three months ended September 30			Three months ended September 30		
	2026	2025	% Change	2026	2025	% Change
DD&A	341,141	221,927		648,365	420,649	
Total	341,141	221,927	54	648,365	420,649	54
DD&A ($/boe)	$ 16.40	$ 19.09		$ 16.28	$ 18.41	

DD&A costs increased by 54% during the three months ended September 30, 2026 and to $341,141 from $221,927 for the same period 2025. Most of the change is attributed to increases in production and capital requirements changing for probable reserves from the depletable base reserves.

Reserves

The Company's reserves were independently evaluated by McDaniel & Associates Consultants Ltd. effective March 31, 2026 using forecast prices and costs. Proved developed producing reserves increased to 264.8 MBOE (2025 – 259.9 MBOE), approximately 107% of the year's production, as the Provost well converted approximately 108 MBOE from proved undeveloped reserves to producing reserves. Total proved reserves were 396.8 MBOE and proved plus probable reserves were 497.5 MBOE. On a total basis reserves declined modestly as annual production exceeded new bookings. Reserves are reported in accordance with NI 51-101.

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, 2026, the Company did not identify indicators of impairment or reversal of previous impairments.

FUNDS FROM OPERATIONS

	Three months ended September 30			Six months ended September 30		
($ except per share amount)	2026	2025	% Change	2026	2025	% Change
Cash flow from (used in) operating activities	1,443,447	(170,725)	(945)	2,139,196	31,241	6,747
Changes in non-cash working capital	(646,580)	309,534	(309)	(379,978)	212,368	(279)
Funds from operations	796,867	138,809	474	1,759,218	243,609	622
Per share - basic / diluted	0.02	$ 0.00		0.04	0.01	

Cash flow from operating activities increased to $1,443,447 in Q2/27, compared to $170,725 in Q2/26 largely attributed to new drilling activities from the Provost 15-21-38-3W4 well.

Funds from operations increased to $796,867 in the period ended September 30, 2026 (2025 – $138,809), driven by higher production from the new well and lower operating costs per boe.

CAPITAL EXPENDITURES

	Three months ended September 30			Six months ended September 30		
	2026	2025	% Change	2026	2025	% Change
Land and seismic	4,302	-		68,076	-	
Drilling and completions	1,433,689	1,348,949		1,433,689	1,348,949	
Facilities, pipelines and well equi	97,595	176,015		97,595	190,764	
Total capital expenditures	1,535,586	1,524,964	1	1,599,360	1,539,713	4

The total expenditures increased 1% in Q2/27 to 1,535,586 from $1,524,964 in Q2/26 attributed to the new drilling project in the Company's of Provost area.

DECOMMISSIONING LIABILITIES

	September 30	March 31
($)	2026	2026
Balance, beginning of the year	1,939,802	2,044,646
Accretion	33,058	67,428
Change in estimates	-	(172,272)
Balance, end of year	1,972,860	1,939,802
Less: current portion	162,632	162,632
Long-term portion	1,810,228	1,777,170

During the quarter ended September 30, 2026, the total carrying amount of decommissioning liabilities increased to $1,972,860 from $1,939,802 as at March 31, 2026 due to accretion.

LONG-TERM DEBT

As at September 30, 2026, total long-term debt was $2,415,185.

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, 2026 and the date of this MD&A, the Company's issued and outstanding 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	45,147,958
Stock Options	2,250,000
Warrants	Nil

Convertible Debentures (if exercised)	5,200,000

RELATED PARTY TRANSACTIONS AND BALANCES

The Company has entered into transactions with related parties in the normal course of business that are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties, and which in management's opinion is comparable to amounts that would have been paid to non-related parties. The exchange amount approximates fair value.

Related party transactions and balances entered into during the quarter ended September 30, 2026 and 2025 not disclosed elsewhere in these consolidated financial statements are as follows:

Key management compensation

The Company has identified its directors and certain senior officers as it key management personnel. The compensation costs for key management personnel and companies related to them were recorded as follows:

	September 30, 2026	March 31, 2026
	$	$
Stock-Based Compensation	-	52,770
Consulting Fees	72,275	145,075
Total	72,275	197,845

During the year ended March 31, 2026 the Company issued 1,000,000 stock options (2025 – 3,000,000) to directors and senior officers. Accordingly, the Company recorded an amount of $nil (2026 - $52,770) as stock-based compensation for the period ended September 30, 2026 as compared to the year ended March 31, 2026.

