A copy of this preliminary prospectus has been filed with the securities regulatory authorities in each of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador, but has not yet become final for the purpose of the sale of securities. Information contained in this preliminary prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the prospectus is obtained from the securities regulatory authorities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. ***These securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws. Accordingly, these securities may not be offered or sold within the United States except in transactions exempt from the registration requirements of the 1933 Act and applicable state laws. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States of America.***

SECOND AMENDED AND RESTATED PRELIMINARY PROSPECTUS DATED JULY 5, 2006

Initial Public Offering •, 2006

WIN ENERGY CORPORATION

$15,000,000
7,500,000 Units
and
$5,000,001.60
2,083,334 Flow-Through Shares

This prospectus qualifies the distribution (the "Offering") of 7,500,000 units ("Units") of WIN Energy Corporation ("WIN" or the "Corporation") at a purchase price of $2.00 per Unit and 2,083,334 common shares of the Corporation to be issued as "flow-through shares" ("Flow-Through Shares") within the meaning of the *Income Tax Act* (Canada) at a purchase price of $2.40 per Flow-Through Share. Each Unit consists of one common share ("Common Share") and one half of one Common Share purchase warrant of the Corporation ("Warrants"). Each whole Warrant entitles the holder thereof to purchase one Common Share at a price of $2.50 at any time during the period of 24 months from the date of closing of the Offering.

CIBC World Markets Inc., Jennings Capital Inc., Canaccord Capital Corporation and GMP Securities L.P. (collectively, the "Underwriters"), as principals, conditionally offer the Units and the Flow-Through Shares, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution" and subject to the approval of certain legal matters on behalf of the Corporation by Macleod Dixon LLP and on behalf of the Underwriters by Borden Ladner Gervais LLP. The offering price of the Units and the Flow-Through Shares and the exercise price of the Warrants has been determined by negotiation between the Corporation and the Underwriters. This prospectus qualifies the distribution of the Common Shares and Warrants comprising the Units and the Flow-Through Shares.

Price:
$2.00 per Unit
$2.40 per Flow-Through Share

	Price to Public	Underwriters' Fees	Net Proceeds to the Corporation
Per Unit	$2.00	$0.125	$1.875
Total Unit	$15,000,000	$937,500	$14,062,500
Per Flow-Through Share	$2.40	$0.15	$2.25
Total Flow-Through Shares	$5,000,001.60	$312,500.10	$4,687,501.50
Total Offering	$20,000,001.60	$1,250,000.10	$18,750,001.50

Notes:

(1) Before deducting the expenses of the Offering, estimated to be $750,000, which will be paid by the Corporation out of the proceeds of the Offering but after deducting the Underwriters' fee.

(2) The Corporation has granted to the Underwriters an option (the "Underwriters' Unit Option"), to purchase or sell and distribute at the closing of the Offering up to an additional 2,500,000 Units at a price of $2.00 per Unit, exercisable until 48 hours prior to the time of closing of the Offering. This prospectus also qualifies the distribution of the Common Shares and Warrants comprising the Units issuable by the Corporation upon exercise of the Underwriters' Unit Option. See "Plan of Distribution".

(3) The Corporation has also granted to the Underwriters an option (the "Underwriters' Flow-Through Option"), to offer and distribute up to an additional 1,250,000 Flow-Through Shares at $2.40 per share, exercisable until 48 hours prior to the time of closing of the Offering. This prospectus also qualifies the distribution of Flow-Through Shares issuable by the Corporation upon exercise of the Underwriters' Flow-Through Option. See "Plan of Distribution".

(4) The Corporation has also granted to the Underwriters an over-allotment option to purchase (the "Unit Over-allotment Option"), a number of additional Units that is equal to 15% of the Units purchased or distributed pursuant to the Offering and the exercise of the Underwriters' Unit Option at a price of $2.00 per Unit, exercisable for a period of 30 days from the date of the closing of the Offering, solely to cover over-allotments, if any. This prospectus also qualifies the distribution of the Common Shares and Warrants comprising the Units issuable by the Corporation upon exercise of the Unit Over-allotment Option. See "Plan of Distribution".

(5) If the Underwriters' Unit Option is exercised in full and the Unit Over-allotment Option is exercised in full, and the Underwriters' Flow-Through Option is exercised in full the total Offering, the total Underwriters' Fees and the total net proceeds to the Corporation, will be $31,000,001.60, $1,937,500.10 and $29,062,501.50, respectively.

(6) The Underwriters will be paid a fee equal to 6.25% of the gross proceeds of the Offering and the gross proceeds from the purchase, sale or distribution of Units pursuant to the exercise of the Underwriters' Unit Option and the Unit Over-allotment Option and from the sale of additional Flow-Through Shares pursuant to the exercise of the Underwriters' Flow-Through Option, and will be reimbursed for their expenses, including legal fees and disbursements.

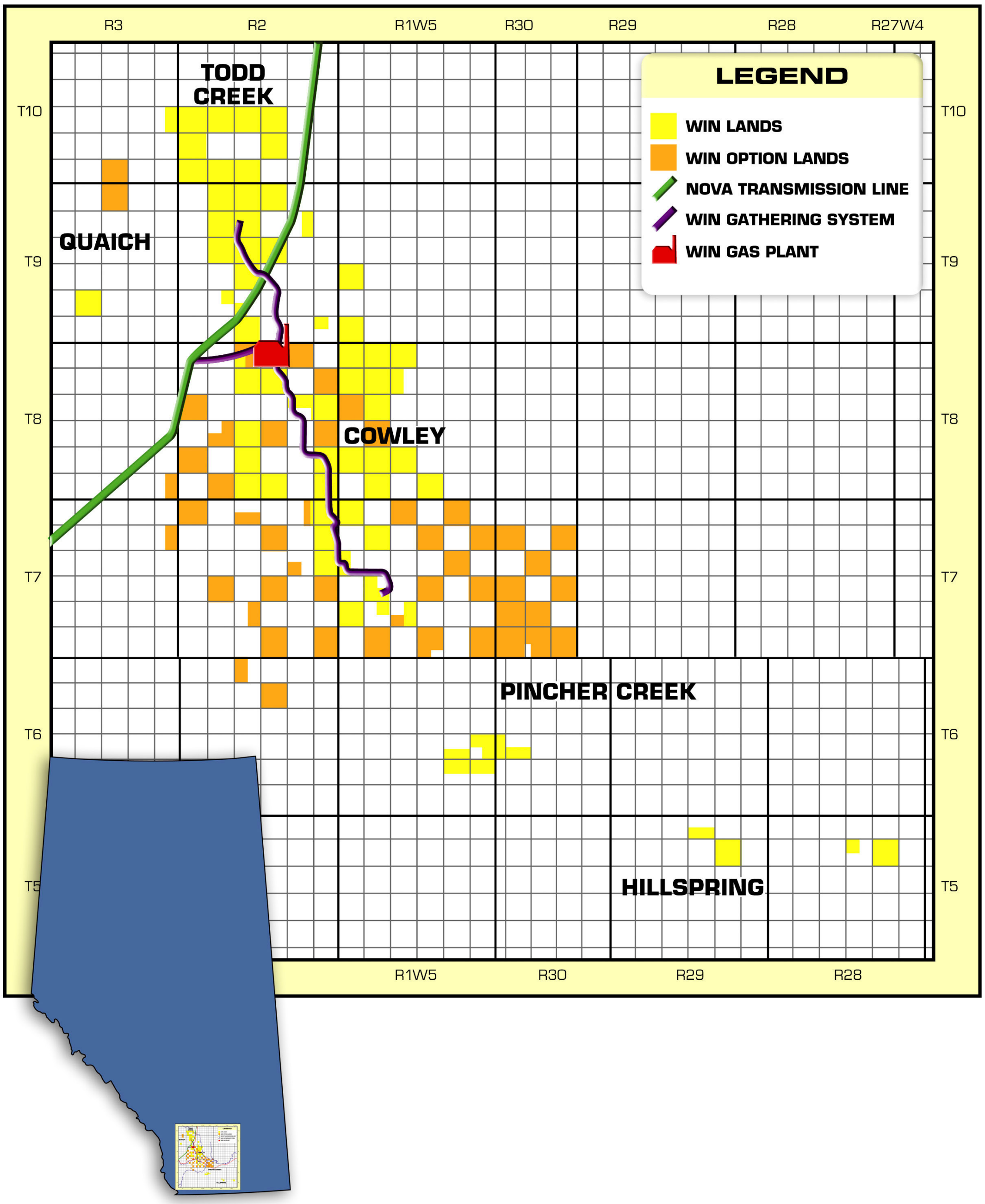
The Corporation will covenant to incur, on or before December 31, 2007, and, effective on or before December 31, 2006, renounce to each subscriber of Flow-Through Shares Canadian exploration expense ("CEE") in an amount equal to the aggregate purchase price for the Flow-Through Shares paid by such subscriber. See "Details of the Offering", "Canadian Federal Income Tax Considerations" and "Risk Factors".

The Common Shares and Warrants comprising the Units and Flow-Through Shares are considered to be highly speculative due to the nature of the Corporation's business, its present stage of development, and other risk factors that are inherent in such an investment. An investment in the securities of the Corporation should only be made by persons who can afford a significant or total loss of their investment.

The TSX Venture Exchange has conditionally approved the listing of the Common Shares in the capital of the Corporation. Listing is subject to WIN fulfilling all of the requirements of the TSX Venture Exchange. There is currently no market through which the securities of the Corporation may be sold and purchasers may not be able to resell the securities purchased under this prospectus. The Corporation has never paid any dividends on its Common Shares. Subscribers must rely upon the ability, expertise, judgment, discretion, integrity and good faith of the management of the Corporation. WIN is currently engaged in the exploration for, and the acquisition and development of, natural gas and natural gas liquids in the province of Alberta. An investment in the securities of the Corporation involves risks that are described in the "Risk Factors" section of this prospectus. An investment in the securities of the Corporation is suitable only for purchasers who are aware of such risks and who have the ability and willingness to accept the risk of total loss of their invested capital.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. In connection with this Offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Common Shares at levels which otherwise might prevail on the open market. See "Plan of Distribution". Certificates representing securities offered hereunder are expected to be available at the closing of the Offering, which is expected to take place on or about July 19, 2006 or such later date as the Corporation and the Underwriters may agree but in any event not later than July 28, 2006 (the "Closing"). The Units and the Flow-Through Shares may be offered in such jurisdictions outside of Canada as may be permissible pursuant to the laws of such jurisdictions.

WIN's Area of Operation



Note: **WIN lands are lands in which WIN holds an interest or has a right to earn an interest.**

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FORWARD LOOKING STATEMENTS

Certain statements in this prospectus are forward looking statements. These forward looking statements are not based on historical facts but rather on expectations of WIN's management team ("Management") regarding the Corporation's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, plans for and results of drilling activity, environmental matters, business prospects and opportunities. The words "anticipate", "believe", "estimate", "intend", "plan", "project", "targeted", "will", "would", and similar expressions are intended to identify forward looking statements, although not all forward looking statements contain these identifying words. Such forward looking statements reflect Management's current beliefs and assumptions and are based on information currently available to Management. Forward looking statements involve significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including the risks discussed under "Risk Factors" and other factors, many of which are beyond the control of the Corporation. Although the forward looking statements contained in this prospectus are based upon assumptions which Management believes to be reasonable, the Corporation cannot assure investors that actual results will be consistent with these forward looking statements, and therefore subscribers should not place undue reliance on them. These forward looking statements are made as of the date of this prospectus, and, except as required by law, the Corporation assumes no obligation to update or revise them to reflect new events or circumstances. See "Risk Factors".

ELIGIBILITY FOR INVESTMENT

In the opinion of Macleod Dixon LLP, counsel to the Corporation, and Borden Ladner Gervais LLP, counsel to the Underwriters, if, as and when the Common Shares are listed on a prescribed stock exchange (which includes the TSX Venture Exchange (the "Exchange")), the Common Shares and Warrants will be qualified investments for a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered education savings plan or a deferred profit sharing plan under the *Income Tax Act* (Canada) (the "Tax Act") provided that in the case of Warrants the Corporation deals at arm's length with each person who is an annuitant, a beneficiary, an employer or a subscriber under the governing plan of the plan trust.

PROSPECTUS SUMMARY

The following is a summary of the principal features of this Offering and should be read together with the more detailed information and financial data and statements contained elsewhere in this prospectus. Reference is made to the Glossary for the meanings of certain defined terms.

The Offering

Issue:	7,500,000 Units 2,083,334 Flow-Through Shares
Issue Price:	$2.00 per Unit $2.40 per Flow-Through Share
Gross Proceeds:	Units: $15,000,000 Flow-Through Shares: $5,000,001.60 Total: $20,000,001.60
Use of Proceeds:	The net proceeds to the Corporation from the Offering are estimated to be $18,000,001.50 ($28,312,501.50 if the Underwriters' Unit Option, the Underwriters' Flow-Through Option and the Unit Over-allotment Option are exercised in full) after deducting fees payable to the Underwriters and the expenses of the Offering. The net proceeds of the Offering will be used to conduct the Corporation's 2006 capital expenditure program, repay a $1,000,000 promissory note and for general purposes of the Corporation. See "Use of Proceeds".

Directors and Officers

WIN's directors and senior officers are as set out in the following table.

Name	Positions Held
Robert J. Iverach, Q.C.	Chairman and Director
Keith Hern	Director
David M. McGoey	Director
Victor G. Walls	Director
William J. Kiff	Director, President and Chief Executive Officer
Peter A. Philipchuk	Director and Managing Director, Exploration
Shane J. Kozak	Vice President, Finance and Chief Financial Officer
Matthew P. Philipchuk	Vice President, Corporate Development
Joseph R. Stepaniuk	Vice President, Operations
Robert T. Malcolm, Q.C.	Corporate Secretary

The Corporation

WIN is a company focused on exploration for natural gas in an area called the "Triangle Zone" located in the Southern Alberta Foothills Belt, near Cowley, Alberta. WIN has drilled ten exploration wells to date and has substantially completed a gas plant which is expected to result in production commencing from these wells by August 2006. Average daily production for the balance of 2006 from the Cowley and Todd Creek areas, upon completion of construction of the gas plant and pipelines and commencement of production, is estimated to be approximately 1,227 BOE/d. This estimate has been provided by McDaniel & Associates Consultants Ltd. ("McDaniel") in its "Evaluation of Natural Gas Reserves based on Forecast Prices and Costs as of December 31, 2005" and its "Evaluation of Natural Gas Reserves based on Constant Prices and Costs as of December 31, 2005", each dated February 10, 2006 (collectively, the "McDaniel Reserves Report"). The production estimate has been calculated assuming the Probable Reserves assigned in the McDaniel Reserves Report will be produced in accordance with the probability attributed in such report.

Principal Properties

WIN's core area is located in the Triangle Zone. The Triangle Zone is a unique structural belt extending along the eastern edge of the Alberta foothills where recent exploration drilling by WIN has resulted in the discovery of new gas pools containing what Management believes are significant reserves of sweet gas and natural gas liquids ("NGLs"). WIN has named five areas in this region as follows: Cowley, Todd Creek, Quaich, Hillspring and Pincher Creek.

WIN operates all of the wells in which it has participated, with the exception of two wells in the Cowley area.

<u>Cowley</u>

WIN holds leasehold interests in 32,027 gross acres (29,474 net acres) in the Cowley area, 3,040 gross acres (3,040 net acres) of which were acquired subsequent to the date of the report prepared by McDaniel entitled "An Evaluation of Unproven Acreage Interests as at December 31, 2005", dated February 10, 2006 (the "McDaniel Land Report"). The interests have been acquired through Crown land sales, freehold leases and pursuant to a farmout agreement with Petro-Canada and Husky Oil Operations Limited dated August 17, 2004, and under a farmout agreement dated September 8, 2004 with ExxonMobil Canada Energy ("EMC") (the "EMC Farmout Agreement"). WIN has drilled eight exploration wells in the Cowley area since November, 2004 which has resulted in three cased and completed gas wells (net 2.15), four cased potential gas wells awaiting production testing (3.5 net) and one well to be suspended (one net).

<u>Todd Creek</u>

In addition to its option to earn an interest in additional lands under the EMC Farmout Agreement, WIN holds leasehold interests in 27,195 gross acres (25,011 net acres) in the Todd Creek area. To date, WIN has drilled two exploration wells and acquired one well in this area, resulting in two cased and completed gas wells (1.71 net) and one suspended well (0.75 net).

<u>Quaich</u>

WIN holds leasehold interests in 640 gross acres (640 net acres) in the Quaich area, which, due to proximity, have been included in the Todd Creek undeveloped acreage shown above and in the McDaniel Land Report. The Corporation also has the right to re-enter a well and earn a 40% interest on two additional sections of land pursuant to a farmout agreement dated March 29, 2006 between WIN and Tango Energy Inc. (the "Tango Farmout Agreement"). The lands which are the subject of the Tango Farmout Agreement were not included in the McDaniel Reserves Report and the McDaniel Land Report because the Tango Farmout Agreement was executed subsequent to the date of these reports.

<u>Hillspring and Pincher Creek</u>

WIN holds leasehold interests in 2,106 gross acres (1,678 net acres) in the Hillspring area and in 1,450 gross acres (1,410 net acres) in the Pincher Creek area. To date, no wells have been drilled in these areas by WIN.

WIN Gas Plant and Gathering System

In January 2006, WIN began constructing a gas plant in the Todd Creek area (the "WIN Gas Plant") to enable the Corporation to sell its gas from the Cowley and Todd Creek areas into the NOVA transmission line ("NOVA Transmission Line"). Construction of the WIN Gas Plant is substantially complete. Completion of an approximately 35 kilometre pipeline gathering system ("WIN Gathering System") is targeted for August 2006. See

"Business of the Corporation". WIN owns and will operate 100% of the WIN Gas Plant and WIN Gathering System (collectively, the "WIN Facility"). Production is expected to begin in August 2006.

