

**Waskahigan Oil & Gas Corp.**  
**Management's Discussion and Analysis**  
**For the Three and Nine Months Ended September 30, 2023**

The following management discussion and analysis (“**MD&A**”) of the financial position and results of operations and cash flows of Waskahigan Oil & Gas Corp. (“**WOGC**”) is dated November 28, 2023 and should be read in conjunction with the audited consolidated financial statements of WOGC for the twelve months ended December 31, 2022 and notes thereto and the unaudited interim consolidated financial statements for the nine-month period ended September 30, 2023 and the notes thereto. As of September 30, 2023, WOGC has one subsidiary: Fox Creek Energy Ltd. (“**FCE**”)(formerly BlocNRG Inc and 2361990 Alberta Ltd.). FCE has one subsidiary: Odaat Oil Corp (“**Odaat**”). Odaat has one subsidiary: Jadela Oil (US) Operating LLC (“**Jadela US**”). Collectively WOGC, FCE, Odaat and Jadela US are referred to as the “**Company**”.

**Highlights: Q3 Results – Q4 and 2023 Plans**

The Company is a junior oil and gas exploration and development company with its main assets located near Fox Creek, Alberta. The focus of the Company is to pursue long life low decline natural gas development in the Gething and Dunvegan formations. WOGC (through its subsidiary Odaat) has lease rights to 27.25 sections gross (19.51 net) of petroleum and natural gas rights in the Province of Alberta (“**Fox Creek Assets**”). The Trimble Reserve and Present Worth Appraisal. report dated April 6, 2023 (“**Trimble Report**”) states that the Fox Creek Assets have a pre-tax value of \$5,636,500 as of December 31, 2022 at a 10% discount rate before tax. The Trimble Report is based on natural gas pricing of \$4.36 mcf for 2023 and \$4.25 mcf for 2024. The Company incurred net loss of \$321,040 for the 9 month period ended September 30, 2023 on oil and gas revenue of \$667,621. Depletion and depreciation was \$121,619 and accretion was \$27,537.

**Production in 2023 – Effect of Fox Creek Wildfires:** In 2021, Odaat was producing from two wells: average 491 mcf/d (98% of which came from Dunvegan only on its 08-30-62-21 W5th well) ; 10 barrels of NGL and 1 barrel of oil. On October 3 2022, Odaat completed a workover of its 08-30-62-21 W5th well. The well had two producing zones. Dunvegan and Gething. The Gething perforations were blocked in 2021. The workover opened the Gething perforations. Because the two zones have different production pressures and NGL components, Odaat has not quite worked out the mechanical apparatus to efficiently produce both formations at the same time. Odaat expects to install a plunger in Q3 2023. The Gething production should increase production by 300 mcf/d plus NGLs upon resolution of the production issue. In Q1 2023, Odaat brought on production of 2 shut in wells (15-24-63-24 W5th and 06-30-63-23 W5th wells) which have increases production by 400 mcf/d plus NGLs. In Q2 15-24-63-24 W5th and 06-30-63-23 W5th were shut in due to wildfires. The wildfires passed over the well and the CNRL plant without damaging the wells. The 08-30-62-21 W5th well was shut in for 3 months due to low commodity prices. The wildfires passed over another Odaat well (16-32 63-24 W5th).

Odaat has 5 natural gas wells which have been shut in since May 2020 because of a gas processing plant closure at Deep Valley owned (75%) and operated by Paramount Resources Ltd. (“**Paramount**”) which is located on the Maddenville meter station which provides access to the Nova Gas Transmission Ltd. (“**NGTL**”) pipeline number 80180 (which runs from the Keyera Corp (“**Keyera**”) gas processing plant at Simmonette meter station to the CNRL gas processing plant at Ante Creek at the Waskahigan meter station). Paramount has not wanted to expend the funds to conduct a \$400,000 workover on the plant. In November 2022, Odaat was made aware that pipeline 80180 has a leak and that Paramount does not wish to provide the commitments required by NGTL to incentivize NGTL to make the repairs to keep the pipeline operating. NGTL is in the process of suspending the meter station.

