

WEDGEMOUNT RESOURCES CORP.

MANAGEMENT'S DISCUSSION AND ANALYSIS

October 31, 2024

(Unaudited - Expressed in Canadian Dollars)

Report Date – January 27, 2025

The following Management's Discussion & Analysis ("MD&A") provides a review of activities, results of operations and the financial condition of Wedgemount Resources Corp. (the "Company") for the three-months ended October 31, 2024. This MD&A should be read in conjunction with the Company's audited consolidated financial statements and related notes thereto for the year ended July 31, 2024. All amounts disclosed in this MD&A are expressed in Canadian dollars, unless otherwise noted.

MANAGEMENT'S RESPONSIBILITY

The Company's management is responsible for the preparation and presentation of the financial statements and this MD&A. The financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board. This MD&A has been prepared in accordance with the requirements of securities regulators, including National Instrument 51-102 of the Canadian Securities Administrators.

FORWARD-LOOKING STATEMENTS

This MD&A may contain forward-looking statements based on assumptions and judgments of management regarding events or results that may prove to be inaccurate as a result of operational or other risk factors beyond its control. Actual results may differ materially from the expected results.

Except for statements of historical fact, this MD&A contains certain "forward-looking information" within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. In particular, forward-looking information in this MD&A includes, but is not limited to, statements with respect to future events such as the sufficiency of the Company's current working capital, anticipated cash flow or its ability to raise necessary funds, and the Company's plans and expectations for its operations and is subject to certain risks, uncertainties and assumptions. Although we believe that the expectations reflected in the forward-looking information are reasonable, there can be no assurance that such expectations will prove to be correct. We cannot guarantee future results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.

Forward-looking information is based on the opinions and estimates of management at the date the statements are made, which are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause results to differ materially from those expressed in the forward-looking statements include, but are not limited to: general economic conditions in Canada, the United States and globally; industry conditions, including fluctuations in commodity prices; the outbreak of an epidemic or a pandemic, or other health crisis and the related global health emergency affecting workforce health and wellbeing, regional or country-wide lock-downs, travel restrictions and disruptions to supply chains; governmental regulation of the oil and gas industry, including environmental regulation; geological, technical and operating challenges; unanticipated operating events; competition for and/or inability to retain service rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for commodities; liabilities inherent in oil and gas operations; changes in tax laws and incentive programs relating to the oil and gas industry; and the other factors described herein under "Risks and Uncertainties" as well as in our public filings available at www.sedarplus.ca. Readers are cautioned that this list of risk factors should not be construed as exhaustive.

The forward-looking information contained in this MD&A is expressly qualified by this cautionary statement. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.

BUSINESS OVERVIEW

The Company is focused on the acquisition, optimization and exploitation of producing oil and gas assets in the Permian Basin of west central Texas. The Company owns and operates the Willowbend, Millican, TCS and Huggy oil and gas properties. The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol WDGY and on the OTCQB under the symbol WDGRF.

Willowbend Property

On March 31, 2023, the Company completed the acquisition of a 100% working interest in the Willowbend oil and gas property located 55km south of the city of Abilene, Runnels County, Texas. Willowbend, located in the Permian Basis of west Texas, consists of 5 leases hosting 11 wells producing from the Gardner formation and one injection well.

The acquisition of Willowbend was completed for total cash consideration of USD \$1,500,000 (\$2,029,418) plus transactions costs of \$19,940. The Company applied the optional IFRS 3 concentration test to this acquisition which resulted in the acquired assets being accounted for as an asset acquisition. Fair value of consideration paid is allocated to assets and liabilities acquired.

The fair value assigned to the identified assets acquired and liabilities assumed are presented below:

Cost of acquisition:

Cash consideration	\$ 2,029,418
Transactions costs	\$ 19,940
	<u>\$ 2,049,358</u>

Allocated as follows:

Inventory	\$ 56,388
Oil and gas properties	\$ 2,398,790
Decommissioning obligations	(405,820)
	<u>\$ 2,049,358</u>

Millican Property

On March 28, 2023, the Company completed the acquisition of a 100% working interest in the Millican oil and gas property, located in Runnels County, Texas approximately 5km from the Willowbend property. The Millican property consists of seven leases over 2,000 acres hosting seven wells producing from the Gardner formation.