Summary Landholding Information

The estimated fair market value of the Corporation's interests in developed and unproven land contained in the following table has been determined by McDaniel in the McDaniel Land Report, and does not necessarily represent the actual fair market value of the Corporation's interests in such developed and unproven land. The actual fair market value may be greater or less than is set forth herein. There is no assurance that the estimated fair market value of the Corporation's interests in such developed and unproven land will be realized and variances could be material. Other assumptions and qualifications relating to the fair market value are included in the McDaniel Land Report. The following table summarizes WIN's developed and unproven landholdings (in acres) that it holds or in which it has the right to earn an interest in, as at December 31, 2005.

	Developed Acreage[3]	Unproven Acreage[4]
Gross[1]	7,929	59,809
Net[2]	5,980	49,485
Value	$8,482,042	$21,399,736

Notes:
(1) "Gross" means the total number of acres in which WIN has an interest or has a right to earn an interest.
(2) "Net" acres means the aggregate of the percentage interests of the Corporation in the gross acres.
(3) "Developed Acreage" means developed land with a value assigned in the McDaniel Land Report. The McDaniel Land Report assigns value to potentially productive zones not given any reserve value in the McDaniel Reserves Report.
(4) "Unproven Acreage" means lands with no reserves assigned, evaluated in the McDaniel Land Report.

See "Landholdings and Natural Gas Reserves" for more information.

Selected Reserves Information

The following is a summary of the Corporation's natural gas and NGL reserves as at December 31, 2005 as evaluated by McDaniel in the McDaniel Reserve Report, based on both forecast and constant pricing assumptions.

	As at December 31, 2005
Total Proved Reserves[1]	
Natural gas (mmcf)	2,985.1
Natural gas liquids (mbbl)	135.2
Total Probable Reserves[1]	
Natural gas (mmcf)	8,459.1
Natural gas liquids (mbbl)	300.6
Total Proved Plus Probable Reserves[1]	
Natural gas (mmcf)	11,444.2
Natural gas liquids (mbbl)	435.8

Note:
(1) The reserve estimates for 2005 were prepared for the Corporation by McDaniel in accordance with NI 51-101. Under NI 51-101, proved reserve assignments are based on a 90 percent certainty that total quantities recovered will equal or exceed proved reserve estimates. Proved plus probable reserves are the most likely case and are based on a 50 percent certainty that they will equal or exceed estimates.

See "Landholdings and Natural Gas Reserves" for more information.

Summary Financial Information

The following is a summary of selected unaudited financial information of the Corporation as at March 31, 2006 and audited financial information of the Corporation as at and for the periods ending December 31, 2005, March 31, 2005 and March 31, 2004, which is derived from and should be read in conjunction with the financial statements of the Corporation and the notes to such financial statements included elsewhere in this prospectus, and is qualified in its entirety by reference to such financial statements. See "Selected Consolidated Financial Information".

	Three Months ended March 31, 2006	**Nine months ended December 31, 2005(1)**	**Year ended March 31, 2005**	**Period from inception on February 9, 2004 to March 31, 2004(2)**
	$	$	$	$
Petroleum and natural gas sales	nil	nil	nil	nil
Net loss	243,807	1,720,381	747,239	nil
Funds used in operating activities	265,451	711,702	513,380	nil
Additions to property, plant and equipment	12,490,961	24,456,438	7,042,840	nil
Petroleum and natural gas properties and equipment (cost)	43,753,262	31,266,468	6,849,002	nil
Total assets	48,102,406	46,101,557	9,003,490	55,000
Working capital	(3,777,424)	8,866,550	1,650,225	5,000
Bank debt	nil	nil	nil	nil
Shareholders' equity	36,753,840	39,516,013	6,951,071	5,000
Basic and diluted loss per share	0.006	0.055	0.072	-

Notes:
(1) In December, 2005, WIN changed its year end to December 31.
(2) WIN was incorporated on February 9, 2004.

Use of Proceeds

The net proceeds of this Offering to the Corporation, assuming the gross proceeds of the Offering to be $20,000,001.60, are estimated at $18,000,001.50 ($28,312,501.50 if the Underwriters' Unit Option, the Underwriters' Flow-Through Option and the Unit Over-allotment Option are exercised in full), after deducting the expenses of the Offering and the Underwriters' fees. The Corporation intends to use the net proceeds from the Offering as set forth in the table below.

Use of Proceeds	Amount	Percentage
Exploration drilling	$12,555,000	69.7%
Facilities construction costs	3,700,000	20.6
Repayment of promissory note granted in connection with the acquisition of the Odin GORR	1,000,000	5.6
Working capital and general purposes	745,001.50	4.1
TOTAL	$18,000,001.50	100.0%

The Corporation intends to spend the funds available to it as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

Risk Factors

An investment in the Corporation is subject to certain risks related to the nature of the Corporation's business and its present stage of development. Potential investors should carefully consider the information set out under "Risk Factors" and the other information in this prospectus before purchasing the Units or the Flow-Through Shares.

GLOSSARY OF TERMS

In this prospectus, the following terms shall have the meanings set forth below, unless otherwise indicated:

"**1933 Act**" means the *United States Securities Act of 1933*, as amended;

"**2005 Common Share Purchase Warrant**" means a warrant issued as part of a private placement unit offering completed in April and May of 2005, entitling the holder to one Common Share of WIN at an exercise price of $1.55 per share until June 30, 2006;

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9;

"**Accounting Guideline**" means the guideline set by the Accounting Standards Board; an independent body with the authority to develop and establish standards and guidance governing financial accounting and reporting in Canada;

"**AENV**" means Alberta Environment;

"**AEPEA**" means the *Environmental Protection and Enhancement Act,* R.S.A. 2000, c. E-12;

"**AEUB**" means the Alberta Energy and Utilities Board;

"**Adjustment Shares**" means the additional 324,221 Common Shares of the Corporation which are to be issued pursuant to the adjustment provisions of the Special Warrant Indenture as more particularly described under the heading "Details of the Offering - Adjustment Shares";

"**ARTC**" means the Alberta Royalty Tax Credit program;

"**Asset Purchase Agreements**" means the 30 asset purchase agreements dated May 25, 2004, as amended, between WIN and various interest holders;

"**bbl**" means barrel, each barrel representing 34.972 Imperial gallons or 42 U.S. gallons or 0.15899 cubic metres;

"**bbl/d**" means barrels per day;

"**Bbbl**" means billions of barrels;

"**BOE**" means barrels of oil equivalent derived by converting gas to oil in the ratio of six Mcf of gas to one bbl of oil, which conversion ratio is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. BOEs may be misleading, particularly if used in isolation;

"**BOE/d**" means barrels of oil equivalent per day;

"**Canadian Exploration Expense(s)**" or "**CEE**" means Canadian exploration expense described in paragraphs (a) or (d) of the definition of "Canadian exploration expense" in subsection 66.1(6) of the Tax Act or that would be described in paragraph (h) of such definition if the reference therein to "paragraphs (a) to (d) and (f) to (g.1)" were a reference to "paragraphs (a) and (d)", excluding amounts which are prescribed to constitute "Canadian exploration and development overhead expense" under the Tax Act, the amount of any assistance described in paragraph 66(12.6)(a) of the Tax Act and any expense described in paragraph 66(12.6)(b.1) of the Tax Act;

"**Closing** " means the closing of the Offering which is expected to take place on or about July 19, 2006 or such later date as the Corporation and the Underwriters may agree, but in any case not later than July 28, 2006;

"**COGE Handbook**" means the Canadian Oil and Gas Evaluation Handbook;

"**Commitment Amount**" means the amount equal to $2.40 multiplied by the number of Flow-Through Shares subscribed and paid for pursuant to the Flow-Through Agreement;

"**Common Shares**" mean the common shares in the capital of WIN;

"**Corporation**" or "**WIN**" means WIN Energy Corporation and includes WIN's wholly-owned subsidiary, Todd Creek Facilities Ltd.;

"**Developed Acreage**" means developed land with a value assigned in the McDaniel Land Report. The McDaniel Land Report assigns value to potentially productive zones not given any reserve value in the McDaniel Reserves Report.

"**EMC**" means ExxonMobil Canada Energy;

"**EMC Farmout Agreement**" means the farmout agreement dated September 8, 2004 between WIN and EMC;

"**Escrow Agreement**" means the agreement between WIN and Computershare Trust Company of Canada and those shareholders whose Common Shares are required to be escrowed and who are required to execute such agreement.

"**Exchange**" means TSX Venture Exchange;

"**Expenditure Period**" means the period commencing on the date of acceptance by the Corporation of the Flow-Through Agreement and ending on December 31, 2007;

"**Filing Jurisdictions**" means the provinces of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador;

"Flow-Through Agreement" means the subscription and renunciation agreement entered into by one or more of the Underwriters as agent for Flow-Through Subscribers and the Corporation in respect of Subscriptions for Flow-Through Shares;

"**Flow-Through Shares**" means Common Shares of WIN issued as "flow-through shares" within the meaning of the Tax Act, which are being offered pursuant to this prospectus, and includes Flow-Through Shares subscribed for pursuant to the Underwriters' Flow-Through Option;

"**Flow-Through Subscribers**" means subscribers for Flow-Through Shares;

"**GORR**" means a gross overriding royalty;

"**Management**" means WIN's management team;

"**Mbbl**" means one thousand barrels;

"**Mcf**" means one thousand cubic feet;

"**Mcf/d**" means one thousand cubic feet per day;

"**MMcf**" means one million cubic feet;

"**MMcf/d**" means one million cubic feet per day;

"**McDaniel**" means McDaniel & Associates Consultants Ltd., an oil and gas reservoir engineering firm;

"**McDaniel Land Report**" means the report prepared by McDaniel entitled "An Evaluation of Unproven Acreage Interests as at December 31, 2005", dated February 10, 2006;

"**McDaniel Reserves Report**" means, collectively, the reports prepared by McDaniel entitled "Evaluation of Natural Gas Reserves based on Forecast Prices and Costs as of December 31, 2005" and "Evaluation of Natural Gas Reserves based on Constant Prices and Costs as of December 31, 2005", each dated February 10, 2006;

"**NAFTA**" means the North American Free Trade Agreement;

"**Named Executive Officers**" means the individuals who served, at any time during the previous financial year, as Chief Executive Officer, the Chief Financial Officer, and each of WIN's three most highly compensated officers, other than the Chief Executive Officer, the Chief Financial Officer, who were serving as officers at the end of the most recently completed financial year and whose total salary and bonus exceeds $150,000;

"**NEB**" means National Energy Board of Canada;

"**NGLs**" means natural gas liquids;

"**NOVA Transmission Line**" means a transmission line owned and operated by NOVA Gas Transmission Ltd.;

"**Odin**" means Odin Capital Inc.;

"**Odin GORR**" means the GORR previously granted to Odin in connection with the generation of prospects in the Southern Alberta Foothills Belt and for which WIN has entered into a letter agreement to acquire, as more particularly described under the heading "Interest of Management and Others in Material Transactions";

"**Offering**" means the offering and distribution of 7,500,000 Units and 2,083,334 Flow-Through Shares of WIN pursuant to this prospectus;

"**Offering Price**" means $2.00 per Unit and $2.40 per Flow-Through Share, respectively;

"**Option Plan**" means WIN's incentive stock option plan;

"**psi**" means pounds per square inch;

"**Qualifying Expenditures**" means expenses that are CEE at the date they are incurred;

"**Seed Share Escrow Agreement**" means the agreement between WIN and Computershare Trust Company of Canada and those holders of Common Shares whose shares are required to be escrowed and who are required to execute such agreement, pursuant to Exchange policies;

"**Share Exchange Agreements**" means the share exchange agreements dated May 25, 2004 between WIN and each of the shareholders of Triangle;

"**Special Warrant Indenture**" means the indenture dated December 22, 2005 between WIN and Computershare Trust Company of Canada, as trustee;

"**Special Warrants**" means the 6,160,200 special warrants of the Corporation, issued between December 22, 2005 and January 17, 2006 at a price of $2.00 per Special Warrant, pursuant to the Special Warrant Indenture;

"**Suspended Wells**" are wells on which a determination to produce or abandon has not yet been made;

"**Tango Farmout Agreement**" means the farmout agreement dated March 29, 2006 between WIN and Tango Energy Inc.;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time;

"**Triangle**" means Triangle Resources Inc., the wholly-owned subsidiary that amalgamated with WIN on August 1, 2004;

"**Triangle Shares**" means the Class "A" voting common shares of Triangle;

"**Triangle Zone**" means the geographical area which runs along a unique structure which is formed between east and west dipping faults in the Alberta foothills. The structure is characterised by deep, overpressured gas sands that occur in repeated overthrusted sections;

"**Underwriters**" means CIBC World Markets Inc., Jennings Capital Inc., Canaccord Capital Corporation and GMP Securities L.P.;

"**Underwriting Agreement**" means the agreement dated ● among WIN and the Underwriters as more particularly described under the heading "Plan of Distribution";

"**Underwriters' Flow-Through Option**" means the option granted to the Underwriters, exercisable, in whole or in part, until 48 hours prior to the time of closing of the Offering, to offer for distribution and sale, an additional 1,250,000 Flow-Through Shares at a price of $2.40 per share;

"**Underwriters' Unit Option**" means the option granted to the Underwriters, exercisable, in whole or in part, until 48 hours prior to the time of closing of the Offering, to purchase, an additional 2,500,000 Units at a purchase price of $2.00 per Unit;

"**Unit Over-allotment Option**" means the over-allotment option granted to the Underwriters, exercisable for a period of 30 days from the date of the closing of the Offering, to offer and sell up to a number of additional Units that is equal to 15% of the Units purchased or sold pursuant to the Offering and the exercise, if any, of the Underwriters' Unit Option, at a purchase price of $2.00 per Unit, solely to cover over-allotments, if any;

"**Units**" means units of WIN, each unit consisting of one Common Share and one half of one Warrant of the Corporation, which are being offered pursuant to this prospectus, including Units issuable pursuant to the exercise of the Underwriters' Unit Option and the Unit Over-allotment Option;

"**Unproven acreage**" means lands with no reserves assigned to them, evaluated in the McDaniel Land Report;

"**Warrant Indenture**" means the indenture to be dated at Closing between WIN and Computershare Trust Company of Canada, as trustee, pursuant to which the Warrant will be issued;

"**Warrants**" means the Warrants comprising part of the Units offered pursuant to this prospectus;

"**WIN**" or "**Corporation**" means WIN Energy Corporation and includes WIN's wholly-owned subsidiary, Todd Creek Facilities Ltd.;

"**WIN Facility**" means, collectively, the WIN Gas Plant and the WIN Gathering System;

"**WIN Gas Plant**" means the natural gas processing, NGL extraction and gas compression facilities in the Todd Creek area that are owned by WIN; and

"**WIN Gathering System**" means the approximately 35 kilometre pipeline gathering system to be built and owned by WIN.

THE CORPORATION

WIN was incorporated under the ABCA on February 9, 2004 and was amalgamated with its wholly-owned subsidiary, Triangle, on August 1, 2004 under the ABCA, continuing under the name of WIN Energy Corporation.

The corporate headquarters of WIN is located at 1100, 505 – 3rd Street S.W., Calgary, Alberta, T2P 3E6 and the registered office of the Corporation is located at 3700, 400 - 3rd Avenue S.W., Calgary, Alberta, T2P 4H2.

The Corporation has one wholly-owned subsidiary, Todd Creek Facilities Ltd., which was incorporated under the ABCA. In this prospectus, unless the context otherwise requires, the "Corporation" or "WIN" refers to WIN Energy Corporation together with its wholly-owned subsidiary, Todd Creek Facilities Ltd.

BUSINESS OF THE CORPORATION

Since its inception, WIN has been engaged in the exploration for, and the acquisition and development of, natural gas and NGLs in the province of Alberta. It holds oil and natural gas interests in the Cowley, Todd Creek, Quaich, Hillspring and Pincher Creek areas of the Southern Alberta Foothills Belt.

The Corporation is focusing its exploration and development activities in the Southern Alberta Foothills Belt. WIN has earned, and plans to continue to earn, interests in natural gas and oil exploration and development prospects pursuant to drilling opportunities under farmin agreements and by drilling on the freehold and crown leases acquired and held by the Corporation in the Cowley, Todd Creek, Quaich, Hillspring and Pincher Creek areas. Due to the lack of weather access restrictions, WIN is generally able to conduct its drilling programs year-round in the area.

To date, the Corporation has targeted prospects at depths between 1,800 and 2,500 meters. Dry hole costs in this area are estimated to be in the range of $2,000,000 to $2,500,000 per well.

Management of WIN believes it is important to control the processing, gathering system and pipeline for its natural gas and NGLs. To accomplish this objective, the Corporation has procured a permit to build the WIN Facility. The WIN Facility will consist of the WIN Gas Plant and the WIN Gathering System. Construction of the WIN Gas Plant is substantially complete. An application has been filed with regulatory authorities by a local landowners group, applying to review and vary the permit granted to WIN to construct the WIN Gas Plant. However, Management believes there is a low probability the permit will be reviewed and, if it is reviewed, that the terms and conditions will be varied or the permit rescinded. See "Risk Factors".

Regulatory approval to begin construction of the approximately 35 kilometre WIN Gathering System was granted by the AEUB on February 13, 2006 and by AENV on April 18, 2006. The Corporation expects to commence production in August 2006. Average daily production for the balance of 2006 from existing wells only for the Cowley and Todd Creek areas, upon completion of construction of the gas plant and pipelines and commencement of production, is estimated to be approximately 1,227 BOE/d. This production estimate has been calculated assuming the Probable Reserves assigned in the McDaniel Reserves Report will be produced in accordance with the probability attributed in such report. The WIN Facility has been initially licensed to produce 10,000 Mcf/d of natural gas. The WIN Gas Plant has been designed with processing capacity of 20,000 Mcf/d and compression capability of 10,000 Mcf/d. The north and south sections of the WIN Gathering System have maximum line capacities of 20,000 Mcf/d at 500 psi and 40,000 Mcf/d at 800 psi, respectively. The WIN Gas Plant is expandable to accommodate the maximum line capacity of the WIN Gathering System.

There are presently 11 full-time employees and two consultants to the Corporation. See "Directors and Officers".