## **Waskahigan Oil & Gas Corp.**

### **Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023**

Odaat can bypass the Paramount Deep Valley plant by building a 800 meter pipeline extension (in conjunction with Logan Energy Corp (“**Logan**”) to the Canadian Natural Resources Limited (“**CNRL**”) pipeline at 16-09-63-25 W5th. The CNRL pipeline runs into the CNRL Waskahigan gas processing plant 18 km away. The CNRL gas processing plant is located on the NGTL Waskahigan meter station. The pipeline survey is completed. Right of Way has been obtained. Pipeline and instrumentation drawings have been approved by CNRL. Construction could take place in the spring of 2024. Odaat share of the pipeline costs is expected to be \$215,000. There will be an additional \$100,000 in costs to upgrade the well site equipment and feeder pipeline to meet new environment standards and to reactivate. Production might start by Q4 2023. If completed, Odaat can bring the 5 wells online should add an additional 900 mcf/d without additional capital (other than the \$315,000 previously discussed). It will give Odaat the opportunity to drill additional wells in Deep Valley.

There are no guarantees that the Company will be able to increase its production as forecast, obtain pipeline egress from Deep Valley, acquire additional PNG in Deep Valley, drill wells in Deep Valley and/or that if drilled the production is of commercially viable volumes.

**Abandonments and Remediations:** In Q3 2022, Jadela US abandoned and remediated its Texas well. In Q3 2022, Odaat completed the remediation of a number of well sites. In Q3 2022,, Odaat capped its 16-19-62-21 W5th well. In Q3 2022, Odaat set aside \$150,000 to secure 2 letters of credit to allow it to produce 2 of its wells into the CNRL facilities in Waskahigan (15-24-63-24 W5th and 06-30-63-23 W5th well) which will secure future remediation costs of 1 well and processing fees. In Q1 2023, Odaat commenced the abandonment and remediation of 1 well (05-32-63-23 W5th). In Q2 2024, Odaat expects to remediate a Viking formation well site (16-29-03-30 W5th). Odaat share of the expected costs (\$40,000) have been set aside to do so. Exxon has signed the ballot for the AFE. In April 2023, Cancen Oil Processors BC Inc (78%)/Odaat (22%) abandoned the disposal well in Ft. Nelson, BC.

## **2021 Reorganization**

Until December 6, 2021, WOGC was a subsidiary of Tenth Avenue Petroleum Corp (“**TAPC**”). On December 6, 2021, WOGC and TAPC filed Articles of Arrangement with the Registrar of Corporations for the Province of Alberta implementing the Order of Justice D.R. Mah dated May 25, 2021 in Court of Queen’s Bench of Alberta Action #2101 02284 which approved the Plan of Arrangement dated March 24, 2021 (as amended) (“**Plan of Arrangement**”) amongst TAPC, WOGC, Odaat and BlocNRG. The implementation of the Plan of Arrangement was effective September 30, 2021. On December 6, 2021, WOGC became a reporting issuer in the Province of Alberta and British Columbia. The common shares of WOGC have been listed for trading on the Canadian Securities Exchange (“**CSE**”) as of July 28, 2022. Upon listing on the CSE, WOGC became a reporting issuer in Ontario. To implement the Plan of Arrangement, TAPC declared a dividend wherein TAPC dividend one (1) common share of WOGC to the holders of each (1) common share of TAPC.

Odaat is a subsidiary of WOGC. Effective January 1, 2021, the oil and gas assets and liabilities of TAPC (excluding the SHU Asset)(defined below) were assigned to Odaat. As a result of the Plan of Arrangement, the assets, liabilities, revenue and expense as of September 30, 2021 (excluding the acquisition of the SHU Asset) are reflected in the quarterly financial statements of WOGC and not TAPC. The net property and equipment (pre implementation of the Plan of Arrangement) was \$1,823,468. On implementation, the book value of the property and equipment was increased on the books of WOGC to \$2,712,503 to reflect the market value of the assets as derived from the engineered values set out in TAPC’s NI 51-101 valuations for the fiscal period ended December 31, 2020 filed on [www.sedar.com](http://www.sedar.com) on April 21, 2021. The accounting treatment for the difference is explained in Note 4 to the audited financial statements. In essence, \$559,689

## Waskahigan Oil & Gas Corp.

### Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023

gain on the business combination is reflected as an addition to contributed surplus. Effective September 30, 2021, TAPC acquired a non-operated 1.3089477% Unit Participation and 1.7224988% revenue and billing interest in the Swan Hills Unit #1 pool (“**SHU Asset**”) from Salida Energy Inc. (“**Salida**”),

The financial data presented herein has been prepared in accordance with International Financial Reporting Standards (“**IFRS**”) as summarized in the accounting policies in the Notes to the Company’s financial statements. All financial amounts are expressed in Canadian dollars, except as otherwise indicated.