Payable to related parties

Balances due to related parties consists of amounts owing to officers, directors (or to persons related to them or companies controlled by them) for services, travel expenses, and advances. These amounts are non-interest bearing, unsecured and due on demand.

	September 30, 2026	March 31, 2026
	$	$
Related party payable for services	-	-

CAPITAL RESOURCES AND LIQUIDITY

WesCan's major source of liquidity has been the issuance of equity capital. The Company obtains equity capital financing 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 financing 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's commitments and current obligations, the Company will require additional equity financing(s) during the next twelve months. At September 30, 2026, the Company's working capital deficiency was $686,132 (March 31, 2026 - $1,341,723).

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, 2026, the Company has notes payable in the amount of $2,421,566 including accrued interest. These loans bear interest of 12% per annum and are secured by a general security agreement over all present and after-acquired personal property of the Company, together with a floating charge over such assets, and are repayable over three and four years. The Debentures bear interest at 10% per annum, calculated and payable quarterly in cash, mature two years from the date of issuance, and are convertible at the option of the holder at any time prior to maturity into common shares of the company at a conversion price of $0.25 per share.

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. Expenditures 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”.

	2027	2026				2025		
Quarters ended	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**
OPERATING								
Average daily production								
Oil - 76% light/med 24% heavy (BBL/D	184	176	180	192	112	94	103	119
Natural Gas Liquids (BBL/D)	6	4	4	6	5	5	5	4
Conventional Natural gas ((MCF/D)	235	175	166	163	63	148	140	129
Total BOE (BOE/D)	229	209	211	225	128	123	131	144
Average sales price								
Oil & NGL ($/BBL)	108.68	121.24	85.06	71.17	73.87	73.21	86.04	83.30
Natural gas ($/MCF)	1.06	1.16	1.60	1.87	0.35	1.25	1.60	0.97
Total ($/BOE)	91.17	105.33	75.18	63.91	68.00	60.08	72.41	71.79
Operating netback ($/BOE)								
Oil & gas sales	91.17	105.33	75.18	63.91	68.00	60.08	72.41	71.79
Royalty expense	16.06	17.00	13.39	8.82	9.19	7.13	8.28	9.00
Operating expense	30.04	31.97	29.18	26.87	39.65	35.89	55.32	50.89
Netback	45.07	56.36	32.61	28.22	19.16	17.06	8.81	11.90
FINANCIAL								
Oil & gas sales	1,896,366	2,003,238	1,444,082	1,323,001	790,371	674,605	861,093	953,175
Funds from operations	796,867	962,351	495,020	492,548	138,809	104,800	250,820	70,752
Per share - Basic/Diluted	0.02	0.02	0.01	0.01	0.00	0.00	0.01	0.00
Cash flow from (used in)	1,443,447	695,749	779,456	253,356	(170,725)	201,966	370,506	110,727
Per share – Basic/Diluted	0.03	0.02	0.02	0.01	(0.00)	0.00	0.01	0.00
Net Income (loss)	379,489	568,279	(118,017)	9,067	(192,681)	(151,015)	(293,599)	(215,262)
Per share – Basic/Diluted	0.01	0.01	(0.00)	0.00	(0.00)	(0.00)	(0.01)	(0.00)
Capital expenditures	1,535,586	63,774	1,696,563	1,542,513	1,524,964	14,749	-	-
Total Assets	9,066,795	6,730,081	6,595,187	6,861,177	7,191,179	5,641,189	5,843,417	5,689,488
Working capital (deficiency)	(686,132)	(829,637)	(1,341,723)	(1,263,009)	(1,339,139)	(1,021,038)	(981,640)	(2,379,694)
Shareholders' Equity	1,876,147	1,496,658	896,879	997,309	970,652	1,145,743	1,296,758	1,403,498
Shares Outstanding	45,147,958	45,147,958	44,622,958	44,622,958	44,622,958	44,622,958	44,622,958	44,622,958