Short Term Objectives and How the Corporation Intends to Achieve Them

In August 2006, the Corporation expects to complete the construction of the WIN Gathering System to enable it to sell natural gas into the NOVA Transmission Line. WIN also plans to begin a seismic program to identify drilling locations on lands which it has an interest in or on which it has the right to earn an interest. A portion of the proceeds of the Offering will be applied towards the cost of construction of the WIN Facility. During 2006, WIN intends to continue its multi-well drilling program at Cowley and Todd Creek in order to earn additional interests under the EMC Farmout Agreement and the Tango Farmout Agreement and to continue its assessment of additional land acquisitions in WIN's core area.

History of the Corporation

WIN was incorporated in early 2004 to aggregate the interests of 30 separate landowners and Triangle in various natural gas and oil rights in the Southern Alberta Foothills Belt and to pursue opportunities that Management believes are available in the area. Upon completion of the consolidation of the various interests on July 2, 2004, WIN held interests in 6,398 net acres of land. See "Business of the Corporation - Acquisitions".

During July 2004, WIN completed a private placement to finance its exploration plans in the Southern Alberta Foothills Belt raising gross proceeds of $7,966,800. A total of 5,670,920 Common Shares were issued on a flow-through basis at $1.00 per share, as well as 2,869,850 units at $0.80 per unit. Each unit was comprised of one Common Share and one special warrant. Holders of special warrants, for no additional consideration, would receive one common share for each ten special warrants held if WIN was unable to obtain a public listing on the Exchange or the Toronto Stock Exchange on or before January 14, 2005. Since the Corporation did not meet this deadline, 2,869,850 special warrants were converted into 286,985 Common Shares on January 15, 2005 for no additional consideration.

During the balance of 2004, WIN acquired leasehold interests in approximately 28,096 acres of Crown and freehold land in the Cowley, Todd Creek, Hillspring and Pincher Creek areas. In the late summer and fall of 2004, WIN entered into farmin arrangements with industry partners in the Southern Alberta Foothills Belt, obtaining the right to earn additional interests in the area. WIN's exploration programs were initiated, with two wells drilled and one well re-entered by the end of 2004. WIN also obtained a license from the AEUB to build a natural gas plant facility in the Todd Creek/Cowley area. Throughout the year, WIN accumulated seismic data on the Cowley, Todd Creek, Hillspring and Pincher Creek areas.

In April and May of 2005, WIN conducted a second private placement to finance its exploration and land acquisition programs, raising gross proceeds of $22,798,475. The Corporation sold 11,817,700 units at $1.25 per unit and 5,350,900 Common Shares issued on a flow-through basis at $1.50 per share. Each unit consisted of one Common Share and one half of one 2005 Common Share Purchase Warrant, each of which entitled the holder to acquire one Common Share at an exercise price of $1.55 per share until June 30, 2006. The Corporation has received proceeds of $8,538,717.50, in connection with the exercise of the 2005 Common Share Purchase Warrants which expired on June 30, 2006.

Throughout 2005, WIN acquired leasehold interests in approximately 6,087 acres of Crown and freehold land in the Cowley, Todd Creek, Hillspring and Pincher Creek areas. WIN purchased and shot additional seismic, exiting the year with approximately 600 kilometres of seismic across the Corporation's key areas. The Corporation's 2005 exploration program consisted of drilling eight wells and re-completing one cased well in the Cowley and Todd Creek areas.

In December 2005 and January 2006, WIN conducted a third private placement, primarily to finance exploration, drilling and the construction of the WIN Facility. Gross proceeds of $12,320,400 were raised from the sale of 6,160,200 Special Warrants at $2.00 per Special Warrant. 6,160,200 Common Shares have been issued upon the exercise of 6,160,200 Special Warrants which were issued between December 22, 2005 and January 11, 2006 pursuant to the Special Warrant Indenture between the Corporation and Computershare Trust Company of Canada, as trustee, and sold to purchasers in the provinces of Alberta, British Columbia and Ontario and in other jurisdictions outside of Canada pursuant to prospectus exemptions under applicable securities legislation. The Corporation did not receive any additional proceeds from the exercise of the Special Warrants. Pursuant to the Special Warrant Indenture, since the price allocated to the Common Shares as part of the Unit is less than the price per Special Warrant, subscribers of Special Warrants are entitled to be issued a number of additional Common Shares, for no additional consideration, as would make equivalent the price per Special Warrant and price allocated to the Common Shares as part of the Unit offered pursuant to this prospectus. The Corporation will issue the

Adjustment Shares at the Closing to subscribers of the Special Warrants, pursuant to this provision of the Special Warrant Indenture.

In March 2006, WIN entered into the Tango Farmout Agreement, granting WIN the right to re-enter a well located on the farmout lands in the Quaich area.

Acquisitions

On July 2, 2004, the Corporation acquired interests in natural gas and oil rights in the Southern Alberta Foothills Belt pursuant to 30 Asset Purchase Agreements, each dated May 25, 2004, as amended, between the Corporation and various interest holders. The natural gas and oil rights were acquired by the issuance of approximately 0.92 of a Common Share for each $1.00 of value attributed to such interests pursuant to an independent engineering evaluation of natural gas reserves and an independent evaluation of unproven acreage interests prepared by McDaniel. Certain of the interest holders were entities controlled by Peter and Matthew Philipchuk, Victor G. Walls and Robert Iverach, Q.C., who are officers and directors of WIN. See "Interest of Management and Others in Material Transactions". An aggregate of 3,472,972 Common Shares were issued pursuant to the Asset Purchase Agreements.

Pursuant to the Share Exchange Agreements dated May 25, 2004, as amended, between the Corporation and each of the shareholders of Triangle, the Corporation acquired all of the issued and outstanding Triangle Shares. They were acquired in exchange for Common Shares of WIN utilizing a value of $0.46 for each Triangle Share and a value of $1.09 for each WIN Common Share. The acquisition by the Corporation of the Triangle Shares closed effective July 2, 2004 and an aggregate of 2,647,416 Common Shares were issued pursuant to the Share Exchange Agreements. Certain of the directors and shareholders of Triangle, namely David McGoey and Peter Philipchuk, were also directors of WIN. Financial information respecting Triangle is included in this prospectus. See "Selected Consolidated Financial Information" and the financial statements of Triangle appended to this prospectus.

The interests acquired by the Corporation pursuant to the Asset Purchase Agreements and the Share Exchange Agreements are subject to a GORR in favour of Odin, a company controlled by Peter Philipchuk, a director and officer, and Matthew Philipchuk, an officer of WIN. On June 1, 2006, the Corporation entered into an agreement pursuant to which it acquired the Odin GORR for consideration of 2,000,000 Common Shares at a deemed price of $2.25 per Common Share and the issuance of a promissory note in favour of Odin in the principal amount of $1,000,000, maturing May 31, 2007. It is intended that payment of the amount owing pursuant to the promissory note will be made from the proceeds of this Offering. If the promissory note has not been repaid by August 1, 2006, interest will commence to accrue on the balance owing at the rate of six percent per annum. See "Interest of Management and Others in Material Transactions" and "Use of Proceeds".

Trends

Management of WIN perceives a number of developing trends which may have both short and long-term effects on the industry. The Western Canadian Sedimentary Basin continues to mature and a large number of major producing regions have been highly developed, thereby reducing the exploration opportunities for smaller companies.

Absent a significant worldwide recession, energy demand can be expected to continue to rise. This is expected to bode well for companies with capital, access to technology, human resources and well-situated acreage in relatively underdeveloped areas.

The natural gas and oil industry has undergone a long and significant growth period which has generally resulted in a tightening of supply services to the industry. WIN does not see this situation improving in the immediate future. Shortages of drilling and service rigs, experienced personnel and other goods and services will be a challenge for all companies in the natural gas and oil industry and may impact financial results of WIN in the short and medium term. See "Risk Factors".

PRINCIPAL PROPERTIES

WIN's core area is located in the Triangle Zone of the Southern Alberta Foothills Belt. The Triangle Zone is a unique structural belt extending along the eastern edge of the Alberta foothills where recent exploration drilling by WIN has resulted in the discovery of new natural gas pools containing significant reserves of natural gas and NGLs. WIN has divided the interests which it has acquired in the Southern Alberta Foothills Belt into several properties which it has named Cowley, Todd Creek, Quaich, Hillspring and Pincher Creek.

Cowley

Effective August 17, 2004, WIN and Petro-Canada signed a farmout agreement with Husky Oil Operations Limited with respect to lands in the Cowley area. This agreement granted to WIN and Petro-Canada a 50% interest each in the right to drill one well and earn five and one half sections of land. Husky Oil Operations Limited reserved a 12.5% non-convertible overriding royalty on petroleum substances produced. During 2005, the Corporation participated in the drilling of an earning well which is currently awaiting testing.

Effective September 8, 2004, WIN and EMC signed the EMC Farmout Agreement, granting to WIN the right to drill five wells prior to December 31, 2005 and earn a 100% interest in each section on which a well is drilled and one pre-selected section for each exploration well drilled down to the base of the deepest formation fully penetrated, subject to reservation of a convertible 12.5% overriding royalty. EMC has the right to convert its 12.5% overriding royalty interest to a 35% working interest after the Corporation has conducted the required production tests and completed the exploration well. The conversion will be effective upon the completion of the exploration well. EMC has agreed, where it holds the fee title for the minerals, to grant a natural gas and oil lease to WIN upon the Corporation earning its interest. The lease will reserve an 18% royalty. By drilling five exploration wells by December 31, 2005, the Corporation earned the right to drill additional exploration wells until December 31, 2007; however, if by December 31, 2006 the Corporation has drilled less than ten exploration wells in total, then its right to drill additional exploration wells shall terminate at that time. The Corporation intends to drill a minimum of five exploration wells during 2006 in order to satisfy its obligations under the EMC Farmout and currently anticipates drilling additional wells, based on drilling results to date and geophysical programs. The 53 sections (33,908 acres) of land covered by the EMC Farmout Agreement are located in the Cowley and Todd Creek areas.

The Corporation holds leasehold interests in 32,027 gross acres (29,474 net acres) in the Cowley area, 3,040 gross acres (3,040 net acres) of which were acquired subsequent to the date of the McDaniel Land Report. WIN's leasehold interests in the 32,027 gross acres include 6,400 gross acres which were earned under the EMC Farmout Agreement by drilling five earning wells in 2005, 12,190 gross acres of freehold and Crown land and 13,437 gross acres which may be earned by WIN under the EMC Farmout Agreement.

WIN has drilled eight exploration wells in the Cowley area since November, 2004. This has resulted in three cased and completed natural gas wells (net 2.15), four cased potential natural gas wells awaiting production testing (3.5 net) and one well to be suspended (one net). Of the eight wells drilled, WIN was the operator of six (5.75 net wells). The remaining two wells (0.90 net wells) drilled at Cowley were initially operated by Petro-Canada. One of these wells is now operated by WIN.

Todd Creek

WIN holds leasehold interests in 27,195 gross acres (25,011 net acres) in the Todd Creek area. WIN's leasehold interests in the 27,195 gross acres include 12,796 gross acres of freehold and Crown land, and 14,399 gross acres which may be earned by WIN under the EMC Farmout Agreement. Included in this total is a 95.8% interest in a section of land containing an original discovery natural gas well. To date, WIN has not earned additional acreage under the EMC Farmout Agreement in this area.

WIN has drilled two exploration wells and acquired one well in this area, resulting in two cased and completed natural gas wells (1.71 net) and one suspended well (0.75 net). The Corporation operates all of its wells in this area.

Quaich

The Corporation holds leasehold interests in 640 gross acres (640 net acres) in this area, which, due to proximity, have been included in the Todd Creek unproven acreage shown above and in the McDaniel Land Report. To date, no wells have been drilled by WIN. Effective March 29, 2006, WIN and Tango Energy Inc. entered into the Tango Farmout Agreement, granting to WIN the right to re-enter a well located on the farmout lands and certain other rights. WIN will pay 80% of the costs of the operations and will earn a 40% interest in the section on which the well is located and one other section, above the base of the Mannville Group. After WIN has earned its interest it will have the right to elect within 60 days of rig release to re-enter and deepen the well or to drill a further well on the farmout lands and earn a 40% interest, below the base of the Mannville Group, on the two sections. The lands which are the subject of the Tango Farmout Agreement were not included in the McDaniel Reserves Report and the McDaniel Land Report because the Tango Farmout Agreement was executed subsequent to the date of these reports. The Tango Farmout Agreement also creates an area of mutual interest surrounding the farmout lands for a two (2) year period from the date of the rig release from the re-entry of the initial well.

Hillspring

WIN holds leasehold interests in 2,106 gross acres (1,678 net acres) in this area. One of these leases is pooled with one of the leases owned by Talisman Energy Inc. Although several wells have been drilled and cased, offsetting WIN's acreage, no wells have been drilled by the Corporation on this property to date.

Pincher Creek

The Corporation holds leasehold interests in 1,450 gross acres (1,410 net acres) in this area. To date, no wells have been drilled by WIN.

Including its newly-acquired interest in Quaich, WIN currently holds leasehold interests in 72,058 gross acres (59,017 net acres) of land, including options under the EMC Farmout Agreement and the Tango Farmout Agreement to earn additional interests in the lands.

WIN GAS PLANT AND GATHERING SYSTEM

In January 2006, WIN began constructing the WIN Facility to enable the Corporation to sell its gas from the Cowley and Todd Creek areas into the NOVA Transmission Line. The WIN Facility will consist of the WIN Gas Plant and the WIN Gathering System. Construction of the WIN Gas Plant is substantially complete. An application has been filed with regulatory authorities by a local landowners group applying to review and vary the permit granted to WIN to construct the WIN Gas Plant. However, Management believes there is a low probability the permit will be reviewed and, if it is reviewed, that the terms and conditions will be varied or the permit rescinded. See "Risk Factors".

Regulatory approval to begin construction of the approximately 35 kilometre WIN Gathering System was granted by the AEUB on February 13, 2006 and by AENV on April 18, 2006. Completion of the WIN Gathering System is targeted for August 2006. WIN owns and will operate 100% of the WIN Facility. Production is expected to begin August 2006. Average daily production for the balance of 2006 from the Cowley and Todd Creek areas, upon completion of construction of the gas plant and pipelines and commencement of production, is estimated to be approximately 1,227 BOE/d. This production estimate has been calculated assuming the Probable Reserves assigned in the McDaniel Reserves Report will be produced in accordance with the probability attributed in such report. The WIN Facility has been initially licensed to produce 10,000 Mcf/d of natural gas. The WIN Gas Plant has been designed with processing capacity of 20,000 Mcf/d and compression capability of 10,000 Mcf/d. The north and south sections of the WIN Gathering System have maximum line capacities of 20,000 Mcf/d at 500 psi and 40,000 Mcf/d at 800 psi, respectively. The WIN Gas Plant is expandable to accommodate the maximum line capacity of the WIN Gathering System.

LANDHOLDINGS AND NATURAL GAS RESERVES

Landholdings

The estimated fair market value of the Corporation's interests in developed and unproven land, of 7,929 gross acres (5,980 net acres) and 59,809 gross acres (49,485 net acres), excluding land in the Quaich area and 3,040 gross acres (3,040 net acres) in the Cowley area, which interests were acquired after the date of the McDaniel Land Report, contained in the following table has been determined by McDaniel in that report, and does not necessarily represent the actual fair market value of the Corporation's interests in such developed and unproven land. The actual fair market value may be greater or less than is set forth herein. There is no assurance that the estimated fair market value of the Corporation's interests in such developed and unproven land will be realized and variances could be material. Other assumptions and qualifications relating to the fair market value are included in the McDaniel Land Report.

	Unproven Acreage		Developed Acreage		Unproven and Developed Total Acreage		Estimated Corporation Share of Fair Market Value — Unproven Acreage		Estimated Corporation Share of Fair Market Value — Developed Acreage	
Area	Gross Area Acres	Net Area Acres	Gross Area Acres	Net Area Acres	Total Gross Area Acres	Total Net Area Acres	Working Interest $	NP, CI, MT, ML, OP, FI $(3)	Land Value $	Total Value $
Alberta										
Cowley	23,258	21,718	5,729	4,716	28,987	26,434	10,205,051	503,925	8,346,685	19,055,661
Todd Creek	25,915	23,984	1,280	1,027	27,195	25,011	7,016,472	–	135,357	7,151,829
Hillspring	2,106	1,678	–	–	2,106	1,678	3,357,536	–	–	3,357,536
Pincher Creek	1,450	1,410	–	–	1,450	1,410	606,700	–	–	606,700
Other(4)	7,080	695	920	237	8,000	932	213,977	–	–	213,977
Total	59,809	49,485	7,929	5,980	67,738	55,465	21,399,736	503,925	8,482,042	30,385,703

Notes:

(1) "Gross" acres means the total number of acres in which the Corporation has an interest or a right to earn an interest.
(2) "Net" acres means the aggregate of the percentage interests of the Corporation in the gross acres.
(3) The interest type codes are defined as follows:
"**WI**" Working Interest
"**NP**" Net Profit Interest
"**CI**" Carried Interest
"**MT**" Mineral Title
"**ML**" Mineral Lease
"**FI**" Farm-in acreage (acreage is not yet earned by Corporation). If estimate of fair market value is given, the value is added to total fair market value.
"**OP**" Option Acreage (acreage is not yet earned by Corporation). Gross and Net Acres may not be added to total acreage figures. If estimate of fair market value is given, the value is added to total fair market value.
(4) Lands held in Strachan and Turner Valley areas of Alberta.

Reserves

The following is a summary of the remaining natural gas and NGL reserves and the estimated value of the Corporation's share of future net revenue as at December 31, 2005 as evaluated by McDaniel in the McDaniel Reserves Report. This report was prepared in accordance with the standards contained in the Canadian Oil and Gas Evaluation Handbook ("COGE Handbook") and the reserves definitions are those contained in National Instrument 51-101 and the COGE Handbook. The pricing used in the forecast and constant price evaluations is set forth in the notes to the tables.