This MD&A of WOGC has been prepared by management and approved by the Audit Committee and Board of Directors of the Company in accordance with National Instrument 51-102 released by the Canadian Securities Administrators.

## DESCRIPTION OF THE COMPANY

WOGC is a Calgary, Alberta based petroleum and natural gas exploration, production and development company, with operations in the Canadian provinces of Alberta and British Columbia. The common shares of WOGC are listed for trading on the Canadian Securities Exchange (“**CSE**”). Additional information related to the Company, may be found on the Canadian Securities Administrators’ System for Electronic Distribution and Retrieval (“**sedar**”) website at [www.sedar.com](http://www.sedar.com).

## INTERNATIONAL FINANCIAL REPORTING STANDARDS

### NON-IFRS MEASURES

Sometimes the Company may use terms for measurement within the MD&A that do not have a standardized prescribed meaning under IFRS and these measurements may differ from other companies and accordingly may not be comparable to measures used by other companies. If such terms are used, in addition to profit and loss and cash flow from operating activities as defined by IFRS, they are used as additional tools for evaluating WOGC’s operating performance and will be defined where used.

### BOE Conversion (51-101 Advisory)

In accordance with National Instrument 51-101, Standards for Disclosure of Oil and Gas Activities (“**NI 51-101**”), petroleum and natural gas reserves and volumes are converted to an equivalent measurement basis referred to as a “barrel of oil equivalent” (“**boe**”) on the basis of 6 thousand cubic feet of natural gas equal to 1 barrel of oil. This conversion is based on an energy equivalency conversion method applicable at the burner tip and does not represent a value equivalency at the wellhead. Readers are cautioned that boe may be misleading, particularly if used in isolation.

### Frequently Used Terms:

Barrels	Bbl
Barrels of Oil equivalent	Boe
Barrels of oil equivalent per day	Boed
Thousand cubic feet	Mcfd
Natural Gas Liquids	NGL’s

### **Forward-looking Information**

Management of WOGC caution that certain statements contained in this document may constitute forward-looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. WOGC believes that the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this document should not be unduly relied upon. These forward-looking statements speak only as of the date of this document.

In particular, the MD&A may contain forward-looking statements relating to, among other things:

- capital expenditure programs;
- projections of market prices and costs;
- supply and demand for oil and natural gas;
- exploration and development; and
- treatment under governmental regulatory regimes.

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

- volatility in market prices for oil and natural gas;
- liabilities inherent in oil and natural gas operations;
- changes to royalty regimes and government regulations
- competition for, among other things, capital, acquisitions of reserves, undeveloped lands and skilled personnel;
- incorrect assessments of the value of acquisitions;
- geological, technical, drilling and processing problems;
- imprecision in estimating capital expenditures, operating expenses, levels of production and drilling
- fluctuations in foreign exchange or interest rates and stock market volatility; and
- product supply and demand
- ability to obtain financing for its projects and operations
- general economic conditions in Canada and globally.

These factors should not be considered exhaustive. Management undertakes no obligation to publicly update or revise any forward-looking statements applicable to them, except as required by applicable securities laws.

## Waskahigan Oil & Gas Corp.

### Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023

#### 1. Description of Business

WOGC is a Calgary-based junior oil and gas exploration company operating in Western Canada. WOGC sole assets are shares in a subsidiary, FCE. FCE sole asset is the shares in Odaat.

Effective January 1, 2021, WOGC assigned its a 22% co-ownership interest in a disposal well in Ft. Nelson, British Columbia to Odaat. Canadian oil operations are carried on in the name of Odaat. Odaat acquired the assets of TAPC pursuant to an asset sale agreement dated January 12, 2021 (effective January 1, 2021). WOGC was a wholly owned subsidiary of TAPC until September 30, 2021.

Pursuant to the Plan of Arrangement: (a) the shares of WOGC were divided to the shareholders of TAPC; and (b) WOGC was no longer a subsidiary of TAPC.