The acquisition of Millican was completed for total cash consideration of USD \$160,000 (\$219,086). The Company applied the optional IFRS 3 concentration test to this acquisition which resulted in the acquired assets being accounted for as an asset acquisition. Fair value of consideration paid is allocated to assets and liabilities acquired.

WEDGEMOUNT RESOURCES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited - Expressed in Canadian Dollars)
OCTOBER 31, 2024

The fair value assigned to the identified assets acquired and liabilities assumed are presented below:

Cost of acquisition:

Cash consideration	\$ 219,086
	<u>\$ 219,086</u>

Allocated as follows:

Oil and gas properties	\$ 440,888
Decommissioning obligations	(221,802)
	<u>\$ 219,086</u>

TCS Property

On November 1, 2023, the Company completed the acquisition of a 100% working interest in the TCS oil and gas property located in Runnels County, Texas, approximately 3km from the Company's Willowbend property. TCS consists of nine leases covering 1200 acres and include nine producing oil wells and one injector well.

The acquisition of TCS was completed for total consideration of USD \$650,000 comprised of USD \$50,000 in cash and a USD \$600,000 vendor take back loan ("VTB"). The VTB loan bears interest at 10% per annum and will be repaid from 50% of the net cash flows of the acquired assets over a period of 24 months. The fair value assigned to the identified assets acquired and liabilities assumed are presented below:

Cost of acquisition:

Cash consideration	\$ 69,355
VTB	\$ 832,260
	<u>\$ 901,615</u>

Allocated as follows:

Oil and gas properties	\$ 1,242,174
Decommissioning obligations	(340,559)
	<u>\$ 901,615</u>

Huggy Property

On August 16, 2024, the Company completed the acquisition of a 100% working interest in the Huggy oil and gas assets located in Coleman County, Texas. The acquisition of Huggy was completed for a total cash consideration of USD \$840,000.

Cost of acquisition:

Cash consideration	\$ 840,000
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Allocated as follows:

Inventory	\$ 83,069
Oil and gas properties	3,979,166
Accounts payable	(83,069)
Compliance requirements	(750,000)
Decommissioning obligations	(2,389,166)
	<u>\$ 840,000</u>

The purchase price allocation for the Huggy transaction reflects various fair value estimates and analyses, which are subject to change within the respective measurement periods. The Company expects to continue to obtain information to assist in determining the fair value of the net assets acquisition date. Measurement period adjustments that the Company determined to be material will be applied retrospectively to the period of acquisition in the Company's consolidated financial statements, and, depending on the nature of the adjustments, other periods subsequent to the period of acquisition could also be affected.

The Company determined the estimated fair value of the acquired identifiable assets, asset retirement obligations and goodwill after review and consideration of relevant information including discounted cash flow analyses, market data and management's estimates.

The fair value of the acquired assets and liabilities are provisional pending receipt of the final valuations for those assets and liabilities.

OPERATIONS UPDATE

Since the closing of the Company's recently announced Huggy asset acquisition and concurrent financing, Wedgemount's operations team has commenced optimization of wells and surface facilities in both the Echo and Novice fields which make up the core of the Huggy assets. As a result, the Company now has a total of 72 wells producing up from 23 prior to the Huggy purchase. Initial work has been focused on our Echo operating unit where the Company has completed significant surface processing improvements and completed enhancement work on six producing wells. At Novice one production well has been repaired and turned back on.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

During the three-months ended October 31, 2024, the Company had revenue of \$357,280 (2023 - \$197,856) and a loss of \$1,178,412 (2023 - \$201,478). Revenue consisted of oil and gas sales of \$441,686 (2023 - \$255,230), net of royalties of \$84,406 (2023 - \$57,374). Expenses during the three-months ended October 31, 2024 were significantly higher compared to the same period of 2023 due to the acquisition and operation of additional oil and gas wells and the investment in a marketing campaign during the fall of 2024.