All evaluations of future revenue contained in the McDaniel Reserves Report are after the deduction of royalties, development costs, production costs and well abandonment costs, but before consideration of indirect costs such as administrative, overhead, taxes (unless otherwise disclosed) and other miscellaneous expenses. The estimated future net revenue contained in the following table does not necessarily represent the fair market value of the Corporation's reserves. There is no assurance that the forecast price and cost assumptions contained in the McDaniel Reserves Report will be attained and variances could be material. Other assumptions and qualifications relating to costs and other matters are included in the McDaniel Reserves Report. The recovery and reserves estimates on the Corporation's properties described herein are

estimates only. The actual reserves on the Corporation's properties may be greater or less than those calculated.

On June 1, 2006, the Corporation entered into an agreement pursuant to which it acquired the Odin GORR. As the McDaniel Reserves Report is presented as at December 31, 2005, the future revenues have been calculated after the deduction of the amounts that would have been payable pursuant to Odin GORR.

Reserves Based Upon Constant Prices and Costs

	Natural Gas		Natural Gas Liquids	
	Gross (mmcf)	Net (mmcf)	Gross (mbbl)	Net (mbbl)
Proved Undeveloped	2,985.1	2,099.9	135.2	90.1
Total Proved	2,985.1	2,099.9	135.2	90.1
Total Probable	8,459.1	6,029.8	300.6	207.4
Total Proved Plus Probable	11,444.2	8,129.7	435.8	297.6

Net Present Values of Future Net Revenue
Based on Constant Prices and Costs

	Before Deducting Income Taxes Discounted At		After Deducting Income Taxes Discounted At	
($000's)	0%	10%	0%	10%
Proved Undeveloped	20,144.4	15,551.7	20,144.4	15,551.6
Total Proved	20,144.4	15,551.7	20,144.4	15,551.6
Total Probable	64,270.5	31,824.7	58,189.7	30,708.1
Total Proved Plus Probable	84,414.8	47,376.4	78,334.1	46,259.8

Total Future Net Revenue
(Undiscounted)
Based on Constant Prices and Costs

($000's)	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	ARTC	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue After Income Taxes
Total Proved	43,171	12,449	1,949	9,356	223	951	20,144	–	20,144
Total Proved Plus Probable	152,054	44,771	10,009	14,680	253	2,074	84,415	6,081	78,334

Future Net Revenue by Production Group
Based Upon Constant Prices and Costs

	Production Group	Future Net Revenue Before Income Taxes (Discounted at 10%/Year) ($000's)
Total Proved	Natural Gas Liquids	3,967.6
	Natural Gas	10,803.2
Total Probable	Natural Gas Liquids	5,089.6
	Natural Gas	26,128.9
Total Proved Plus Probable	Natural Gas Liquids	9,057.2
	Natural Gas	36,932.1

Reserves Based on Forecast Prices and Costs

	Natural Gas		Natural Gas Liquids	
	Gross (mmcf)	Net (mmcf)	Gross (mbbl)	Net (mbbl)
Proved Undeveloped	2,985.1	2,099.9	135.2	90.1
Total Proved	2,985.1	2,099.9	135.2	90.1
Total Probable	8,459.1	6,029.8	300.6	207.4
Total Proved Plus Probable	11,444.2	8,129.7	435.8	297.6

Net Present Values of Future Net Revenue
Based on Forecast Prices and Costs

	Before Deducting Income Taxes Discounted At					After Deducting Income Taxes Discounted At				
($000's)	0%	5%	10%	15%	20%	0%	5%	10%	15%	20%
Proved Undeveloped	16,901.5	14,814.0	13,245.7	12,004.7	10,988.3	15,084.1	13,124.9	11,670.4	10,531.0	9,605.8
Total Proved	16,901.5	14.814.0	13,245.7	12,004.7	10,988.3	15,084.1	13,124.9	11,670.4	10,531.0	9,605.8
Total Probable	51,674.7	33,223.6	24,840.6	20,016.3	16,826.3	37,291.1	23,632.4	17,387.5	13,787.2	11,409.1
Total Proved Plus Probable	68,576.2	48,037.6	38,086.3	32,020.9	27,814.7	52,375.2	36,757.3	29,057.9	24,318.1	21,014.8

Total Future Net Revenue
(Undiscounted)
Based on Forecast Prices and Costs

($000's)	Revenue	Royalties	Operating Costs	Development Costs	Abandonment and Reclamation Costs	ARTC	Future Net Revenue Before Income Taxes	Income Taxes	Future Net Revenue After Income Taxes
Total Proved	39,367	11,225	2,208	9,593	276	837	16,902	1,817	15,084
Total Proved Plus Probable	135,887	38,560	14,966	15,050	494	1,759	68,576	16,201	52,375

Future Net Revenue by Production Group
Based on Forecast Prices and Costs

	Production Group	Future Net Revenue Before Income Taxes (Discounted at 10%/Year) ($000's)
Total Proved	Natural Gas Liquids	3,808.5
	Natural Gas	8,735.2
Total Probable	Natural Gas Liquids	4,721.0
	Natural Gas	19,636.8
Total Proved Plus Probable	Natural Gas Liquids	8,529.5
	Natural Gas	28,372.0

Reconciliation of Corporation Net
Reserves by Principal Product Type
Based on Forecast Prices and Costs

The following table sets forth a reconciliation of the changes in the Corporation's light and medium crude oil, heavy oil and associated and non-associated gas (combined) reserves as at December 31, 2004 against such reserves as at December 31, 2005 based on the forecast price and cost assumptions set forth in note (10).

	Natural Gas Liquids			Natural Gas		
	Net Proved (mbbl)	Net Probable (mbbl)	Net Proved Plus Probable (mbbl)	Net Proved (mmcf)	Net Probable (mmcf)	Net Proved Plus Probable (mmcf)
At December 31, 2004	–	–	–	–	–	–
Discoveries	90.1	207.4	297.6	2,099.9	6,029.8	8,129.7
At December 31, 2005	90.1	207.4	297.6	2,099.9	6,029.8	8,129.7

Reconciliation of Changes in Net Present Values
of Future Net Revenue Discounted at 10%
Based on Constant Prices and Costs

The following table sets forth changes between future net revenue estimates attributable to the Corporation's net proved reserves as at December 31, 2004 against such reserves as at December 31, 2005.

	($000's)
Estimated Future Net Revenue at Dec. 31, 2004	–
Discoveries	15,551.7
Estimated Future Net Revenue at Dec. 31, 2005	15,551.7

The following notes are applicable to all tables in the Landholdings and Natural Gas Reserves section of this prospectus:

Notes:

(1) "Gross Reserves" are the Corporation's working interest (operating or non-operating) share before deduction of royalties and without including any royalty interests of the Corporation. "Net Reserves" are the Corporation's working interest (operating or non-operating) share after deduction of royalty obligations, plus the Corporation's royalty interests in reserves.

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

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

(4) "Possible" reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved plus probable plus possible reserves.

(5) "Developed" reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g. when compared to the cost of drilling a well) to put the reserves on production.

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

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

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

(9) The product prices used in the constant price and cost evaluations in the McDaniel Reserve Report were as follows: Natural gas at Field Gate: $10.35 Cdn/MMbtu; Natural gas liquids (Edmonton Reference Price) - propane: $44.50 Cdn/bbl; field butane: $49.20 Cdn/bbl; NGL mix: $51.00 Cdn/bbl; and natural gasolines and condensate: $68.70 Cdn/bbl.

(10) The pricing assumptions used in the McDaniel Reserve Report with respect to net values of future net revenue (forecast) as well as the inflation rates used for operating and capital costs are set forth below.

Pricing Assumptions used in the McDaniel Reserve Report with respect to Net Values of Future Net Revenue (Forecast)

	Natural Gas	Natural Gas Liquids	Inflation Rate	Exchange Rate
	AECO Gas Price ($/GJ)	Edmonton Cond. & Natural Gasolines ($/bbl)	%/year	$US/$Cdn
Year Forecast				
2006	10.05	68.10	2.5	0.85
2007	9.05	65.70	2.5	0.85
2008	8.05	62.30	2.5	0.85
2009	7.00	58.80	2.5	0.85
2010	6.55	55.80	2.5	0.85
2011	6.75	57.20	2.5	0.85
2012	6.90	58.50	2.5	0.85
2013	7.05	60.00	2.5	0.85
2014	7.25	61.50	2.5	0.85
2015	7.45	63.10	2.5	0.85
2016	7.60	64.60	2.5	0.85
2017	7.80	66.30	2.5	0.85
2018	8.00	67.90	2.5	0.85
2019	8.20	69.70	2.5	0.85
2020	8.40	71.40	2.5	0.85
Thereafter	+2.5%/yr	+2.5%/yr	2.5	0.85

Future Development Costs Excluding Abandonment and Reclamation Costs

($000's)	Total Proved Estimated Using Constant Prices and Costs	Total Proved Plus Probable Estimated Using Constant Prices and Costs	Total Proved Estimated Using Forecast Prices and Costs	Total Proved Plus Probable Estimated Using Forecast Prices and Costs
2006	9,233	14,557	9,464	14,920
2007	123	123	129	129
2008	0	0	0	0
Total for all years undiscounted	9,356	14,680	9,593	15,050
Total for all years discounted at 10% per year	8,910	13,986	9,136	14,338

To date, the Corporation has relied upon new equity issues to fund its capital expenditure programs. Upon completion of construction of the WIN Facility, the Corporation expects to generate cash flows from its operations.

Significant Factors or Uncertainties

Natural gas and oil exploration involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to overcome. There is no assurance that expenditures by WIN will result in new discoveries of oil, natural gas or NGLs in commercial quantities. It is difficult to project the costs of implementing an exploratory drilling program due to the increasing demand for drilling rigs, supplies and services; the inherent uncertainties of drilling in unknown formations; the costs associated with encountering various drilling conditions such as over pressured zones; tools lost in the hole; and changes in drilling plans.

Natural gas and oil prices are determined based on world demand, supply and other factors, all of which are beyond the control of WIN. World prices for natural gas and oil have fluctuated widely in recent years. Any material decline in prices could result in a reduction of net production revenue. Certain wells or other projects may become uneconomic as a result of a decline in world oil prices and natural gas prices, leading to a reduction in the value of WIN's natural gas and oil reserves. WIN may also elect not to produce from certain wells at lower prices.

If WIN's revenues or reserves decline, WIN may have limited ability to expend the capital necessary to undertake or complete future drilling programs. There can be no assurance that debt or equity financing or cash generated from operations will be available or sufficient to meet these requirements or for other corporate purposes or if debt or equity financing is available, that it will be on terms acceptable to WIN.

WIN actively competes for reserve acquisitions, exploration leases, licences and concessions and skilled industry personnel with a substantial number of other natural gas and oil companies, many of which have significantly greater financial resources than WIN. Competitors include major integrated natural gas and oil companies and numerous other independent natural gas and oil companies and individual producers and operators.

To the extent that WIN is not the operator of its natural gas and oil properties, WIN will be dependent on such operators for the timing of activities related to such properties and will largely be unable to direct or control the activities of the operators.

Natural Gas Wells

The following table sets forth the number of producing and non-producing natural gas wells, all of which are located in Alberta, in which the Corporation held a working interest as at December 31, 2005:

	Natural Gas	
	Gross(1)	**Net**(2)
Producing	–	–
Non-Producing(3)	5.0	3.86

Notes:

(1) "Gross Wells" are the total number of wells in which WIN has an interest or a right to earn an interest.
(2) "Net Wells" are WIN's interest in the wells after deducting the working interests of all other parties.
(3) "Non-Producing Wells" are non-producing wells that are capable of production.

WIN is currently constructing the WIN Facility to enable the Corporation to sell its gas from the Cowley and Todd Creek areas into the NOVA Transmission Line. The WIN Facility will consist of the WIN Gas Plant and the WIN Gathering System. Construction of the WIN Gas Plant is substantially complete. An application has been filed with regulatory authorities by a local landowners group applying to review and vary the permit granted to WIN to construct the WIN Gas Plant. However, Management believes there is a low probability the permit will be reviewed and, if it is reviewed, that the terms and conditions will be varied or the permit rescinded. Regulatory approval to begin construction of the approximately 35 kilometre WIN Gathering System was granted by the AEUB on February 13, 2006 and by AENV on April 18, 2006. Completion of the WIN Gathering System is targeted for August 2006 and production is expected to begin immediately thereafter. The WIN Facility has been initially licensed to produce 10,000 Mcf/d of natural gas. The WIN Gas Plant has been designed with processing capacity of 20,000 Mcf/d and compression capability of 10,000 Mcf/d. The north and south sections of the WIN Gathering System have maximum line capacities of 20,000 Mcf/d at 500 psi and 40,000 Mcf/d at 800 psi, respectively. The WIN Gas Plant is expandable to accommodate the maximum line capacity of the WIN Gathering System.

Costs Incurred

The following table summarizes the estimated capital expenditures made by the Corporation on its natural gas properties for the nine month period ended December 31, 2005.

Property Acquisition Costs ($000's)		**Exploration Costs ($000's)**	**Development Costs ($000's)**	**Facilities ($000's)**
Proved Properties	Unproved Properties			
nil	592	20,590	27	3,063

Drilling Activities

The following table sets forth the number of exploration wells in which the Corporation has drilled or has participated in drilling during the past two years.

	Exploratory Wells	
	Gross[1]	**Net[2]**
Natural Gas Wells[3]	6.0	4.9
Suspended Wells	4.0	3.3
Total Wells	10.0	8.2

Notes:

(1) "Gross Wells" are the total number of wells in which WIN has an interest or a right to earn an interest.

(2) "Net Wells" are WIN's interest in the wells after deducting the working interests of all other parties.

(3) Two of these wells have not yet been completed.

The Corporation expects to continue its focus on the Triangle Zone with both exploration and development drilling in the Cowley and Todd Creek areas. The Corporation intends to drill a minimum of five exploration wells during 2006 in order to satisfy its obligations under the EMC Farmout. The Corporation's 2006 capital budget includes the drilling of 12 additional wells in the Cowley and Todd Creek areas during 2006.

Properties with No Attributed Reserves

The following table sets out the Corporation's developed and undeveloped land position with no attributed reserves effective December 31, 2005:

	Developed Acreage		Undeveloped Acreage	
	Gross[1]	**Net[2]**	**Gross[1]**	**Net[2]**
Hillspring	–	–	2,106	1,678
Pincher Creek	–	–	1,450	1,410
Other	920	237	7,080	695

Notes:

(1) "Gross" means the total number of acres in which the Corporation has a working interest or a right to earn an interest.

(2) "Net" means the sum of the products obtained by multiplying the number of gross acres by the Corporation's percentage working interest therein.

Additional Information Concerning Abandonment and Reclamation Costs

The following table sets forth information respecting total proved and probable future abandonment costs (net of estimated salvage values) for wells, which are expected to be incurred for the periods indicated in respect of WIN's properties and assets as estimated in the McDaniel Reserves Report.

	Total Proved and Probable Abandonment and Reclamation Costs Undiscounted Using Constant Prices and Costs ($000's)	**Total Proved and Probable Abandonment and Reclamation Costs Discounted at 10% Using Constant Prices and Costs ($000's)**	**Total Proved and Probable Abandonment and Reclamation Costs Undiscounted Using Forecast Prices and Costs ($000's)**	**Total Proved and Probable Abandonment and Reclamation Costs Discounted at 10% Using Forecast Prices and Costs ($000's)**
As at December 31, 2005	253	52	494	72

McDaniel estimates the costs to abandon all its shut in and producing wells. The first abandonment costs will not occur until approximately 2009. McDaniel's model for estimating the amount and timing of future abandonment expenditures was prepared at an operating area level. Estimated expenditures for each operating area are based on the AEUB methodology, which details the cost of abandonment in each specific geographic region. Each region was assigned an average cost per well to abandon the wells in that area.

As at Dec 31, 2005, WIN expected to incur abandonment costs in respect of 13 gross (9.3 net) wells located on its properties.

The Corporation will be liable for its share of ongoing environmental obligations and for the ultimate reclamation of the properties held by it upon abandonment. Ongoing environmental obligations are expected to be funded out of cash flow.

Tax Horizon

It is expected that the Corporation will not pay any income taxes during 2006 and 2007, but will become cash taxable during 2008. However, income taxes are expected to be minimized for the next several years due to the availability of deductions to taxable income resulting from the Corporation's proposed capital expenditure program.

Production Estimates

The following table sets forth, by product type, the volume of production estimated for 2006 reflected in the estimates of future net revenue using constant and forecast prices:

	Natural Gas (mcf/d)	Natural Gas Liquids (bbl/d)
Cowley and Todd Creek	5,751	269

Production History

The Corporation's wells in the Cowley and Todd Creek areas have not yet produced as construction is not yet completed on the WIN Facility and there are no other facilities in the area.

USE OF PROCEEDS

The net proceeds of this Offering to the Corporation, assuming the gross proceeds of the Offering to be \$20,000,001.60, are estimated at \$18,000,001.50 (\$28,312,501.50 if the Underwriters' Unit Option, the Underwriters' Flow-Through Option and the Unit Over-allotment Option are exercised in full), after deducting the expenses of the Offering and the Underwriters' fees. The Corporation intends to use the net proceeds from the Offering as set forth in the table below.

Use of Proceeds	Amount	Percentage
Exploration drilling	$12,555,000	69.7%
Facilities construction costs	3,700,000	20.6
Repayment of promissory note granted in connection with the acquisition of the Odin GORR	1,000,000	5.6
Working capital and general purposes	745,001.50	4.1
TOTAL	$18,000,001.50	100.0%

The Corporation intends to spend the funds available to it as stated in this prospectus. There may be circumstances, however, where, for sound business reasons, a reallocation of funds may be necessary.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

Annual Information of WIN

The following is a summary of selected financial information of WIN as at December 31, 2005, March 31, 2005 and March 31, 2004, for the nine months ended December 31, 2005, for the year ended March 31, 2005, and for the period from inception on February 9, 2004 to March 31, 2004. This information has been derived from WIN's audited financial statements appearing elsewhere in this prospectus. This summary financial information should be read in conjunction with the audited financial statements of the Corporation and the notes thereto together with the discussion under the heading "Management's Discussion and Analysis of WIN" included elsewhere in this prospectus.