Jadela US had acquired rights by way of mineral lease or options to acquire mineral leases to exploit oil and gas mineral rights in Maverick County, Texas. As of December 31, 2015, all of the oil and gas mineral lease rights had expired. Commencing on that date, the previous United States segment has been treated as discontinued operations and removed from current and comparative period results throughout this MD&A. Jadela US abandoned the El Indio #1 well in July 2022 and remediated the surface location. Jadela US sold all of its surface equipment and downhole tools. Jadela US was refunded the \$25,000 US Texas Railroad Commission security deposit in Q4 2022. All tables, except those expressly described as discontinued operations, contain information from WOGC's continuing operations only.

On July 31, 2017, TAPC completed the purchase of certain oil and gas producing assets (the "**Waskahigan Acquisition**") in the Waskahigan area of Alberta (the "**Waskahigan Assets**").

The Waskahigan Acquisition included 8 wells and associated production. TAPC acquired mineral rights to 22 gross sections (15.19 net sections) (14,080 gross acres 9,726 net acres). The majority of the mineral rights are above Bullhead Group formation (primarily Dunvegan, Notikewin and Gething formation) near Fox Creek, Alberta. WOGC acquired oil and gas assets of \$1,577,590 and asset retirement liabilities of \$324,664 for a final adjusted purchase price for the Waskahigan Assets of \$1,252,926 which includes customary purchase adjustments. The calculation of the final statement of adjustments is set out below:

	\$
Purchase Price:	
P&NG Rights	1,120,000
Tangibles	279,990
Miscellaneous Interest	10
GST on Tangible	14,000
<b>Total Purchase Price</b>	<b>1,414,000</b>
Interest	9,528
Net Operating Income	(257,412)
P&NG Rental Payments	6,230
Surface Rental Payments	6,898
Inventory (Oil & NGL)	41,928
Taxes and fees	31,754
<b>Consideration paid</b>	<b>1,252,926</b>

On July 31, 2017, TAPC entered into a Loan and Participation Agreement with Smoky Oil & Gas Corp ("**Smoky**") and 1454871 Alberta Ltd ("**1454871**") (formerly Batoche Oil & Gas Exploration Ltd.) which

## **Waskahigan Oil & Gas Corp.**

### **Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023**

are related companies by way of common directors and officers. Pursuant to the terms of the Loan and Participation Agreement (“**TAPC LPA**”), Smoky lent TAPC the sum of \$1,326,593 to make the acquisition of the Waskahigan Assets. The interest rate on the loan principal is 6% per annum. All obligation owing were secured by a general security agreement charging all of the assets of TAPC which were acquired by WOGC. By novation agreement (“**WOGC/Odaat LPA**”) dated January 12, 2021 (effective January 1, 2021), WOGC and Odaat became the debtors to Smoky under the WOGC/Odaat LPA. All of the assets of WOGC, Odaat and Jadelia US are subject to a general security agreement in favour of Smoky. Effective September 30, 2021, Smoky released TAPC from any debts and Smoky discharged its security against TAPC.

The WOGC/Odaat LPA restricts WOGC/Odaat to charging a maximum of \$75,000 per year for general and administration costs for the administration of the Waskahigan Assets and \$75,000 per year for the administration of the Waskahigan Participation Assets. WOGC/Odaat are not in compliance with the covenant as of September 30, 2023. As of the date of approval of this MD&A, the lender has not demanded repayment but retains the right to do so.

Additional loan proceeds of \$66,500 were received during 2023 under the same loan terms.

## **2. Consolidated Financial Results for the Nine Month Period Ended September 30, 2023**

WOGC incurred net loss for the nine months ended September 30, 2023 of \$321,040 (2022 - net income \$66,659). Depletion and depreciation was \$121,995 (2022 - \$62,094) and accretion was \$27,537 (2022 - \$28,432).

Current liabilities exceeded current assets by \$1,372,157 (2022 - \$1,312,488). Included in current liabilities for 2023 is the debt due to Smoky (a non arms length party) of \$1,159,604 (2022 – \$1,080,174). The loan was advanced in July 31, 2017. The loan has not been called. The loan is in the current liability section because it is a demand loan. Included in current liabilities is ARO of \$70,669 (2022 – \$232,213).