The table below explains the significant changes in expenditures for the three-months ended October 31, 2024 as compared to the corresponding period in 2023.

Expenses	Change in Expenses	Explanation for Change
Accretion	Increase of \$39,506	Accretion relates to the amortization of; projected future rehabilitation liabilities over the life of oil and gas assets and the change in present value of convertible debentures. The increase in Q1 of fiscal 2025 over 2024 is due primarily to accretion related to the issuance of convertible debentures.
Foreign exchange	Decrease in gain of \$82,286	The decrease in gain on foreign exchange relates to a smaller increase in the value of the US dollar vs the Canadian dollar and the relative increase of US dollar denominated assets held.

WEDGEMOUNT RESOURCES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited - Expressed in Canadian Dollars)
OCTOBER 31, 2024

General and Administrative	Increase of \$368,653	The increase in G&A in Q1 of fiscal 2025 is due primarily to higher marketing, legal, audit and accounting fees incurred.
Loan interest	Increase of \$65,456	Loan interest increased due to the VTB loan in connection with the TCS acquisition and the issue of convertible debentures.
Operating	Increase of \$630,787	Increased operating costs in Q1 of fiscal 2025 is due to primarily to costs associated with the Huggy acquisition.

SUMMARY OF QUARTERLY RESULTS

The following table sets out selected unaudited quarterly financial information for the most recent eight quarters. The amounts presented have been prepared in accordance with IFRS for all quarters.

Period Ended	Three months ended October 31, 2024	Three months ended July 31, 2024	Three months ended April 30, 2024	Three months ended January 31, 2024
Revenue	\$ 357,280	\$ 298,506	\$ 250,713	\$ 110,779
Net income (loss) from continuing operations	\$ (1,178,412)	\$ (631,799)	\$ (349,676)	\$ (367,429)
- per share ⁽¹⁾	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Comprehensive income (loss)	\$ (1,202,297)	\$ (637,509)	\$ (358,820)	\$ (358,837)
- per share ⁽¹⁾	\$ (0.02)	\$ (0.01)	\$ (0.01)	\$ (0.01)
Total assets	\$ 13,663,772	\$ 7,431,421	\$ 7,351,060	\$ 6,736,943
Total non-current financial liabilities	\$ 2,777,760	\$ 828,540	\$ 824,760	\$ 979,118
Cash dividends declared - per share	\$ Nil	\$ Nil	\$ Nil	\$ Nil

WEDGEMOUNT RESOURCES CORP.
MANAGEMENT'S DISCUSSION & ANALYSIS
(Unaudited - Expressed in Canadian Dollars)
OCTOBER 31, 2024

Period Ended	Three months ended October 31, 2023	Three months ended July 31, 2023	Three months ended April 30, 2023	Three months ended January 31, 2023
Revenue	\$ 197,856	\$ 189,769	\$ 46,455	\$ Nil
Net income (loss) from continuing operations	\$ (201,478)	\$ 116,088	\$ (813,997)	\$ (561,099)
- per share ⁽¹⁾	\$ 0.00	\$ 0.00	\$ (0.03)	\$ (0.02)
Comprehensive income (loss)	\$ (208,437)	\$ 117,906	\$ (813,997)	\$ (561,099)
- per share ⁽¹⁾	\$ 0.00	\$ 0.00	\$ (0.03)	\$ (0.02)
Total assets	\$ 5,523,660	\$ 5,161,708	\$ 3,059,647	\$ 853,949
Total non-current financial liabilities	\$ 198,894	\$ 231,511	\$ 473,788	\$ Nil
Cash dividends declared - per share	\$ Nil	\$ Nil	\$ Nil	\$ Nil

¹ Fully diluted income (loss) per share was not calculated as the effect was anti-dilutive.

OVERALL PERFORMANCE AND RESULTS OF OPERATIONS

The Company's revenues and losses from continuing operations have for the most part increased since oil and gas operations began in the quarter ended July 31, 2023. During the quarters ended April 30 and January 31, 2023, the Company's losses from continuing operations were due in most part to write-offs of exploration and evaluation assets as the Company ceased mineral exploration activities and abandoned its exploration and evaluation assets. The Company's total assets have grown steadily over the last eight quarters with significant increases realized in the most recent six fiscal quarters, since the Company began to acquire oil and gas assets.