	Nine months ended December 31, 2005[(3)]	Year ended March 31, 2005	Period from inception on February 9, 2004 to March 31, 2004[(1)(2)]
Petroleum and natural gas sales	$ nil	$ nil	$ nil
Net loss	1,720,381	747,239	–
Funds used in operating activities	711,702	513,380	–
Additions to property, plant and equipment	24,456,438	7,042,840	–
Petroleum and natural gas properties and equipment	31,266,468	6,849,002	–
Total assets	46,101,557	9,003,490	55,000
Working capital	8,866,550	1,650,225	5,000
Bank debt	nil	nil	nil
Shareholders' equity	39,516,013	6,951,071	5,000
Basic and diluted loss per share	0.055	0.072	–

Notes:
(1) WIN was incorporated on February 9, 2004.
(2) WIN has not declared any dividends.
(3) In December 2005, WIN changed its year end to December 31.

Quarterly Information of WIN

The following is a summary of selected financial information of WIN as at and for the three months ended March 31, 2006 and March 31, 2005. This information has been derived from WIN's unaudited and audited financial statements appearing elsewhere in this prospectus. This summary financial information should be read in conjunction with the unaudited and audited financial statements of the Corporation and the notes thereto together with the discussion under the heading "Management's Discussion and Analysis of WIN" included elsewhere in this prospectus.

	Three months ended March 31, 2006	Three months ended March 31, 2005
Petroleum and natural gas sales	$ nil	$ nil
Net loss	243,807	178,254
Funds used in operating activities	265,451	175,527
Additions to property, plant and equipment	12,490,961	1,409,624
Petroleum and natural gas properties and equipment	43,753,262	6,849,002
Total assets	48,102,406	9,003,490
Working capital	(3,777,424)	1,650,225
Bank debt	nil	nil
Shareholders' equity	36,753,840	6,951,071
Basic and diluted loss per share	0.006	0.011

Annual Information of Triangle

The following is a summary of selected financial information of Triangle as at and for the years ended December 31, 2003 and 2002, which information has been derived from Triangle's audited financial statements appearing elsewhere in this prospectus. This summary financial information should be read in conjunction with the audited financial statements of Triangle and the notes thereto together with the discussion under the heading "Management's Discussion and Analysis of Triangle" included elsewhere in this prospectus.

	Year ended December 31,	
	2003	2002
Petroleum and natural gas sales	$ nil	$ nil
Net loss	15,930	34,853
Funds used in operating activities	15,265	36,986
Additions to property, plant and equipment	10,826	49,542
Petroleum and natural gas properties and equipment (cost)	198,363	187,537
Total assets	217,964	192,246
Working capital	11,418	4,428
Shareholders' equity	197,650	124,499
Basic and diluted loss per share	0.0038	0.0075

Semi-Annual Information of Triangle

The following is a summary of selected unaudited financial information of Triangle for each of the six months ended June 30, 2004 and 2003, which information has been derived from Triangle's unaudited financial statements appearing elsewhere in this prospectus. This summary financial information should be read in conjunction with the audited financial statements of Triangle and the notes thereto together with the discussion under the heading "Management's Discussion and Analysis of Triangle" included elsewhere in this prospectus.

	Six months ended June 30,	
	2004	2003
Petroleum and natural gas sales	$ nil	$ nil
Net loss	2,845	3,402
Funds (provided by) used in operating activities	(1,450)	3,070
Additions to property, plant and equipment	31,259	–
Petroleum and natural gas properties and equipment (cost)	229,622	187,537
Total assets	231,140	189,167
Working capital	1,266	1,358
Shareholders' equity	216,462	121,097
Basic and diluted loss per share	0.0005	0.0010

Dividend Policy

The Corporation has not declared or paid any dividends on its Common Shares since incorporation. Any decision to pay dividends on the Common Shares will be made by the board of directors on the basis of the Corporation's earnings, financial requirements and other conditions that the board of directors may consider appropriate in the circumstances. It is not intended that dividends will be paid in the foreseeable future. See "Risk Factors".

MANAGEMENT'S DISCUSSION AND ANALYSIS OF WIN

The following discussion and analysis should be read in conjunction with the financial statements of WIN included in this prospectus.

Three months ended March 31, 2006 compared to three months ended March 31, 2005

General and administrative

General and administrative expenses for the three months ended March 31, 2006 and 2005 are comprised of the following components:

	2006	2005	Change
Professional fees	$ 205,512	$ 86,797	137%
Salaries and wages	199,526	87,763	127%
Office rent and other office costs	131,509	39,745	231%
Computer	29,620	16,686	78%
Shareholder reporting	15,008	1,061	1,315%

	2006	2005	Change
Telephone and communications	9,872	5,176	91%
Overhead recoveries	(150,938)	(23,789)	534%
Capitalized salaries	(104,250)	(43,650)	139%
	$ 335,859	$ 169,789	98%

General and administrative expenses for the three months ended March 31, 2006 amounted to $335,859, an increase of 98% over the three months ended March 31, 2005 of $169,789. The majority of the increase is attributable to an increase in professional fees and salaries and wages, which increased by $118,715 and $111,763, respectively. The increase in professional fees is attributable to the fact that during the three months ended March 31, 2006 the Corporation incurred additional fees associated with filing its preliminary prospectus. The increase in salaries and wages is directly attributable to higher staffing levels, which increased from five employees and three consultants during the three months ended March 31, 2005, to eleven employees and two consultants during the three months ended March 31, 2006, and as a result of increased drilling activities and in anticipation of the commencement of production. Office rent and other office costs increased by $91,764, an increase which again can be attributed to higher staffing levels resulting in the Corporation taking on larger and more costly office space. Computer expenses contributed to $12,934 of the increase in general and administrative expenses, which resulted from having an increase in the number of users and increased software licensing fees. The Corporation also incurred $13,947 of additional costs associated with shareholder reporting in anticipation of filing its preliminary prospectus.

Gross general and administrative expenses for the three months ended March 31, 2006 were $591,047 ($237,228 for the three months ended March 31, 2005) offset by overhead recoveries of $150,938 ($23,789 for the three months ended March 31, 2005) and capitalized salaries of $104,250 ($43,650 for the three months ended March 31, 2005). Overhead recoveries are charged to the Corporation's joint venture partners as a means for the Corporation to recover overhead costs. The Corporation capitalizes salaries to the extent that it incurs costs that can be attributed to exploring for petroleum and natural gas reserves.

Stock-based compensation

Stock-based compensation expense relating to the fair value of stock options issued to directors, officers, employees and consultants of the Corporation was $41,578 for the three months ended March 31, 2006, a decrease of 12% over the same period during the prior year of $47,287. The decrease in stock-based compensation expense is attributable to the fact that there were less stock options vesting during the quarter ending March 31, 2006 in comparison to the period ending March 31, 2005, thus resulting in less compensation expense being recorded during the quarter ended March 31, 2006. Compensation expense is based on the estimated fair values of the options at the time of the grant as determined using a Black-Scholes option model.

Depreciation

Depreciation expense for the three months ended March 31, 2006 was $13,344, compared to $2,079 for the three months ended March 31, 2005, which was an increase of $11,265. Depreciation expense in both periods is entirely attributable to the depreciation of the Corporation's furniture and equipment. During the three months ended March 31, 2006 the Corporation had acquired significantly more office assets resulting in a substantial increase in depreciation expense. Office furniture and equipment is depreciated on a straight-line basis over its estimated useful life at rates varying from 20% to 50%.

No depletion was recorded for the three months ended March 31, 2006 and 2005 because the Corporation has no production.

Accretion

Accretion expense for the three months ended March 31, 2006 was $4,961, compared to $1,470 during the three months ended March 31, 2005, which is an increase of $3,491. The increase over the prior year is attributable to the fact that the Corporation had drilled two wells prior to March 31, 2005, and drilled, or began drilling, eight additional gross wells by March 31, 2006, thus resulting in a larger asset retirement obligation and higher accretion expense. Over time, the asset retirement obligations are increased up to the actual expected cash outlay required to perform the abandonment and reclamation procedures. The increases are accreted at a credit-adjusted risk-free rate of 8% and an inflation rate of 2.5%.

Interest income

Interest income for the three months ended March 31, 2006 was $72,776, an increase of $66,627 over the three months ended March 31, 2005 of $6,149. All of the interest income consists of income earned on cash and cash equivalents including demand deposits and investments in highly liquid money market instruments which are convertible to known amounts of cash in less than three months. The increase from the three months ended March 31, 2005 is attributable to the fact that the Corporation had more cash and cash equivalents on hand during the three months ended March 31, 2006 due to financings undertaken prior to the period.

Future income tax

Future income tax recovery for the three months ended March 31, 2006 was $81,527, compared to $48,109 during the three months ended March 31, 2005. Future income tax recovery relates primarily to the recognition of a tax asset due to the creation of non-capital losses. Management has recorded this future income tax recovery as it believes that it is more likely than not that these non-capital losses will be used in future taxable periods. At March 31, 2006, the Corporation had non-capital losses carried forward for Canadian income tax purposes of approximately $2,834,343 which expire from 2007 to 2016.

At March 31, 2006, in addition to the non-capital losses carried forward for Canadian income tax purposes of approximately $2,834,343, WIN had approximately $31,492,597 of accumulated tax pools that are available for deduction against future earnings.

Summary of tax pools at December 31, 2005	**Balance available**	**Maximum annual deduction**
Canadian exploration expense	$ 14,357,180	100%
Canadian development expense	70,148	30%
Canadian oil and gas property expense	2,505,952	10%
Undepreciated capital cost	11,997,462	20-30%
Other	2,561,855	20%
	$ 31,492,597	

Net loss and funds used in operating activities

Net loss for the three months ended March 31, 2006 was $243,807 ($178,254 three months ended March 31, 2005) and funds used in operating activities was $265,451 ($175,527 three months ended March 31, 2005). WIN has not yet put any of its assets on production.

Capital expenditures

Net capital expenditures for the three months ended March 31, 2006 were $12,490,961 compared to $397,894 for the three months ended March 31, 2005. These expenditures are summarized as follows:

Capital expenditures	**2006**	**2005**
Lease acquisition	$ 846,079	$ 56,372
Geological and geophysical	145,109	32,848
Drilling and completion	3,291,270	1,297,524
Facilities and equipment	8,187,407	8,148
Office furniture and equipment	21,096	14,732
Proceeds on disposition of working interests	–	(1,807,518)
	$ 12,490,961	$ 397,894

Capital expenditures were primarily funded by the issuance of equity. During the quarter ended March 31, 2006, $8,187,407 of the $12,490,961 expenditures incurred related to the construction of the Corporation's gas processing facilities. To assist in the funding of the Corporation's exploration program, WIN sold a 30% working interest in the Todd Creek and Hillspring prospects to Delta Oil & Gas Inc. ("Delta") and Paradigm Oil & Gas, Inc., two arm's length parties, on January 14, 2005. Proceeds from the sale of $1,807,518 were applied against capitalized costs and no gain or loss was recognized because the disposition consisted of substantially all undeveloped land and therefore did not alter the depletion base by more than 20%.

Related party transactions

The Corporation incurred management fees paid to a company owned by the Managing Director of Exploration and the Vice President of Corporate Development for the Corporation. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes the fees incurred during the three months ended March 31, 2006 and 2005:

	2006	**2005**
Management fees	$ –	$ –
Accounts receivable/(payable)	$ 53	$ 4,679

The Corporation incurred capital costs paid to a service company of which the Vice President of Operations for the Corporation has an ownership. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes the fees incurred during the three months ended March 31, 2006 and 2005:

	2006	**2005**
Capitalized costs	$ 32,349	$ 9,477
Accounts (payable)	$ (34,610)	$ (6,768)

The corporate secretary of WIN is a partner with a law firm which provides legal services to the Corporation. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes these fees incurred during the three months ended March 31, 2006 and 2005:

	2006	**2005**
Capitalized costs	$ 20,397	$ –
Share issue costs	67,898	851
General and administrative	40,215	22,142
Total legal fees	$ 128,510	$ 22,993

As at March 31, 2006 and March 31, 2005 the Corporation had accounts payable of $137,506 and $nil owing to this related party, respectively.

The Corporation currently conducts joint venture operations in the Todd Creek and Hillspring areas with Delta, a company for which the Vice President of Corporate Development of WIN, was a director and the Managing Director of Exploration of WIN, was a consultant, until April 2006. The Corporation also conducts joint venture operations in the Turner Valley area with a company that is owned and operated by a director of WIN. As at March 31, 2006 the Corporation has recorded accounts receivable owing from these related parties of $70,062 and $577, respectively. All transactions with these third parties are carried out in the normal course of operations and are measured at the exchange amounts.

Liquidity and Capital Resources

Since its inception, the Corporation has been evaluating the resource potential of its natural gas exploration properties and is considered to be in the development stage as defined by Accounting Guideline 11 "Enterprises in the Development Stage" ("AcG-11). As such, the Corporation requires additional financing in order to fund its ongoing operations and to realize the carrying values of its assets. The Corporation intends to raise the required funds through the issuance of equity, debt or a combination thereof.

The financial statements of WIN have been prepared on the basis of accounting principles applicable to a going concern, which contemplates that the Corporation will continue in operations for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of operations. To date, the Corporation has not commenced commercial production. There is no certainty that the steps Management is taking will be successful. The financial statements of WIN do not give effect to any adjustment which would be necessary should the Corporation be unable to continue as a going concern and, therefore, be required to realize its assets and discharge its liabilities at amounts different from those reflected in the financial statements.

The Corporation has secured bridge financing in the maximum principal amount of $5,000,000 from Toscana Capital Corporation. See "Bridge Facility". The bridge facility is expected to be used primarily for construction costs of the WIN Facility and is expected to be repaid on closing of this Offering.

As at March 31, 2006 WIN had negative working capital of $3,777,424. Since incorporation, WIN has conducted three separate financings. During July, 2004, WIN raised gross proceeds of $7,966,800 from the sale of 2,869,850 units at $0.80 per unit and 5,670,920 Common Shares issued on a flow-through basis at $1.00 per share. Each unit was comprised of one Common Share and one special warrant. Each ten special warrants entitled the holder to one additional Common Share at no additional price, and those special warrants have now been exercised.

In April and May of 2005, WIN raised gross proceeds of $22,798,475 from the sale of 11,817,700 units at $1.25 per unit and 5,350,900 Common Shares issued on a flow-through basis at $1.50 per share. Each unit consisted of one Common Share and one half of one 2005 Common Share Purchase Warrant, each whole warrant entitling the holder to acquire one Common Share at an exercise price of $1.55 per share until June 30, 2006. The Corporation has received proceeds of $8,538,717.50, in connection with the exercise of the 2005 Common Share Purchase Warrants which expired on June 30, 2006.

In December 2005 and January 2006, WIN raised gross proceeds of $12,320,400 from the sale of the Special Warrants at $2.00 per Special Warrant.

Management of the Corporation believes the net proceeds from the Offering, together with cash resources expected from operations of the Corporation will be sufficient to meet its anticipated working capital and capital expenditure requirements for the next twelve months. Thereafter, the Corporation may require additional funds to support its working capital requirements or for other purposes and may seek to raise additional funds through public or private equity funding, bank debt financings or from other sources. WIN anticipates that its capital expenditure programs will continue to grow. There can be no assurance that equity or debt financing, or cash generated by operations, will be available or sufficient to meet its requirements to fund ongoing capital expenditure programs or for other corporate purposes or, if available, that it will be on terms acceptable to the Corporation.

Nine months ended December 31, 2005 compared to year ended March 31, 2005

General and administrative

General and administrative expenses for the nine months ended December 31, 2005 and year ended March 31, 2005 are comprised of the following components:

	Nine months ended December 31, 2005	Year ended March 31, 2005	Change
Salaries and wages	$ 568,143	$ 186,329	205%
Office rent and other office costs	435,327	92,822	369%
Professional fees	334,294	374,778	(11)%
Computer	93,878	21,321	340%
Telephone and communications	26,351	13,679	93%
Shareholder reporting	12,175	5,488	122%
Overhead recoveries	(230,628)	(65,770)	251%
Capitalized salaries	(272,424)	(85,975)	217%
	$ 967,116	$ 542,672	78%

General and administrative expenses for the nine months ended December 31, 2005 amounted to $967,116, an increase of 78% over the year ended March 31, 2005 of $542,672. The majority of the increase is attributable to an increase in salaries and wages, which increased by $381,814. This increase is directly attributable to higher staffing levels, which increased from five employees and three consultants during the year ended March 31, 2005, to nine employees and three consultants during the year ended December 31, 2005, and as a result of increased drilling activities and in anticipation of the commencement of production. Office rent and other office costs increased by $342,505, an increase which again can be attributed to higher staffing levels resulting in the Corporation taking on a larger and more costly office space. Professional fees decreased by $40,484 from the year ended March 31, 2005, which is substantially attributable to the fact that during the year ended March 31, 2005 the Corporation incurred additional legal fees associated with starting up the Corporation. Computer expenses contributed to $72,557 of the increase in general and administrative expenses, which resulted from having an increase in the number of users and increased software licensing fees.

Gross general and administrative expenses for the nine months ended December 31, 2005 were $1,470,168 ($694,417 for the year ended March 31, 2005) offset by overhead recoveries of $230,628 ($65,770 for the year ended March 31, 2005) and capitalized salaries of $272,424 ($85,975 for the year ended March 31, 2005). Overhead recoveries are charged to the Corporation's joint venture partners as a means for the Corporation to recover overhead costs. The Corporation capitalizes salaries to the extent that it incurs costs that can be attributed to exploring for petroleum and natural gas reserves.

Stock-based compensation

Stock-based compensation expense relating to the fair value of stock options issued to directors, officers, employees and consultants of the Corporation was $1,041,842 for the nine months ended December 31, 2005, an increase of 136% over the year ended March 31, 2005 of $440,813. The increase in stock-based compensation expense is attributable to the fact that during the nine months ended December 31, 2005 the Corporation issued additional stock options and the stock options that were issued in the year ended March 31, 2005 did not all vest. Compensation expense is based on the estimated fair values of the options at the time of the grant as determined using a Black-Scholes option model. The following assumptions were used to estimate the fair value of each option granted:

	Nine months ended December 31, 2005	**Year ended March 31, 2005**
Risk free interest rate	3.7%	3.7 – 4.1%
Term (years)	5	5
Expected volatility	43.8%	51.4%
Expected dividend yield	nil	nil

Depreciation

Depreciation expense for the nine months ended December 31, 2005 was $32,780, compared to $2,464 for the year ended March 31, 2005, which was an increase of $30,316. Depreciation expense in both periods is entirely attributable to the depreciation of the Corporation's furniture and equipment. During the nine months ended December 31, 2005 the Corporation had acquired significantly more office assets resulting in a substantial increase in depreciation expense. Office furniture and equipment is depreciated on a straight-line basis over its estimated useful life at rates varying from 20% to 50%.