### **Activities in 2023**

#### **(a) Waskahigan Assets**

TAPC bought the Waskahigan Assets on July 31, 2017. The assets were sold to Odaat effective January 1, 2021. There were no purchases in the first nine months of 2023. Odaat sold mineral rights in 1.75 section in February 2022. PNG rights to Gething formation underlying SE 21-63-25 W5th were acquired by Crown action on April 21, 2021.

## **3. Oil & Gas Production**

#### **(a) Processing Plant Closure**

TAPC has 5 wells which flow into the processing plant in Deep Valley owned by Paramount. The plant was closed May 31, 2020 to make repairs. Two other producers produce into the plant. Murphy Oil Company (“**Murphy**”) and Cequence Energy Ltd (“**Cequence**”) shut their production in in April 2020. Cequence sold the assets to Spartan Delta Corp who in turn sold the same assets to Logan.

## **Waskahigan Oil & Gas Corp.**

### **Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023**

#### **(b) Tony Creek**

Production from one well (08-30-62-21 W5th) which is normally processed through the i3 Energy Canada Ltd.'s ("i3 Energy") Tony Creek gas plant (Wooster meter station) (approx. 500 mcf/day). Odaat will be installing a plunger in Q2 2024 at a cost of approx. \$20,000.

#### **(c) Waskahigan**

Odaat has entered into 4 agreements with CNRL: (a) letters of credit equal to joint abandonment and remediation liability (\$118,000); (b) letters of credit equal to 3 months estimated gas processing fees (\$32,000); (c) Gas Handling Agreement; and (d) Well contract agreement. WOGC had the letters of credit in place in September 2022. The wells commenced operating in Q1 2023.

#### **(d) Crossfield, Alberta, Area**

Gas production from 10-29-30-03-W5 well has been shut in for 2019 because of mechanical issues.

WOGC has a 35% working interest in the well, subject to a 12.5% lessor's royalty. WOGC is the operator but subcontracts the operations to another oil company.

A Viking formation oil well under Section 10-29-30-03W5th was drilled in February and completed in April 2012. WOGC has a 7% working interest in the well and the well is producing.

#### **(e) Northeast British Columbia Water Disposal Well**

WOGC owns a 22% working interest in the Ft. Nelson British Columbia salt water disposal well (Kotcho c-B67-K 94-I-14). Cancen Oil Processors BC Ltd. owns 78% working interest and is the operator. The well has been shut in since 2016 and the operator has not provided any accounting information for the fiscal period. Operating results include the WOGC's share of revenues for the year ending December 31, 2016 of \$Nil (2015 - Nil) and operating expenses of \$Nil (2015 Nil). The operations have been restricted since 2016 due to low commodity prices and reduced activity in the Horn River, British Columbia area. WOGC and Cancen Oil Processors BC Ltd. have \$566,500 on deposit, of which 22% is WOGC's portion, with the British Columbia Oil & Gas Commission under the Liability Management Rating program under the Oil & Gas Activities Act of British Columbia. In Q1 of 2023, \$194,000 of the Cancen deposit was used to fund reclamation activities, of that amount, WOGC's share of the reclamation costs were \$42,680.

**Waskahigan Oil & Gas Corp.****Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023****4. Results of Operations**

The following table summarizes the WOGC's results of operations for three and nine months ended September 30:

**PRODUCTION**

	<b>Three months ended September 30</b>			<b>Nine months ended September 30</b>		
	2023	2022	% Change	2023	2022	% Change
Total BOE	24,925	7,080	252	56,418	23,765	137
Oil (BBL/d)	1	-	0	1	-	0
Natural Gas (MCF/D)	1,426	411	247	1,100	465	137
NGL (BBL/D)	33	8	313	21	9	133
Total (BOE/D)	272	77	253	205	87	136

**REVENUE**

	<b>Three months ended September 30</b>			<b>Nine months ended September 30</b>		
	2023	2022	% Change	2023	2022	% Change
Oil Sales (\$)	10,702	-	0	21,112	11,470	84
Natural Gas Sales (\$)	195,354	151,208	29	452,238	702,858	(36)
NGL Sales (\$)	54,734	65,052	(16)	194,271	229,728	(15)
Oil & Natural Gas Sales (\$)	260,790	216,260	21	667,621	944,056	(29)