LIQUIDITY AND CAPITAL RESOURCES

The Company's cash position was \$362,534 as at October 31, 2024 (July 31, 2024 - \$99,476). The Company had a working capital surplus/(deficit) of \$(4,142,239) as at October 31, 2024 (July 31, 2024 - \$(3,055,254)). The Company's cash position consists primarily of funds received from the issuance of its common shares and funds received from loans payable and convertible debentures, less expenditures. The cash spent during the current period was primarily attributable to general working capital and operations on its oil and gas assets.

Net cash provided by/(used in) operating activities for the three months ended October 31, 2024 was \$(1,149,865) (2023 - \$28,898) and investing activities was \$(924,642) (2023 - \$(527,957)). The Company's investing activities were the acquisition and investment in oil and gas assets. The financing activities in the current period consisted of the issuance of convertible debentures, which provided proceeds of \$2,450,000 (2023 - warrants exercised \$142,500 and repayment of loans \$(40,000)).

Management estimates additional funding will be required to further operations in the upcoming twelve months. The Company is continuing to explore various potential sources of financing, but there is no certainty that any additional financings will be completed.

Loans payable

During the year ended July 31, 2023, the Company entered into a loan agreement with the President and CEO, under which USD \$400,000 (\$535,000) was loaned (the "Vanry Loan"). The Vanry Loan bears interest at a rate of 15% per annum, payable monthly for the first 22 months and thereafter at the rate of 18% per annum. The Company will make payments on account of principal on the Vanry Loan commencing June 30, 2023 at the rate of USD \$20,000 per month plus an amount equal to 25% of net cash flows over USD \$200,000. The Vanry Loan matures, and all outstanding principal shall be payable, on February 28, 2025. The Company may repay the Vanry Loan at any time without penalty. The Vanry Loan is secured by a pledge of the shares of WTC and a general security interest over the assets of WTC. Additionally, the Company, as further compensation, issued 275,000 warrants to the President. Each warrant is exercisable at a price of \$0.30 until February 21, 2026. The warrants were valued at \$39,440, calculated using the Black-Scholes option pricing model assuming a life expectancy of three years, a risk-free interest rate of 3.96%, a dividend rate of nil%, a forfeiture rate of nil%, and volatility of 134%. The fair value of the warrants was recorded as transaction cost of the loan and will be amortized to loan interest over the term of the loan, which for the three-months ended October 31, 2024 was \$4,917 (2023 - \$4,917). As at October 31, 2024, the Vanry Loan has a current liability of \$271,065 (July 31, 2024 - \$365,656) and a long-term liability of \$nil (July 31, 2024 - \$nil). During the three-months ended October 31, 2024, the Company accrued interest of \$12,112 (2023 - \$14,372), recorded in loan interest. As at October 31, 2024, accrued and unpaid interest on the Vanry Loan totals \$76,144 (July 31, 2024 - \$70,127).

During the year ended July 31, 2023, the Company also entered into a loan agreement with an arm's length individual, under which \$450,000 was loaned (the "Loan"). The Loan bears interest at a rate of 15% per annum, payable monthly for the first 22 months and thereafter at the rate of 18% per annum. The Company will make payments on account of principal on the Loan commencing June 30, 2023 at the rate of \$20,000 per month plus an amount equal to 25% of net cash flows over USD \$200,000. The Loan matures, and all outstanding principal shall be payable, on February 28, 2025. The Company may repay the Loan at any time without penalty. The Loan is guaranteed by a general security interest over the assets of WTC. As at October 31, 2024, the Loan has a current liability of \$390,000 (July 31, 2024 - \$390,000) and a long-term liability of \$nil (July 31, 2024 - \$nil). During the three-months ended October 31, 2024, the Company accrued interest of \$14,745 (2023 - \$15,205), recorded in loan interest. As at October 31, 2024, accrued and unpaid interest on the Loan totals \$68,388 (July 31, 2024 - \$53,642).