No depletion was recorded for the nine months ended December 31, 2005 or the year ended March 31, 2005 because the Corporation has no production.

Accretion

Accretion expense for the nine months ended December 31, 2005 was $11,362, compared to $1,702 during the year ended March 31, 2005, which is an increase of $9,660. The increase over the prior year is attributable to the fact that the Corporation drilled two wells during the year ended March 31, 2005, and drilled, or began drilling, eight gross wells during the nine months ended December 31, 2005, thus resulting in a larger asset retirement obligation and higher accretion expense. Over time, the asset retirement obligations are increased up to the actual expected cash outlay required to perform the abandonment and reclamation procedures. The increases are accreted at a credit-adjusted risk-free rate of 8% and an inflation rate of 2.5%.

Interest income

Interest income for the nine months ended December 31, 2005 was $256,518, an increase of $214,245 over the prior year ended March 31, 2005 of $42,273. All of the interest income consists of income earned on cash and cash equivalents including demand deposits and investments in highly liquid money market instruments which are convertible to known amounts of cash in less than three months. The increase from the year ended March 31, 2005 is attributable to the fact that the Corporation had more cash and cash equivalents on hand during the nine months ended December 31, 2005 due to financings undertaken during the period.

Ceiling test

The Corporation evaluates impairment of assets in accordance with Accounting Guideline 16 "Oil and Gas Accounting – Full Cost" ("AcG-16") and has determined no impairment exists. Pursuant to AcG-16, a limit is placed on the aggregate carrying value of oil and gas properties (the "impairment test"). An impairment loss exists when the carrying amount of the Corporation's oil and gas properties exceeds the estimated undiscounted future net cash flows associated with the Corporation's proved reserves. If impairment is determined to exist, the costs carried on the balance sheet in excess of the discounted future net cash flows associated with the Corporation's proved and probable reserves are charged to income. Reserves are determined pursuant to National Instrument 51-101.

At December 31, 2005, the Corporation applied a ceiling test to its petroleum and natural gas properties and equipment using expected future market prices of:

	2006	2007	2008	2009	2010
$Cdn/GJ	10.05	9.05	8.05	7.00	6.55
$Cdn/bbl	48.80	47.00	44.50	41.90	39.60

After 2010 the change in future prices are escalated at 2.5% per year to the end of the reserve life.

Future income tax

Future income tax recovery for the nine months ended December 31, 2005 was $77,305, compared to $211,120 during the year ended March 31, 2005. Future income tax recovery relates primarily to the recognition of a tax asset due to the creation of non-capital losses. Management has recorded this future income tax recovery as it believes that it is more likely than not that these non-capital losses will be used in future taxable periods. At December 31, 2005, the Corporation had non-capital losses carried forward for Canadian income tax purposes of approximately $2,267,076 which expire from 2007 to 2015.

At December 31, 2005, in addition to the non-capital losses carried forward for Canadian income tax purposes of approximately $2,267,076, WIN had approximately $27,293,501(1) of accumulated tax pools that are available for deduction against future earnings.

Summary of tax pools at December 31, 2005	**Balance available**	**Maximum annual deduction**
Canadian exploration expense	$ 19,051,402 (1)	100%
Canadian development expense	75,752	30%
Canadian oil and gas property expense	1,723,226	10%
Undepreciated capital cost	3,788,959	20-30%
Other	2,654,162	20%
	$ 27,293,501 (1)	

Note:

(1) Pursuant to the private placement that closed in April and May 2005, the Corporation issued 5,350,900 flow-through shares at $1.50 per flow-through share. Consequently the Corporation renounced $8,026,350 of Canadian exploration expense to the shareholders in February 2006 with an effective date of December 31, 2005, resulting in $11,025,052 of Canadian exploration expense and total tax pools of $19,267,151 at December 31, 2005.

Net loss and funds used in operating activities

Net loss for the nine months ended December 31, 2005 was $1,720,381 ($747,239 year ended March 31, 2005) and funds used in operating activities was $711,702 ($513,380 year ended March 31, 2005). WIN has not yet put any of its assets on production.

Capital expenditures

Net capital expenditures for the nine months ended December 31, 2005 were $24,456,438 compared to $5,235,322 for the year ended March 31, 2005. These expenditures are summarized as follows:

Capital expenditures	**Nine months ended December 31, 2005**	**Year ended March 31, 2005**
Lease acquisition	$ 591,517	$ 1,851,940
Geological and geophysical	1,252,383	441,076
Drilling and completion	19,364,917	4,684,315
Facilities and equipment	3,062,511	48,176
Office furniture and equipment	185,110	17,333
Proceeds on disposition of working interests	–	(1,807,518)
	$ 24,456,438	$ 5,235,322

Capital expenditures were primarily funded by the issuance of equity. To assist in the funding of the Corporation's exploration program, WIN sold a 30% working interest in the Todd Creek and Hillspring prospects to Delta Oil & Gas Inc. ("Delta") and Paradigm Oil & Gas, Inc., two arm's length parties, on January 14, 2005. Proceeds from the sale of $1,807,518 were applied against capitalized costs and no gain or loss was recognized because the disposition consisted of substantially all undeveloped land and therefore did not alter the depletion base by more than 20%.

Related party transactions

On July 2, 2004 WIN acquired 100% of Triangle Resources Inc. ("Triangle") in exchange for 2,647,416 common shares and on August 1, 2004 the two companies were amalgamated and operations continued under the name WIN Energy Corporation. The acquisition did not result in a substantive change in ownership interests in Triangle, therefore the acquisition was accounted for at the carrying amounts as a related party transaction in accordance with the standards recommended by section 3840 of the Canadian Institute of Chartered Accountants' ("CICA") Handbook. A difference of $2,647,320 between the carrying and exchange amounts has been charged against accumulated deficit.

The acquisition has been accounted for as follows:

Cash	$ 1,261
Property, plant and equipment	199,505
Future income tax asset	40,245
Accumulated deficit	2,647,320
Total share consideration	$ 2,888,331

On July 2, 2004 WIN closed several asset purchases for petroleum and natural gas rights in the southern foothills of Alberta in exchange for 2,901,771 common shares. Several of these transactions were conducted with related parties controlled by officers and directors of WIN. See "Business of the Corporation - Acquisitions" for additional details. These transactions were measured at the carrying amounts and the shares issued in exchange for these assets were supported by third party evaluations. These transactions were accounted for as follows:

Property, plant and equipment	$ 645,041
Deficit	2,520,662
Total share consideration	$ 3,165,703

The Corporation incurred management fees paid to a company owned by the Managing Director of Exploration and the Vice President of Corporate Development for the Corporation. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes these fees:

	Nine months ended December 31, 2005	**Year ended March 31, 2005**
Management fees	$ 21,000	$ 96,495
Accounts receivable/(payable)	$ (2,675)	$ 4,679

The Corporation incurred capital costs paid to a service company of which the Vice President of Operations for the Corporation has an ownership. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes these fees:

	Nine months ended December 31, 2005	**Year ended March 31, 2005**
Capitalized costs	$ 21,095	$ 14,746
Accounts (payable)	$ (2,758)	$ (6,768)

The corporate secretary of WIN is a partner with a law firm which provides legal services to the Corporation. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes these fees:

	Nine months ended December 31, 2005	**Year ended March 31, 2005**
Capitalized costs	$ 17,348	$ –
Share issue costs	177,564	157,476
General and administrative	88,890	84,078
Total legal fees	$ 283,802	$ 241,554

As at December 31, 2005 and March 31, 2005 the Corporation had accounts payable of $124,361 and $nil owing to this related party, respectively.

The Corporation currently conducts joint venture operations in the Todd Creek and Hillspring areas with Delta, a company for which the Vice President of Corporate Development of WIN, was a director and the Managing Director of Exploration of WIN, was a consultant, until April 2006. The Corporation also conducts joint venture operations in the Turner Valley area with a company that is owned and operated by a director of WIN. As at December 31, 2005 the Corporation has recorded accounts receivable owing from these related parties of $61,653 and $464, respectively. All transactions with these third parties are carried out in the normal course of operations and are measured at the exchange amounts.

Year ended March 31, 2005 compared to period from inception on February 9, 2004 to March 31, 2004

As the Corporation had no operations for the period from inception on February 9, 2004 to March 31, 2004, the financial results for the year ended March 31, 2005 are not comparable to the financial results for the period from inception on February 9, 2004 to March 31, 2004.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF TRIANGLE

The following discussion and analysis should be read in conjunction with the financial statements of Triangle included in this prospectus.

Six months ended June 30, 2004 compared to six months ended June 30, 2003

Capital expenditures

Net capital expenditures for the six months ended June 30, 2004 before asset retirement obligations were $31,259 compared to $nil for the comparable period in 2003. The expenditures were used to purchase and maintain rights to natural gas and oil properties in Triangle's key areas, Cowley and Todd Creek. The capital expenditures were financed through the issuance of equity.

General and administrative expense

Triangle's general and administrative expenses were incurred during these periods primarily to maintain Triangle's natural gas and oil rights.

Net loss and cash used in operating activities

Net loss for the six months ended June 30, 2004 was $2,845 ($3,402 for the six months ended June 30, 2003) and cash provided by operating activities was $1,450 ($3,070 used in operating activities for the six months ended June 30, 2003). Triangle was still in the start up phase and had not put any of its assets on production throughout these two periods.

Year ended December 31, 2003 as compared to the Year ended December 31, 2002

Capital expenditures

Net capital expenditures for the year ended December 31, 2003 before asset retirement obligations were $10,826 compared to $49,542 for the comparable period in 2002. The expenditures were used to purchase and maintain rights to natural gas and oil properties in Triangle's key areas, Cowley and Todd Creek. The capital expenditures were financed through the issuance of equity.

General and administrative expense

General and administrative expenses remained relatively unchanged during the years ended December 31, 2003 and 2002, with the exception of $18,301 of bad debt expense incurred during the year ended December 31, 2003. Professional fees increases slightly for the year ended December 31, 2003 over the same period in 2002, largely attributable to the fact that Triangle incurred additional legal and accounting fees in preparation for its acquisition by WIN.

Net loss and cash used in operating activities

Net loss for the year ended December 31, 2003 was $15,930 ($34,853 for the year ended December 31, 2002) and cash used in operating activities was $15,265 ($36,986 for the year ended December 31, 2002). Triangle was still in the start up phase and as of yet had not put any of its assets on production.

DESCRIPTION OF SHARE CAPITAL

The Corporation is authorized to issue an unlimited number of Common Shares, of which 46,600,791 Common Shares are issued and outstanding to date. The following is a summary of the rights, privileges, restrictions and conditions attaching to the Common Shares and other outstanding securities.

Common Shares

The holders of Common Shares are entitled to: dividends if, as and when declared by the board of directors; to one vote per share at meetings of the holders of Common Shares of the Corporation; and upon liquidation, dissolution or winding up of the Corporation to receive pro rata the remaining property and assets of the Corporation. All of the Common Shares currently outstanding have been issued as fully-paid and non-assessable.

Broker Warrants

In connection with private placements conducted within the last two years, the Corporation has issued an aggregate of 1,838,299 warrants to Jennings Capital Inc., entitling it to acquire up to 640,557 Common Shares at a price of $1.00 per share, 354,446 of which expire on July 14, 2006 and 286,111 of which expire on July 15, 2006, and up to 1,197,742 warrants entitling it to acquire up to 1,197,742 Common Shares at a price of $1.50 per share on or before eighteen months from the date the Common Shares are listed on a recognized stock exchange.

CAPITALIZATION

The following table sets forth the capitalization of the Corporation as at December 31, 2005 and March 31, 2006, and after giving effect to the Offering, the exercise of the Special Warrants and the 2005 Common Share Purchase Warrants and the issuance of 2,000,000 Common Shares in connection with the acquisition by WIN of the Odin GORR. See "Interest of Management and Others in Material Transactions".

	Authorized	**Amount Outstanding as of December 31, 2005 before giving effect to the Offering**	**Amount Outstanding as of March 31, 2006 before giving effect to the Offering**	**Amount Outstanding as of March 31, 2006 after giving effect to the Offering(1), the exercise of the Special Warrants and the acquisition of the Odin GORR and the exercise of the 2005 Common Share Purchase Warrants**
Common Shares	unlimited	$34,109,980 (32,931,741 shares) (2)(3)	$31,411,521 (32,931,741 shares) (2)(4)	$• (• shares)
Long Term Debt	nil	nil	nil	nil

Notes:

(1) Share capital is net of the Underwriters' fees and estimated expenses of the Offering of $750,000.

(2) Excludes any Common Shares which may be issued upon exercise of: (a) options granted pursuant to the Corporation's stock Option Plan, for which 3,427,400 Common Shares are currently reserved for issuance; (b) the 2005 Common Share Purchase Warrants, of which 5,508,850 Common Shares were issued between June 20 and June 30, 2006; or (c) warrants granted to Jennings in conjunction with prior private placements, entitling Jennings to acquire an aggregate of 1,838,299 Common Shares.

(3) Excludes the 6,065,200 Special Warrants that were issued and outstanding as at December 31, 2005, and the 319,221 of the Adjustment Shares to be issued to the subscribers (as at December 31, 2005) of Special Warrants, for no additional consideration, on the closing of the Offering.

(4) Excludes the 6,160,200 Special Warrants that were issued and outstanding as at March 31, 2006 and the 324,221 Adjustment Shares to be issued to the subscribers of Special Warrants (as at March 31, 2006), for no additional consideration, on the closing of the Offering.

(5) As at March 31, 2006, the Corporation's deficit was $7,879,409.

(6) Does not include 27,500 Common Shares and 13,750 warrants exercisable for a period of 24 months at an exercise price of $2.50 per warrant issuable to Toscana GP Capital Inc. in connection with a previous bridge financing arrangement. The principal amount borrowed pursuant to the bridge financing arrangement has been repaid in full. These securities will not be subject to any escrow conditions and are to be delivered to the Lender no later than the closing of the Offering.

OPTION PLAN

Pursuant to the Corporation's Option Plan, the Corporation may grant incentive stock options to directors, officers, employees and consultants of the Corporation or any subsidiary of the Corporation. The total number of shares issuable pursuant to the Option Plan at any given time may not exceed 10% of the issued and outstanding Common Shares of the Corporation. The exercise price of each stock option is to be determined at the discretion of the board of directors at the time of the granting of the stock option, as are the term and vesting policies, provided that the exercise price shall not be lower than the market price or such discount from the market price as may be permitted by the stock exchange on which the Common Shares are listed and provided that no stock option shall have a term exceeding five years (or such longer period as is permitted by the stock exchange on which the Common Shares are listed). There may not be issued to all insiders within a one year period a number of Common Shares exceeding, in the aggregate, 10% of the outstanding issue. Finally, there may not be issued to any one insider and such insider's associates, within a one-year period, a number of Common Shares of the Corporation exceeding 5% of the outstanding issue.

As at June 30, 2006, options to purchase an aggregate of 3,427,400 Common Shares are issued and outstanding as follows:

Group	Number of Common Shares Under Option	Date of Grant	Exercise Price	Expiry Date
Executive Officers [(1)]	505,000	August 23, 2004	$0.80	August 22, 2009
	150,000	October 19, 2004	$0.80	October 18, 2009
	30,000	December 16, 2004	$0.80	December 16, 2009
	445,000	May 11, 2005	$1.25	May 10, 2010
	215,200	October 12, 2005	$1.55	October 11, 2010
	135,000	April 24, 2006	$1.90	April 23, 2011
Officers [(2)]	382,500	August 23, 2004	$0.80	August 22, 2009
	102,500	December 16, 2004	$0.80	December 16, 2009
	400,000	May 11, 2005	$1.25	May 10, 2010
	269,000	October 12, 2005	$1.55	October 11, 2010
Directors [(3)]	65,000	August 23, 2004	$0.80	August 22, 2009
	65,000	October 19, 2004	$0.80	October 18, 2009
	100,000	May 11, 2005	$1.25	May 10, 2010
	107,600	October 12, 2005	$1.55	October 11, 2010
Employees [(4)]	5,000	December 16, 2004	$0.80	December 16, 2009
	125,000	May 11, 2005	$1.25	May 10, 2010
	71,800	October 12, 2005	$1.55	October 11, 2010
Consultants[(5)]	150,000	August 23, 2004	$0.80	August 22, 2009
	50,000	May 11, 2005	$1.25	May 10, 2010
	53,800	October 12, 2005	$1.55	October 11, 2010

Notes:

(1) Includes all executive officers and past executives officers of the Corporation as a group, of which there are four.
(2) Includes all officers who are not otherwise classified as executive officers of the Corporation as a group, of which there are five.
(3) All directors and past directors of the Corporation who are not also executive officers or officers, of which there are two.
(4) Includes all other employees and past employees of the Corporation, of which there are four.
(5) Includes all consultants and past consultants of the Corporation, of which there is one.

PRIOR SALES

The following table sets forth all securities issued by the Corporation since its incorporation.