The most important trend over the last eight quarters has been the increase in the price of oil from a low of $71.71 /BBL on Q3 of 2026 to a high of $121.24/BBL in Q1 of 2027. The price of natural gas from a high of $1.60/MCF in Q4 of 2026 decreased to $0.35/MCF in Q2 of 2026. Netbacks per BOE up to $56.36/BOE in Q1 of 2027 from $8.81/BOE in Q4 of 2025 were primarily due to a combination of higher commodity prices and low 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 including share-based payments and other equity-based payments, the recognition and valuation of provisions for restoration and environmental liabilities, the 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 costs, 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) of those quantities to 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 of those quantities to be exceeded. WesCan reports production and reserve quantities in accordance with Canadian practices and specifically in accordance with "National Instrument 51-101 - 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 amounts 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 $1,972,860 as at September 30, 2026 from $1,939,802 as at March 31, 2026.

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, 2026 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 $5,217,788 in accounts payable and notes payable at September 30, 2026 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

Fiscal 2026 established a repeatable, oil-weighted development play for WesCan in the Rex formation at Provost, where all three of the Company's multilateral horizontal wells have now been drilled into the same formation. The third multilateral was drilled in September 2026 and brought on production in October 2026. While reservoir pressure in the third well was relatively modest, it is producing oil consistently, which management considers supportive of the repeatability of the play across the Company's Provost acreage.

Building on this base, WesCan intends to continue advancing its de-risked development inventory, supported by the 3D seismic trade licence and the additional half-section (approximately 320 acres) of acreage acquired during the year. Management has identified potential follow-up development opportunities on its Provost acreage and continues to evaluate its options for fiscal 2027, with the nature, scope and timing of any future activity remaining subject to regulatory approvals, rig availability, commodity prices and financing.

Alongside development activity, the Company will continue to prioritize field-level cost control, optimization of operating costs, improvements to its battery and production infrastructure, and the re-activation of shut-in wells, while strengthening its financial position. WesCan expects to remain disciplined in its capital allocation given prevailing commodity-price and financing conditions, and intends to fund its program through a combination of cash flow from operations and additional financing as required.

Certain statements in this section are forward-looking; see "Forward-Looking Statements."

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.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this MD&A constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable Canadian securities laws. Such statements relate to future events or the Company’s future performance and are generally identified by words such as “anticipate,” “believe,” “expect,” “intend,” “plan,” “target,” “continue,” “estimate,” “may,” “will,” “should,” and similar expressions, or the negatives thereof.

Forward-looking statements in this MD&A include, but are not limited to, statements regarding: the Company’s fiscal 2027 development plans and the evaluation of potential follow-up development opportunities at Provost; the repeatability of the Rex development play; the performance of the Company’s recently drilled and completed wells; the use of the Company’s 3D seismic trade licence and additional acreage; plans for field-level cost control, operating-cost optimization, infrastructure improvements and the re-activation of shut-in wells; the Company’s intended approach to capital allocation; and its anticipated sources of funding, including cash flow from operations and additional financing.

These statements are based on certain assumptions and analyses made by management in light of its experience and perception of historical trends, current conditions and expected future developments, including assumptions regarding future commodity prices; the availability and timing of regulatory approvals; the availability of drilling and completion equipment and services; the Company’s ability to obtain financing on acceptable terms; the accuracy of reserve estimates; production performance; operating and capital costs; and general economic, industry and market conditions.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those expressed or implied, including: volatility in crude oil and natural gas prices; uncertainties in estimating reserves and future production; the Company’s ability to secure adequate financing; the Company’s going-concern status and working capital position; risks associated with drilling, completion and production operations; delays in obtaining regulatory approvals or access to equipment; changes in royalty regimes, legislation and income tax laws; environmental risks and liabilities; and the other risks described in the Company’s disclosure documents filed on SEDAR+ at www.sedarplus.ca.

Although the Company believes the expectations reflected in the forward-looking statements are reasonable, undue reliance should not be placed on them, as the Company can give no assurance that such expectations will prove correct. The forward-looking statements are made as of the date of this MD&A, and the Company undertakes no obligation to update or revise them except as required by applicable securities laws.