On November 1, 2023, the Company closed a purchase and sale agreement for the TCS assets (Note 4), the consideration for which included a USD\$600,000 VTB loan (\$832,260). The VTB loan bears interest at 10% per annum. In addition to monthly interest, commencing February 28, 2024, monthly principal payments equal to 50% of the net operating profit of the acquired assets from the prior month shall be paid (no such principal payments were triggered and owing during 2024). The loan matures and all outstanding principal shall be payable on November 1, 2025. As at October 31, 2024, the loan has a long-term liability of \$834,960 (July 31, 2024 - \$828,540) and accrued interest payable of \$40,778 (July 31, 2024 - \$40,778).

Convertible Debentures

During August and September 2024, the Company closed a non-brokered private placement offering of convertible debenture units for gross proceeds of \$2,450,000. Each debenture unit comprises \$1,000 principal amount of unsecured redeemable convertible debenture and 2,941 common share purchase warrants. Each warrant will entitle the holder thereof to purchase one common share of the Company at a price of \$0.30 until September 10, 2027. The convertible debentures bear interest at a rate of 10% per annum, calculated and

payable semi-annually in arrears, with the first payment being February 25, 2025, and maturing 36 months from the date of issuance. The principal amount of each convertible debenture will be convertible into common shares of the Company at a price of \$0.17 at the option of the holder of a convertible debenture at any time prior to the close of business on September 10, 2027. On or after September 10, 2025, the convertible debentures may be redeemed in whole or in part from time to time at the option of the Company at \$1,050 per debenture unit plus accrued and unpaid interest. Under the offerings, the Company paid finder's fees consisting of \$4,700 in cash, and a total of 149 debenture units.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements or transactions during the period.

TRANSACTIONS WITH RELATED PARTIES

The Company considers key management personnel to consist of its directors and officers. The following expenses were incurred in transactions with key management personnel:

	Three months ended October 31, 2024	Three months ended July 31, 2023
Paid or accrued management fees to Mark Vanry, President	\$ 37,500	\$ 37,500
Paid or accrued professional fees to Steve Vanry, CFO	24,000	13,500
Share-based payments	2,735	30,533
	\$ 64,235	\$ 81,533

During the year ended July 31, 2023, the Company entered into a loan agreement with:

- its President (Note 10) whereby the President advanced USD \$400,000 (\$535,000). The Company issued 275,000 warrants, valued at \$39,440, to the President as compensation for the loan. During the three-months ended October 31, 2024, interest expense was \$12,112 (2023 - \$14,372).
- The son of its CFO (appointed in fiscal 2024) (Note 10) whereby he advanced \$450,000. During the year ended July 31, 2024, interest expense was \$14,745 (2023 - \$15,205).

As at October 31, 2024, included in accounts payable and accrued liabilities was \$379,684 (July 31, 2024 - \$322,921) owing to a director, a corporation controlled by a director, and an officer.

The Company has a management services agreement with its President which provides that in the event the President's services are terminated without cause or upon a change of control of the Company, a termination payment of an amount equal to 200% of the current annual compensation plus an amount equal to two times the average of the cash discretionary bonuses paid for the two most recently completed years will be payable.

The Company has a management services agreement with its Chief Financial Officer which provides that in the event the President's services are terminated without cause or upon a change of control of the Company, a termination payment of an amount equal to 100% of the current annual compensation plus an amount equal

to two times the average of the cash discretionary bonuses paid for the two most recently completed years will be payable.

SHARE CAPITAL INFORMATION

Disclosure of Outstanding Share Data as at Report Date

The authorized capital of the Company consists of an unlimited number of common shares without par value.

Shares Issued and Outstanding

As at the Report Date, there were 52,487,935 common shares issued and outstanding.

Stock Options

As at the Report Date, there were 3,505,000 stock options outstanding.

Warrants

As at the Report Date, there were 14,811,453 warrants outstanding.