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Gross Proceeds
February 9, 2004	Common Shares	1	$1.00	$1
March 1, 2004	Common Shares	499,999	$0.01	$5,000
May 12, 2004	Common Shares	60,000	$0.01	$600
June 10, 2004	Common Shares	100,000	$0.80	$80,000
June 15, 2004	Common Shares	25,000	$0.80	$20,000
June 25, 2004	Common Shares	50,000	$0.80	$40,000
June 30, 2004	Common Shares[(1)]	66,665	$0.75	$50,000
July 2, 2004	Common Shares[(2)]	3,472,972	$1.09	$3,788,942
July 2, 2004	Common Shares[(3)]	2,647,416	$1.09	$2,888,331
July 14, 2004	Common Shares[(4)]	2,408,200	$1.00	$2,408,200
July 14, 2004	Units[(5)]	2,317,750	$0.80	$1,854,200
July 15, 2004	Common Shares[(4)]	3,170,720	$1.00	$3,170,720
July 29, 2004	Common Shares[(4)]	92,000	$1.00	$92,000
July 29, 2004	Units[(5)]	552,100	$0.80	$441,680
January 15, 2005	Special Warrants[(5)(6)]	286,985	N/A	N/A
April 18, 2005	Common Shares[(7)]	13,333	$0.80	$10,666
April 28, 2005	Common Shares[(4)]	4,578,400	$1.50	$6,867,600
April 28, 2005	Units[(8)]	11,172,700	$1.25	$13,965,875
May 10, 2005	Common Shares[(4)]	724,500	$1.50	$1,086,750
May 10, 2005	Units[(8)]	635,000	$1.25	$793,750
May 11, 2005	Common Shares[(4)]	20,000	$1.50	$30,000
May 27, 2005	Common Shares[(4)]	28,000	$1.50	$42,000
May 27, 2005	Units[(8)]	10,000	$1.25	$12,500
December 22, 2005	Special Warrants[(9)]	4,729,800	$2.00	$9,459,600

Date of Issuance	Type of Security Issued	Number of Securities Issued	Price per Security	Total Gross Proceeds
December 30, 2005	Special Warrants(9)	1,335,400	$2.00	$2,670,800
January 17, 2006	Special Warrants(9)	95,000	$2.00	$190,000
April 23, 2006	Common Shares(10)	4,729,800	N/A	N/A
May 1, 2006	Common Shares(10)	1,335,400	N/A	N/A
May 12, 2006	Common Shares(10)	95,000	N/A	N/A
June 1, 2006	Common Shares(11)	2,000,000	$2.25	$4,500,000
June 20, 2006	Common Shares(12)	46,850	$1.55	$72,617.50
June 21, 2006	Common Shares(12)	16,000	$1.55	$24,800
June 26, 2006	Common Shares(12)	786,500	$1.55	$1,219,075
June 27, 2006	Common Shares(12)	162,500	$1.55	$251,875
June 29, 2006	Common Shares(12)	710,000	$1.55	$1,100,500
June 30, 2006	Common Shares(12)	3,787,000	$1.55	$5,869,850

Notes:

(1) Common Shares issued upon the conversion of five $10,000 convertible promissory notes.

(2) Common Shares issued pursuant to Asset Purchase Agreements.

(3) Common Shares issued pursuant to Share Exchange Agreements.

(4) Common Shares issued on a flow-through basis.

(5) Units issued were comprised of one Common Share and one special warrant, each of which entitled the holder to receive, for no additional consideration, one Common Share for each ten special warrants held if the Company was unable to obtain a public listing on the Exchange or the Toronto Stock Exchange on or before January 14, 2005.

(6) On January 15, 2005, the special warrants issued on July 14 and 29, 2004, were converted into Common Shares.

(7) Common Shares issued pursuant to exercise of stock options.

(8) Units issued were comprised of one Common Share and one-half of one 2005 Common Share Purchase Warrant, each of which entitles the holder to acquire one Common Share at a price of $1.55 per Common Share, on or before June 30, 2006. If the Common Shares of the Corporation trade on a recognized stock exchange at an average price of $2.00 or higher for 20 consecutive trading days then the Corporation can force conversion of the 2005 Common Share Purchase Warrants upon providing notice to the holders and they shall, if unexercised, expire 30 days following the date of the notice.

(9) The Special Warrants are exercisable into Common Shares at no additional consideration.

(10) Issued upon the exercise of the Special Warrants for no additional consideration. Should the price allocated to the Common Shares as part of the Unit be less than the price per Special Warrant, the Corporation has agreed with the subscribers of Special Warrants to issue to them such number of additional Common Shares, for no additional consideration, as would make equivalent the price per Special Warrant and price allocated to the Common Shares as part of the Unit.

(11) Common Shares issued at a deemed price of $2.25 in partial consideration for acquisition by WIN of the ODIN GORR. See "Interest of Management and Others in Material Transactions".

(12) Common Shares issued upon exercise of the 2005 Common Share Purchase Warrants at an exercise price of $1.55 per Common Share.

PRINCIPAL SHAREHOLDERS

To the best knowledge of Management, there are no persons or companies who own, directly or indirectly, or exercise control or direction over shares carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation.

DIRECTORS AND OFFICERS

The name, municipality of residence, positions held with the Corporation and biography (including principal occupation during the preceding five years and related experience) of each of the directors and officers of the Corporation are as follows:

Name and Municipality of Residence	Office and Date of Appointment or Election	Biography and Related Experience	Age
Robert J. Iverach, Q.C., ICD.D[2][3] Calgary, Alberta	Director, December 16, 2004 Chairman, March 14, 2006	**Principal Occupation:** President of R.J. Iverach Professional Corporation **Related Experience:** President of R.J. Iverach Professional Corporation since 1978; Counsel to Felesky Flynn LLP from July, 2005 to December, 2005; Partner of Felesky Flynn LLP from 1978 to 1989 and 1994 to June, 2005; Director of NovAtel Inc. (a corporation in the GPS business listed on the NASDAQ) since March, 2005; Director of Big Eagle Services Trust (a private income trust) since July, 2005; Director of Maxx Petroleum Ltd. (an energy company) from 1987 to 2000. Mr. Iverach graduated from the University of Calgary with a Bachelor of Arts degree, from the University of Alberta with a Bachelor of Laws degree and from the London School of Economics with a Masters of Laws degree. He has been a member of the Law Society of Alberta since 1972.	58
Keith W. Hern[1][3] Calgary, Alberta	Director, May 12, 2004	**Principal Occupation:** President of Gybe Resources Corporation (a private real estate development company owned by Mr. Hern and his family) since 2000. **Related Experience:** President and Chief Executive Officer of Place Resources Corporation (a public oil and gas company listed on the Toronto Stock Exchange) from 1988 to 2000. Mr. Hern graduated from Nottingham University with a Bachelor of Science degree and from Imperial College with a Masters of Science degree. He has been a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta since 1975.	54
David M. McGoey, C.A., C.P.A.[1][2] Calgary, Alberta	Director, May 12, 2004	**Principal Occupation:** Chartered Accountant, part time Chief Financial Officer for multiple companies. **Related Experience:** Vice President, Finance and Treasurer of the Corporation from May, 2004 to April, 2005; Chief Financial Officer of Swan Hills Energy Limited Partnership (a public gas company listed on the Exchange), since 2005; Interim Chief Financial Officer of Pantera Drilling Income Trust (an income trust listed on the Toronto Stock Exchange) since 2006; VP Finance of Matco Capital Ltd. (a private investment firm) since 2005; Chief Financial Officer of Ross Smith Energy Group (a registered investment counsel specializing in oil and gas research) since 1998; President of David M. McGoey Professional Corporation since 1994; Chief Financial Officer of CMQ Resources Inc. (a mineral exploration company listed on the Exchange) since 2003; Director of Destiny Resource Services Corp. (a services company listed on the Toronto Stock Exchange) since 2003; Chief Financial Officer of Tristone Capital LLC (a private investment company) from May, 2001 to December, 2001. Mr. McGoey graduated from the University of Manitoba with a Bachelor of Commerce (Hons) degree.	52
Victor G. Walls[1][3] Red Deer, Alberta	Director, February 9, 2004	**Principal Occupation:** President and General Manager of Border Paving Ltd. (a private paving company) since 1972. **Related Experience**: Director of Perfect Fry Corporation (a deep fryer manufacturer and retailer listed on the Exchange) since 2002. Mr. Walls graduated from the University of Saskatchewan with a Bachelor of Science degree in Civil Engineering. He has been a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta since 1961.	70

Name and Municipality of Residence	Office and Date of Appointment or Election	Biography and Related Experience	Age
William J. Kiff Calgary, Alberta	Director, November 3, 2005 President and Chief Executive Officer, November 3, 2005;	**Principal Occupation:** President of the Corporation since November 3, 2005; Vice President, Corporate Development of the Corporation from November, 2004 to November, 2005. **Related Experience:** Director of Northern Shield Resources Inc. (a diamond, platinum and palladium mining company listed on the Exchange) since January, 2004; President and director of Foothills Oil & Gas Ltd. (an oil and gas company listed on the Exchange) from March, 1996 to December, 2002; President of Canadian Pioneer Energy Ltd. (an oil and gas company listed on the Toronto Stock Exchange) from 1990 to 1995. Mr. Kiff received an honours degree in Business Administration from the Ivey School of Business at the University of Western Ontario.	52
Peter A. Philipchuk Calgary, Alberta	Director, February 9, 2004 Managing Director - Exploration, November 3, 2005	**Principal Occupation:** Managing Director of Exploration for the Corporation since November, 2005; President of the Corporation from February, 2004 to November, 2005; President of Triangle Resources Inc. (a private oil and gas company) from 1998 to 2004. **Related Experience:** Director of Alberta Clean Air Inc. (a private company) since 2002; Chief Executive Officer and Chairman of Odin Capital Inc. (a private oil and gas company) since 1997; independent Geologist since 1981. Mr. Philipchuk graduated from Queen's University with a Bachelor of Science (Hons) degree.	66
Shane J. Kozak, C.A. Calgary, Alberta	Vice President, Finance and Chief Financial Officer, April 11, 2005	**Principal Occupation:** Vice President, Finance and Chief Financial Officer of the Corporation since April, 2005; Supervisor, Financial Reporting of Keyera Facilities Income Fund (an income fund listed on the Toronto Stock Exchange) from May, 2004 to April, 2005; Senior Accountant, Deloitte & Touche LLP from May, 2000 to May, 2004. Mr. Kozak graduated from the University of Calgary with a Bachelor of Commerce degree.	29
Matthew P. Philipchuk Calgary, Alberta	Vice President, Corporate Development, February 17, 2004	**Principal Occupation:** Vice President, Corporate Development of the Corporation since November, 2005; Vice President, Operations of the Corporation from February, 2004 to October, 2005; President of Odin Capital Inc. (a private oil and gas company) from January, 1995 to November, 2005. **Related Experience:** Director of Delta Oil and Gas Inc. (an oil and gas company listed on NASDAQ over the counter market) from February, 2005 to April, 2006; Director of Excelsior Petroleums Ltd. (a private oil and gas company) since 1997.	34
Joseph R. Stepaniuk Calgary, Alberta	Vice President, Operations, May 31, 2004	**Principal Occupation:** Vice President, Operations of the Corporation since May, 2004; founding partner in Roughneck.ca Inc. (private internet-based production asset management company) from 2001 to 2004; and consulting engineer. **Related Experience:** Manager of Operations of Denison Energy Inc. (an oil and gas company listed on the Toronto Stock Exchange) from November, 2003 to March of 2004; Manager, Northern Operations of Ulster Petroleums Ltd. (an oil and gas company listed on the Toronto Stock Exchange) from 1996 to 2000; District Manager of Norcen Energy Resources Limited (an oil and gas company listed on the Toronto Stock Exchange) from 1988 to 1996. Mr. Stepaniak graduated from the Northern Alberta Institute of Technology with a Petroleum Exploration diploma and from Montana Technical with a Geological Engineering Degree. He has been a member of the Association of Professional Engineers, Geologists and Geophysicists of Alberta since 1983.	55

Name and Municipality of Residence	Office and Date of Appointment or Election	Biography and Related Experience	Age
Robert T. Malcolm, Q.C. Municipal District of Rocky View, Alberta	Corporate Secretary, February 17, 2004	**Principal Occupation:** Partner of Macleod Dixon LLP (a law firm) since 1999. **Related Experience:** Partner with the law firm of MacKimmie Matthews prior to 1999. Mr. Malcolm practices in the areas of energy and corporate law. Mr. Malcolm has served as an officer and/or director of a number of public and private companies operating in the oil and gas industry and is currently the Corporate Secretary of the following corporations listed on the Exchange: Rosetta Exploration Inc., G2 Resources Inc. and Blue Parrot Energy Inc. Mr. Malcolm graduated from the University of Calgary with a Bachelor of Arts degree and from the University of Alberta with a Bachelor of Laws degree. He has been a member of the Law Society of Alberta since 1969.	61

Notes:
(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.
(3) Member of the Reserves Committee.

As of June 30, 2006, the directors and officers as a group beneficially owned, directly and indirectly, or exercised control or direction over 5,065,274 Common Shares representing 10.9% of the Common Shares issued and outstanding as at June 30, 2006.

Messrs. Matthew Philipchuk, Joseph Stepaniuk, William J. Kiff and Shane Kozak are employees of the Corporation and each devotes his full time and attention to the business and affairs of the Corporation. Peter Philipchuk, as an employee of Odin, is engaged as a consultant to the Corporation and currently devotes substantially all of his time in respect of the affairs of WIN. He has certain rights under a consulting contract to participate in oil and gas programs in which the Corporation elects not to participate. See "Executive Compensation - Employment Contracts". The remaining directors and officers of the Corporation devote their time and attention to the affairs of the Corporation as required.

Penalties, Sanctions and Bankruptcies

There have been no penalties or sanctions that have been in effect during the past 10 years against (a) a director, senior officer or control person of the Corporation; or (b) an issuer of which a person or company referred to in (a) above was a director, senior officer or control person at the time except as described below.

David M. McGoey, a director of the Corporation, was appointed Chief Financial Officer of Securex Limited, a public company in the security monitoring industry, on July 24, 2003 after it was subject to a cease trade order dated June 3, 2003 of the British Columbia Securities Commission and a cease trade order dated June 20, 2003 of the Alberta Securities Commission for failure to file and deliver its financial statements in a timely fashion. The cease trade orders remained in effect as of the date Mr. McGoey resigned as Chief Financial Officer of Securex Limited. He resigned in March, 2004.

Robert T. Malcolm, Q.C., Corporate Secretary of the Corporation, was a director and the Corporate Secretary of Electra Energy Corporation, a public oil and gas company then listed on the Alberta Stock Exchange, until March 1999 when a receiver was appointed. The securities of Electra Energy Corporation were subsequently cease traded and delisted.

There have been no declarations of bankruptcy, voluntary assignments in bankruptcy, proposals under any bankruptcy or insolvency legislation, proceedings, arrangements or compromises with creditors or appointment of a receiver, receiver manager or trustee to hold assets, that has been in effect during the last 10 years with regard to any (a) director, senior officer or control person of the Corporation; or (b) an issuer of which a person or company referred to in (a) above was a director, senior officer or control person at the time except as described above.

EXECUTIVE COMPENSATION

During the calendar year ended December 31, 2005, the Corporation had five officers. The following table sets forth information concerning the anticipated total compensation awarded or paid to, or earned by the Named Executive Officers. The Corporation did not have any other officers who received total remuneration in excess of $150,000 determined on the basis of base salary and bonuses, in the most recently completed fiscal year.

Summary Compensation Table

		Annual Compensation			Long-Term Compensation			
					Awards		Payouts	
Name and Principal Position	**Year ended Dec. 31**	**Salary[1] ($)**	**Bonus ($)**	**Other Annual Compensation [1] ($)**	**Securities Under Options Granted[2] (#)**	**Restricted Shares or Restricted Share Units ($)**	**LTIP Payouts ($)**	**All Other Compensation[1] ($)**
William Kiff[3] President and Chief Executive Officer	2005 2004	120,000 60,000	nil	nil	153,800 150,000	nil	nil	nil
Shane Kozak Vice President, Finance and Chief Financial Officer	2005	105,000	nil	nil	173,800	nil	nil	nil
Peter Philipchuk[4] Managing Director, Exploration	2005 2004	120,000 60,000	36,000	nil	228,800 365,000	nil	nil	nil

Notes:

(1) Compensation payable on an annual basis.
(2) Each option entitles the holder to acquire one Common Share of the Corporation.
(3) Mr. Kiff was appointed President and Chief Executive Officer effective November 3, 2005.
(4) Mr. Philipchuk held the position of President from February 17, 2004 to November 3, 2005.

Stock Options

The following table sets forth information in respect of all option grants made during the 2005 calendar year to each of the Named Executive Officers.

Name	Securities under Options granted (#)	Percentage of total Options granted	Exercise or Base Price ($/Security)	Market Value of Securities underlying Options on the Date of Grant ($/Security)[1]	Expiration Date
William Kiff	100,000	8.9%	$1.25	$1.25	May 10, 2010
	53,800	7.5%	$1.55	$1.55	October 11, 2010
Shane Kozak	120,000	10.7%	$1.25	$1.25	May 10, 2010
	53,800	7.5%	$1.55	$1.55	October 11, 2010
Peter Philipchuk	175,000	15.6%	$1.25	$1.25	May 10, 2010
	53,800	7.5%	$1.55	$1.55	October 11, 2010

Note:

(1) The market value of the Common Shares was determined by the board of directors, based on pricing in private placements to arm's length parties.

The following table sets forth information in respect of the aggregate number of unexercised stock options held as at December 31, 2005 and the value of unexercised, in-the-money options as at December 31, 2005. The actual value of the unexercised in-the-money options will be determined by the market price of the Corporation's Common Shares on the dates such options may be exercised by any of the optionees.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ($)	Unexercised Options at December 31, 2005		Value of Unexercised in-the-money Options at December 31, 2005(1)(2)	
			Exercisable (#)	Unexercisable (#)	Exercisable ($)	Unexercisable ($)
William Kiff	nil	nil	187,133	116,667	169,210	110,000
Shane Kozak	nil	nil	107,133	66,667	64,210	50,000
Peter Philipchuk	nil	nil	410,467	183,333	410,960	182,500

Notes:

(1) The market value of the Common Shares, as determined by the board of directors, on December 31, 2005 was $2.00.

(2) Calculated by multiplying the number of Common Shares purchasable on exercise of the options by the difference between the market price of the Common Shares on December 31, 2005 and the exercise price of the options.

Employment Contracts

The Corporation has entered into an executive employment agreement with William Kiff with an effective date of November 3, 2005. Under the terms of this agreement, Mr. Kiff is entitled to a base salary which is to be reviewed on an annual basis by the board of directors and an annual bonus which is based upon the achievement of certain targets relating to corporate performance.