**ROYALTIES**

	<b>Three months ended September 30</b>			<b>Nine months ended September 30</b>		
	2023	2022	% Change	2023	2022	% Change
Royalties (\$)	36,601	78,819	(54)	104,258	292,437	(64)
Royalties as a % of sales	14%	36%	(61)	16%	31%	(50)
Royalty expense per BOE (\$)	1.47	11.13	(87)	1.85	12.31	(85)

**PRODUCTION EXPENSE**

	<b>Three months ended September 30</b>			<b>Nine months ended September 30</b>		
	2023	2022	% Change	2023	2022	% Change
Production costs (\$)	133,552	82,260	62	513,477	287,569	79
Productions costs per BOE (\$)	5.36	11.62	(54)	9.10	12.10	(25)



**Waskahigan Oil & Gas Corp.****Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023****GENERAL AND ADMINISTRATIVE EXPENSE ("G&A")**

	Three months ended September 30			Nine months ended September 30		
	2023	2022	% Change	2023	2022	% Change
G&A Costs (\$)	64,688	99,735	(35)	227,337	278,191	(18)
G&A costs per BOE (\$)	2.60	14.09	(82)	4.03	11.71	(66)

**NETBACKS**

(\$/BOE)	Three months ended September 30			Nine months ended September 30		
	2023	2022	% Change	2023	2022	% Change
Oil and Natural Gas Sales	10.46	30.55	(66)	11.83	39.72	(70)
Royalties	(1.47)	(11.13)	(87)	(1.85)	(12.31)	(85)
Production costs	(5.36)	(11.62)	(54)	(9.10)	(12.10)	(25)
Operating Netback	3.63	7.80	(53)	0.88	15.31	(94)

**DEPLETION, DEPRECIATION, AND AMORTIZATION ("DD&A")**

	Three months ended September 30			Nine months ended September 30		
	2023	2022	% Change	2023	2022	% Change
DD&A (\$)	52,568	18,372	186	121,995	62,094	96
DD&A costs per BOE (\$)	2.11	2.59	(19)	2.16	2.61	(17)

**Waskahigan Oil & Gas Corp.**  
**Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023**

**5. Selected Quarterly Information**

The following table sets out certain financial information:

**SUMMARY OF QUARTERLY INFORMATION**

Quarters ended	2023			2022			2021	
	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>OPERATING</b>								
Average daily production								
Oil (BBL/D)	1	1	0	1	0	0	1	1
Natural gas ((MCF/D)	1,426	533	1,341	428	411	485	497	437
Total BOE (BOE/D)	272	109	93	79	77	54	93	122
Average sales price								
Oil (\$/BBL)	102.50	94.13	30.56	108.25	-	135.93	110.75	91.09
Natural gas (\$/MCF)	1.64	(0.99)	2.93	5.15	4.25	7.58	4.85	6.72
Total (\$/BOE)	10.46	1.04	20.68	35.33	30.55	52.39	34.94	45.29
Operating netback (\$/BOE)								
Oil & gas sales	10.46	1.04	18.47	36.33	30.55	52.39	34.94	40.26
Royalty expense	(1.47)	5.68	(5.81)	(10.58)	(11.13)	(16.40)	(9.24)	(11.18)
Operating expense	(5.36)	(12.96)	(11.65)	(41.79)	(11.62)	(13.60)	(11.02)	(12.07)
Netback	3.63	(6.24)	1.01	(16.04)	7.80	22.39	14.68	17.01
<b>FINANCIAL</b>								
Oil & gas sales	260,790	10,462	396,369	269,402	216,260	434,905	292,891	318,295
Cash flow from (used in)	(36,372)	84,506	(99,718)	71,992	(173,601)	20,732	132,404	30,789
Net Income (loss)	(52,927)	(168,298)	(99,816)	(274,858)	(87,317)	35,023	118,953	16,544
Per share – Basic/Diluted	(0.004)	(0.013)	(0.008)	(0.021)	(0.007)	0.003	0.009	0.020
Capital expenditures	-	-	-	-	-	-	-	-
Total Assets	2,499,957	2,595,266	2,931,677	2,931,155	3,030,761	3,257,734	3,132,298	2,991,874
Working capital (deficiency)	(1,372,157)	(1,381,977)	(1,244,347)	(1,483,419)	(1,312,488)	(1,107,541)	(1,172,379)	(1,319,399)
Shareholders' Equity	(148,090)	(95,164)	73,133	172,950	447,807	535,125	500,102	381,149
Shares Outstanding	13,196,868	13,196,868	13,196,868	13,196,868	13,196,868	13,196,868	13,196,868	13,196,868

## **Waskahigan Oil & Gas Corp.**

### **Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023**

#### **6. Liquidity**

The September 30, 2023 financial statements do not reflect the adjustments and classifications of assets, liabilities, revenues and expenses which would be necessary if WOGC were unable to continue as a going concern. The accompanying financial statements have been prepared using the going concern assumption which assumes that WOGC will be able to realize its assets and discharge its liabilities in the normal course of business.