FINANCIAL INSTRUMENT RISK

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. As at October 31, 2024, the Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to its liquid financial assets, being cash and receivables. The maximum credit risk of the investments is their carrying value. The Company's primary bank accounts are held with a major Canadian bank and funds are transferred to the subsidiary's foreign bank account as required to cover current expenditures, minimizing the risk to the Company. Receivables are due from a government agency and from oil and gas marketers. The Company's policy to mitigate credit risk going forward is to maintain marketing relationships with established and reputable purchasers that are considered to be creditworthy.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is through regular monitoring of cash requirements. When necessary, the Company obtains financing from various investors to ensure all future obligations are fulfilled. The Company does not have sufficient cash as at October 31, 2024 to settle its current liabilities as they come due and additional funds are required to continue current operations for the upcoming twelve months (Note 1).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of market price changes:

Foreign currency exchange risk

This risk relates to any changes in foreign currencies in which the Company transacts. The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payables and accrued liabilities, and loans that are denominated in United States Dollars. The effect of a 10% change in foreign exchange rates would be approximately \$477,000 for the year ended October 31, 2024.

Interest rate risk

This risk relates to the change in the borrowing rates of the Company. The Company is not exposed to interest rate risk as it does not have any significant financial instruments with variable interest rates, with the exception of cash. Loans payable carry fixed interest rates. Interest earned on cash is based on prevailing bank account interest rates, which may fluctuate. A 1% increase or decrease in interest rates would result in a nominal difference for the year ended October 31, 2024.

Price risk

This risk relates to fluctuations in commodity and equity prices. The Company closely monitors commodity prices of precious and base metals, and of oil and gas, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

The Company does not currently use financial instruments designed to hedge these market risks.

Fair value hierarchy

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1

Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2

Pricing inputs are other than quoted prices in active markets included in level 1. Prices in level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3

Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The fair value of cash, receivables, accounts payable and accrued liabilities, and loans payable approximates their carrying values because of the short-term nature of these instruments. The long-term portion of the loans payable approximates its carrying value because it bears interest at the market rate. The BC Co. shares, recorded in investment, are measured using level 3 of the fair value hierarchy. Investments classified within level 3 may have significant unobservable inputs. During fiscal 2024 the carrying value of the investment was increased to \$202,500 (2023 - \$150,000) due to an evidence-based re-assessment of its fair value made at year end.

CAPITAL MANAGEMENT

The Company defines capital as cash, debt, and the components of shareholders' equity. The Company's objectives when managing capital are to identify, pursue, and complete the exploration and development of its exploration and evaluation assets, to maintain financial strength, to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness, and to maximize returns for shareholders over the long term. The Company manages its capital in a manner consistent with the risk characteristics of the assets it holds. All financings, including equity and debt, are analyzed by management and approved by the Board of Directors. The Company does not have any externally imposed capital requirements. There have been no significant changes in the Company's objectives, policies, and processes for managing its capital during the three months ended October 31, 2024.

RISKS AND UNCERTAINTIES

The Company is engaged in the exploration for and the development of petroleum and natural gas in the U.S.A and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Investors should carefully consider the risk factors set out below and consider all other information contained herein and, in the Company's other public filings before making an investment decision. The risks set out below are not an exhaustive list and should not be taken as a complete summary or description of all the risks associated with the Company's business and the oil and natural gas business generally. For a discussion of risks and uncertainties which are the most applicable to the Company, please refer to the Company's audited consolidated financial statements and related notes thereto and the annual MD&A for the year ended July 31, 2024.

Forward-Looking Information

Shareholders and prospective investors are cautioned not to place undue reliance on the Company's forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

Additional information on the risks, assumption and uncertainties are found under the heading "Forward-Looking Statements" in this MD&A.

PROPOSED TRANSACTIONS

Currently there are no pending proposed transactions; however, the Company continues to seek new business and/or investment opportunities and to raise capital.

ADDITIONAL INFORMATION

Additional information relating to the Company, is available on the SEDAR+ website.

APPROVAL

The Board of Directors of the Company has approved the disclosure contained in this Management's Discussion and Analysis.

"Mark Vanry"

On Behalf of the Board of Directors,

January 27, 2025