WOGC is subject to certain fluctuations and trends, such as market conditions, interest rate levels, commodity prices, and industry conditions which could affect its ability to raise the necessary capital to remain as a going concern. In addition, WOGC remains focused on exploration of oil and gas prospects and the results of drilling these prospects could materially affect WOGC's ability to raise additional capital. WOGC plans to meet its exploration and development expenditures and overhead costs through the raising of additional debt or equity financing and/or the completion of joint venture partnerships with third parties.

As at September 30, 2023 WOGC had working capital deficit of \$1,372,157.

Pursuant to the terms of the TAPC LPA, Smoky lent TAPC the sum of \$1,326,593 to make the acquisition. By the WOGC/Odaat LPA, WOGC and Odaat became liable for the debts owing to Smoky and TAPC was released effective September 30, 2021. The loan is payable on demand. The interest rate on the loan principal is 6% per annum. All obligation owing are secured by a general security agreement charging all of the assets of WOGC and Odaat. The loan is a demand loan. An additional \$66,500 in proceeds from the loan was received in the first nine months of 2023.

WOGC has a commitment to remediate an unused Viking well site in Crossfield, Alberta. WOGC will require approximately \$35,000 to \$40,000 to remediate the well site. WOGC has \$40,000 in trust to meet the obligations. The remediation should take place in Q2 2024. WOGC has a commitment to abandon and remediate a well (5-32-63-24-W5). Work was substantially completed in Q1 2023. The well was not capped because of a possible venting issue. A significant portion of the costs have been offset by SRP funds. Odaat has a commitment to abandon and remediate its 10-29-30-03 W5th well. Odaat's share is approx. \$35,000. The abandonment and remediation of 10-29-30-03 W5th will occur in Q4 2023 provided cash flow from operations.

#### **7. Credit Risks relating to Financial Instruments**

Odaat generates accounts receivable upon sale of its natural gas, oil and condensate. Overall, the parties to which Odaat relies on to pay for the sale of petroleum products do not constitute any significant credit risk.

Odaat has an oil and liquids marketing agreement for Waskahigan Assets with Tidal Energy Marketers Inc. ("**Tidal**").

Effective December 1, 2022, Odaat entered into a gas marketing agreement with BP Canada Energy Group ULC ("**BP**") for any natural gas taken in kind in Waskahigan for 1 year period.

## Waskahigan Oil & Gas Corp.

### Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023

Effective January 1, 2018, TAPC entered into a gas handling agreement with Paramount for gas processed by the Deep Valley plant (TCPL Maddenville meter station). This contract was assigned to WOGC/Odaat. TAPC has a compression and processing agreement with i3 Energy for natural gas processed through the Tony Creek plant (TCPL Wooster meter station). Odaat entered into a new gas handling agreement with i3 Energy in July 2022 effective February 1, 2022. Occasionally, Odaat will rely on the firm service of i3 Energy to market its gas and in such case i3 Energy will bill on a JIB basis and pay the net proceeds from the sale of such gas to Odaat.

Odaat abandoned the 5-32-63-24 W5th well in early 2023. This will mean Odaat will have a \$118,000 letter of credit for the sums of \$82,400 for the abandonment and remediation of 15-24-63-24 W5th and \$35,600 for the remediation of 5-32-63-24 W5th. In addition, Odaat posted a letters of credit sufficient to cover 3 months processing, compression and well service charges (\$32,000). The sum of \$150,000 has been put in a term deposit to secure the letters of credit.

Odaat has deposited the sum of \$50,000 as a security deposit for unpaid royalty charges. Odaat had \$124,629 being held in trust for the British Columbia Minister of Energy, Mines and Petroleum Resources of which \$42,679 has been used during Q1 2023 for abandonment work on a disposal well. The \$25,000USD held by the Texas Railway Commission was refunded in November 2022. Odaat has deposited the sum of \$40,000 with Wolff Leia Barristers and Solicitors to secure the remediation obligation of 03-29-03-30 W5th.

WOGC's financial liabilities and contractual obligations as at September 30, 2023 are due as follows:

Accounts payable and accrued liabilities	\$	597,959	Due within 90 days
Loan payable	\$	1,159,604	Due on demand

There are no drilling commitments. There are no ARO commitments in Q4 of 2023 other than the Crossfield properties (10-29-03-30 W5th , 5-32-63-23 W5th and the remediation of the Viking surface site (03-29-03-30 W5th). There are no lease commitments.

Liquidity risk - WOGC's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations when due, under normal and stressed conditions without incurring unacceptable losses or risking harm to the WOGC's reputation. WOGC has to date required funds from private placements to finance capital expenditures and operations.

Commodity price risk - WOGC is exposed to oil and gas commodity price risk and has not entered any financial derivatives to manage this risk.

Interest rate risk – WOGC's exposure to interest rate risk is low.

## 8. Capital Resources

WOGC plans to continue financing the acquisition of assets in the Canadian Western Sedimentary Basin via issuance of shares through private placements.

## 9. Related Party Transactions

During the nine-month period ended September 30, 2023 WOGC was charged \$81,384 (2022 - \$153,250) by a company controlled by Gregory J. Leia, an officer and director, and \$4,600 (2022 - \$5,400) by a company controlled by Tracy Zimmerman, a director, for consulting fees. These transactions are in the

## **Waskahigan Oil & Gas Corp.**

### **Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023**

normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

TAPC entered into the TAPC LPA with Smoky and 1454871 on July 31, 2017. Pursuant to the terms of the TAPC LPA, Smoky lent TAPC the sum of \$1,326,593 to make the Waskahigan Asset acquisition. All obligations owing were secured by a general security agreement charging all of the assets of TAPC. WOGC and Odaat assumed the obligations under this loan and released TAPC. The interest rate on the loan principal is 6% per annum.

During the nine-month period ending September 30, 2023 WOGC incurred \$50,601 (2022 – \$48,451) of interest on the loan. Gregory J. Leia is President and a director of WOGC. Gregory J. Leia is an officer and director of Smoky. Gregory J. Leia owns approx. 65% of the common shares and preferred shares of Smoky.

#### **10. Commitments**

WOGC has a commitment to remediate a Viking well site pad in Crossfield (03-29-03-30 W5th). WOGC will require approximately \$95,000 to remediate the surface in Q2 2024. Exxon is responsible for 65% of the cost. WOGC/Odaat set aside \$40,000 in trust to secure the remediation of the Viking well site.

#### **11. Off Balance Sheet Arrangements**

WOGC is not party to any off-balance sheet arrangements or transactions.

#### **12. Adoption of New Accounting Standards**

##### *Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")*

The IASB issued amendments regarding the definition of accounting estimates under IAS 8. Under the amended definition, a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The amendment further clarifies that accounting estimates are monetary amounts in the financial statements subject to measurement uncertainty. Under the prior definition, IAS 8 stated that a change in accounting estimates specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This amendment will impact changes in accounting policies and changes in accounting estimates made after the amendment is adopted by the Company. These amendments are effective for reporting periods beginning on or after January 1, 2023. The adoption of these amendments did not have a significant effect on the financial statements.

**Waskahigan Oil & Gas Corp.**

**Management Discussion and Analysis for the Three and Nine Months ended September 30, 2023**

*IAS 12 Income Taxes ("IAS 12")*

The IASB issued amendments to IAS 12 "Income Taxes" to require companies to recognize deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. These amendments are effective for reporting periods beginning on or after January 1, 2023. The adoption of these amendments did not have a significant effect on the financial statements.

**13. Outstanding Share Data**

WOGC authorized share capital consists of an unlimited number of common shares without nominal or par value and an unlimited number of Preferred Shares without nominal or par value.

	<b>September 30, 2023</b>	<b>November 28, 2023</b>
Common shares	13,196,868	13,196,868
Warrants	0	0
Stock Options	0	0
Fully diluted	13,196,868	13,196,868