The Corporation has entered into an executive employment agreement with Shane Kozak with an effective date of April 11, 2005. Under the terms of this agreement, Mr. Kozak is entitled to a base salary which may be reviewed by the board of directors from time to time and an annual bonus which is based upon the achievement of certain targets relating to corporate performance.

The term of the executive employment agreements are indefinite. The agreements may be terminated by the Corporation without notice or cause upon the payment of all accrued base salary and vacation pay and payment of 12 months annual base salary plus two times the average amount of the bonus payments paid to the officer for the 180 day period prior to the date of termination. In the event of a "change of control", as defined in the executive employment agreements, and upon termination of the officers' employment, such officer will be entitled to all accrued base salary and vacation pay and payment of 24 months annual base salary plus three times the average amount of the bonus payments paid to such officer for the 180 day period prior to the date of termination. The executive employment agreements also contain confidentiality, non-solicitation and non-disclosure provisions.

The Corporation has entered into a consulting agreement with Peter A. Philipchuk and Odin effective November 3, 2005 for a one year term which provides that Peter A. Philipchuk will serve the Corporation in the capacity of Managing Director of Exploration, and devote substantially all of his time to the Corporation. As consideration for that service, a consulting fee of $10,000 per month is payable to Mr. Philipchuk. Pursuant to the consulting agreement, Mr. Philipchuk and Odin have provided a right of first refusal to the Corporation with respect to any wells or lands which Mr. Philipchuk recommends be acquired or drilled outside of the Triangle Zone and which are not owned by WIN. If the Corporation does not elect to acquire the prospect, then it shall release the prospect to Mr. Philipchuk. The consulting agreement also contains confidentiality, non-solicitation and non-disclosure provisions.

Composition of the Compensation Committee

The Compensation Committee is comprised of Robert J. Iverach, Q.C., David McGoey and Victor G. Walls. Robert J. Iverach, Q.C. is Chairman of the Committee, which was established to consider the overall philosophy and policies in relation to compensation for the Corporation.

The Committee reviews and recommends to the board, policies in the following areas: corporate compensation and benefits policies, especially senior management and Chief Executive Officer compensation; terms and conditions of pension plans or other employee benefit plans if any; executive employment agreements relating to the Chief Executive Officer and officers of the Corporation; stock option grants to officers and employees of the Corporation; directors' compensation policy; and human resource strategies and major human resource policies.

Report of the Compensation Committee

Base salaries for the Named Executive Officers are reviewed annually by the Compensation Committee to ensure that they are competitive with other similarly sized corporations providing similar services to natural gas and oil exploration and development companies that conduct business in Western Canada so as to protect the Corporation's ability to hire and retain key personnel. As well as comparative salary information, individual salaries are determined based on level of responsibility, experience, performance and knowledge of the individual.

Compensation of Directors

No compensation is currently paid to directors who are not officers for their services as directors, except for a monthly payment of $2,500 to Keith W. Hern. Once the Corporation has obtained a public listing on the Exchange or the Toronto Stock Exchange, the board of directors has agreed in principle to increase the payment to Mr. Hern to $5,000 per month. All directors are eligible to receive grants of stock options from time to time. From inception to December 31, 2005, stock options to purchase 337,600 Common Shares were granted to the directors of the Corporation who were not officers.

ESCROWED SECURITIES

Certain security holders of the Corporation will be subject to escrow requirements pursuant to National Policy 46-201, Escrow for Initial Public Offerings. National Policy 46-201 requires that certain securities held by a "principal" of an issuer be held in escrow. The securities held by these persons will be held in escrow pursuant to the Escrow Agreement between the Corporation and Computershare Trust Company of Canada. The number and percentage of each class of securities of the Corporation that are subject to escrow is as follows.

Class of Securities	Number of Securities Held in Escrow	Percentage of Class
Common Shares[1]	4,900,222	10.5%
Options	1,484,000	43.3%

Escrow restricts the ability of certain holders to deal with their escrow securities while they are in escrow. The Escrow Agreement sets out these restrictions and provides that, except to the extent permitted thereunder, a principal cannot sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way with such holder's escrow securities or the related share certificates or other evidence of the escrow securities. A private company, controlled by one or more principals of the Corporation, that holds escrow securities of the Corporation, may not participate in a transaction that results in a change of its control or a change in the economic exposure of the principals to the risks of holding escrow securities.

The securities will be released from escrow over an 18 month period as follows.

(a) 25% immediately following the date of listing;
(b) 25% six months following listing;
(c) 25% 12 months following listing; and
(d) 25% 18 months following listing.

Seed Share Resale Restrictions

Pursuant to its policies, the Exchange may impose hold periods of various lengths which apply where seed shares have been issued to non-principals prior to an initial public offering. The purchase price of the seed shares, and the time of their purchase relative to the date the Exchange issues conditional acceptance for the initial public offering, determines which, if any, Exchange hold periods apply. Seed Share Resale Restrictions do not replace any hold periods that are imposed by securities laws; they are in addition to, and run concurrently with, such hold periods. There are a total of 440,000 Common Shares held by non-principals of the Corporation that will be subject to these restrictions, representing 0.9% of the issued and outstanding Common Shares prior to the completion of the Offering and 0.•% of the Common Shares issued and outstanding after completion of the Offering. These Seed Shares will be subject to the Seed Share Escrow Agreement and will be held for up to eighteen months and released on the same schedule as the Escrow Agreement.

DETAILS OF THE OFFERING

The Offering consists of 7,500,000 Units and 2,083,334 Flow-Through Shares. Each Unit consists of one Common Share and one half of one Warrant. Each whole Warrant entitles the holder thereof to purchase one Common Share at a price of $2.50 at any time during the period of 24 months from the date of closing of the Offering. The Common Shares and Warrants constituting the Units will be separated immediately following the issuance of the Units. In addition the Corporation has granted to the Underwriters the Underwriters' Unit Option, the Underwriters' Flow-Through Option and the Unit Over-allotment Option.

Common Shares

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value, of which 46,600,791 Common Shares were issued and outstanding as at the date hereof. See "Description of Share Capital" for a summary of the material attributes and characteristics of the Common Shares.

Warrants

The Warrants will be issued under an indenture (the "Warrant Indenture") to be entered into between the Corporation and Computershare Trust Company of Canada (the "Warrant Trustee") on or before the closing of the Offering. The Corporation will appoint the principal transfer office of the Warrant Trustee in Calgary as the location at which the Warrants may be surrendered for exercise, transfer or exchange. Under the Warrant Indenture, the Corporation may, subject to applicable law, purchase in the market, by private contract or otherwise, any of the Warrants then outstanding, and any Warrants so purchased will be cancelled.

The Warrant Indenture will provide for adjustment in the number of Common Shares issuable upon the exercise of the Warrants and/or the exercise price per Common Share upon the occurrence of certain events, including:

(i) the issuance of Common Shares or securities exchangeable for or convertible into Common Shares at no additional cost to all or substantially all of the holders of the Common Shares by way of a stock dividend or other distribution (other than a "dividend paid in the ordinary course", as defined in the Warrant Indenture);

(ii) the subdivision, redivision or change of the Common Shares into a greater number of shares;

(iii) the consolidation, reduction or combination of the Common Shares into a lesser number of shares;

(iv) the issuance to all or substantially all of the holders of the Common Shares of rights, options or warrants under which such holders are entitled, during a period expiring not more than 45 days after the record date for such issuance, to subscribe for or purchase Common Shares, or securities exchangeable for or convertible into Common Shares, at a price per share to the holder (or at an exchange or conversion price per share) of less than 95% of the "current market price", as defined in the Warrant Indenture, for the Common Shares on such record date; and

(v) the issuance or distribution to all or substantially all of the holders of the Common Shares of securities of the Corporation including rights, options or warrants to acquire shares of any class of securities exchangeable or convertible into any such shares or property or assets and including evidences of indebtedness, or any property or other assets.

The Warrant Indenture will also provide for adjustment in the class and/or number of securities issuable upon the exercise of the Warrants and/or exercise price per security in the event of the following additional events:

(i) reclassification of the Common Shares (other than as described above);

(ii) consolidations, amalgamations, arrangements or mergers of the Corporation with or into any other corporation or other entity (other than consolidations, amalgamations, arrangements or mergers which do not result in any reclassification of the outstanding Common Shares or a change of the Common Shares into other shares); or

(iii) the transfer of the undertaking or assets of the Corporation as an entirety or substantially as an entirety to another corporation or other entity.

No adjustment in the exercise price or the number of Common Shares purchasable upon the exercise of the Warrants will be required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the prevailing exercise price or a change in the number of Common Shares purchasable upon exercise by at least one one-hundredth of a Common Share, as the case may be.

The Corporation will also covenant in the Warrant Indenture that, during the period in which the Warrants are exercisable, it will give notice to each registered holder of Warrants (each, a "Warrantholder") of certain stated events, including events that would result in an adjustment to the exercise price for the Warrants or the number of Common Shares issuable upon exercise of the Warrants, at least 10 business days prior to the record date or effective date, as the case may be, of such event.

No fractional Common Shares will be issuable upon the exercise of any Warrants, but cash will be paid in lieu of any fractional share entitlement based on the "current market value", as defined in the Warrant Indenture, of the Common Shares, provided that the Corporation shall not be required to make any such cash payment that is less than $10.00. Warrantholders will not have any voting or pre-emptive rights or any other rights which a holder of Common Shares would have.

From time to time, the Corporation and the Warrant Trustee, without the consent of the Warrantholders, may amend or supplement the Warrant Indenture for certain purposes, including correcting or rectifying any ambiguities, defects or inconsistencies or making any change that does not prejudice the rights of any Warrantholder. Any amendment or supplement to the Warrant Indenture that would prejudice the interests of the Warrantholders may only be made by "extraordinary resolution", which is defined in the Warrant Indenture as a resolution either (1) passed at a meeting of the Warrantholders at which there are Warrantholders present in person or represented by proxy representing at least 10% of the aggregate number of the then outstanding Warrants (unless such meeting is adjourned to a prescribed later date due to a lack of quorum, at which adjourned meeting the Warrantholders present in person or by proxy shall form a quorum) and passed by the affirmative vote of Warrantholders representing not less than 66 2/3% of the aggregate number of all the then outstanding Warrants represented at the meeting and voted on the poll upon such resolution, or (2) adopted by an instrument in writing signed by the Warrantholders representing not less than 66 2/3% of the aggregate number of all the then outstanding Warrants.

The Warrants and the Common Shares issuable upon exercise thereof have not been registered under the 1933 Act or the laws of any state of the United States. The Warrants may not be exercised in the United States or by or on behalf of a U.S. person (as defined in Regulation S under the 1933 Act) unless an exemption is available from the registration requirements of the 1933 Act and any applicable state securities laws and the holder has delivered an opinion of counsel satisfactory to the Corporation to such effect.

Flow-Through Shares

Subscriptions for Flow-Through Shares will be made by the Underwriters, or any sub-agents of the Underwriters, as agents for and on behalf of all Flow-Through Subscribers. Flow-Through Subscribers who place an order to purchase Flow-Through Shares will be deemed to have authorized the Underwriters, or any sub-agents of the Underwriters, to execute, on their behalf, a Flow-Through Agreement. The Flow-Through Agreement will contain, among other things, the following representations and warranties made by the Flow-Through Subscriber to the Corporation, namely, that:

(a) the subscription by each Flow-Through Subscriber is subject to the acceptance of the Corporation and is effective only upon such acceptance;

(b) each Flow-Through Subscriber has received and reviewed a copy of this prospectus;

(c) each Flow-Through Subscriber waives any right he or she may have to any federal or provincial credits, grants or similar or like payments, other than as set out in this prospectus arising or resulting from the incurring of Qualifying Expenditures and acknowledges that such credits, grants and similar or like payments shall belong to, be vested in and accrue solely to the benefit of the Corporation;

(d) the obligation of the Corporation to renounce Qualifying Expenditures shall be limited to the extent specifically stated in this prospectus;

(e) each Flow-Through Subscriber is not a non-resident of Canada for the purposes of the Tax Act;

(f) each Flow-Through Subscriber is of the full age of majority and has the legal capacity and competence to enter into and be bound by the Flow-Through Agreement; and

(g) the Flow-Through Subscribers presently deal, and will at all relevant times continue to deal, at arm's length with the Corporation for the purposes of the Tax Act.

The Corporation will covenant to incur, on or before December 31, 2007, and, effective on or before December 31, 2006, renounce to each Flow-Through Subscriber, CEE in an amount equal to the aggregate purchase price for the Flow-Through Shares paid by such Flow-Through Subscriber.

Adjustment Shares

The Adjustment Shares are issuable pursuant to the terms Special Warrant Indenture respecting the 6,160,200 Special Warrants of the Corporation issued between December 22, 2005 and January 17, 2006 and represent an additional 0.05263157 Common Shares per Special Warrant. The Corporation will not receive any additional proceeds from the issuance of the Adjustment Shares. The calculation of the Adjustment Shares was made by the Corporation and for the purposes of this calculation the Corporation has determined a value of $0.20 per Warrant ($0.10 per half Warrant).

PLAN OF DISTRIBUTION

Pursuant to the Underwriting Agreement, the Corporation has agreed to issue and sell 7,500,000 Units in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador, and the Underwriters have severally agreed to purchase all such Units, as principals, on the Closing, subject to the conditions stipulated in the Underwriting Agreement. Delivery of the Units is conditional upon payment on Closing of $2.00 per Unit by the Underwriters to the Corporation. In addition, the Corporation has appointed the Underwriters as the sole and exclusive agents of the Corporation to offer for sale 2,083,334 Flow-Through Shares, subject to the terms and conditions contained in the Underwriting Agreement, at a price of $2.40 per Flow-Through Share. The Underwriters have agreed that if less than all of the 2,083,334 Flow-Through Shares are sold by the Underwriters as agents, the Underwriters shall purchase, as principals, all of the Flow-Through Shares not sold by the Underwriters as agents at $2.40 per Flow-Through Share. The amount of funds to be raised under the Offering is $20,000,001.60. The Corporation has agreed to pay the Underwriters a fee equal to 6.25% of the gross proceeds from the sale of securities pursuant to the prospectus, being $0.125 per Unit and $0.15 per Flow-Through Share. The Offering Price for the Units and the Flow-Through Shares, and the exercise price of the Warrants was determined by negotiation between the Corporation and the Underwriters.

All fees payable to the Underwriters will be paid on account of services rendered in connection with the Offering and will be paid from the proceeds from the Offering.

The Exchange has conditionally approved the listing of the Common Shares. Listing is subject to WIN fulfilling all of the requirements of the Exchange. There is currently no market through which the securities of the Corporation may be sold. Accordingly, the price of the Units and the Flow-Through Shares was determined through negotiations between the Corporation and the Underwriters. The obligations of the Underwriters under the Underwriting Agreement may be terminated by the Underwriters at any time in their sole discretion on the basis of its assessment of the state of the financial markets and on the occurrence of certain stated events. The Underwriters have reserved the right to offer selling group participation in the Offering to other registered investment dealers. Any fees payable to members of such selling group will be paid by the Underwriters out of their fee.

Pursuant to the Underwriting Agreement, the Corporation granted to the Underwriters the Underwriters' Unit Option pursuant to which an additional 2,500,000 Units may be distributed and sold, and the Underwriters' Flow-Through Option, pursuant to which an additional 1,250,000 Flow-Through Shares may be distributed and sold. This prospectus qualifies the distribution of Common Shares and Warrants issuable on exercise of the Underwriters' Unit Option and the Flow-Through Shares issuable on the exercise of the Underwriters' Flow-Through Option.

The Corporation has also granted to the Underwriters, the Unit Over-allotment Option, which is exercisable for a period of 30 days from the Closing of the Offering, and gives the Underwriters the right to purchase a number of additional Units that is equal to 15% of the Units purchased or distributed pursuant to this prospectus, at a purchase price of $2.00 per Unit, solely to cover over-allotments, if any. This prospectus qualifies the distribution of the Common Shares and Warrants comprising the Units issuable upon the exercise of the Unit Over-allotment Option.

It is expected that the Closing will take place on or about July 19, 2006 subject to postponement, as the Underwriters and Corporation may agree, to not later than July 28, 2006. Definitive certificates representing the securities of the Corporation offered pursuant to this prospectus will be available for delivery at Closing.

Until such time as a Closing has occurred in respect of the Offering, all subscription funds received by the Underwriters will be held, pending Closing of the Offering, pursuant to the provisions of the Underwriting Agreement. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice.

The Corporation has agreed that, subject to certain exceptions, it will not offer or issue, or enter into an agreement to offer or issue, Common Shares or any securities convertible or exchangeable into Common Shares for a period of 180 days subsequent to the Closing of the Offering without the consent of the Underwriters, which consent may not be unreasonably withheld. In addition, each of the directors and senior officers of the Corporation has agreed with the Underwriters to not transfer Common Shares held by such persons for a period of 180 days subsequent to the Closing of the Offering without the consent of the Underwriters, which consent may not be unreasonably withheld.

The Common Shares and the Warrants comprising the Units and the Flow-Through Shares have not been and will not be registered under the 1933 Act and, except in limited circumstances, may not be offered or sold in the United States. The Underwriters have agreed that they will not offer or sell these securities within the United States except for sales by their U.S. dealer-broker affiliates in transactions exempt from the registration requirements of the 1933 Act. In addition, until 40 days after the commencement of this Offering, an offer or sale of the Common Shares and the Warrants comprising the Units and the Flow-Through Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the 1933 Act if such offer or sale is made otherwise than in accordance with an exemption under the 1933 Act.

Pursuant to applicable rules and/or policy statements of the Ontario Securities Commission and certain regulatory authorities the Underwriters may not, throughout the period of distribution under this prospectus, bid for or purchase the securities of the Corporation. The foregoing restriction is subject to certain exceptions, provided that the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the securities of the Corporation. These exceptions include a bid or purchase permitted under the rules of applicable self-regulatory organizations relating to market stabilization and passive market-making activities and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing and applicable laws, the Underwriters may over-allot or effect transactions in connection with the Offering intended to stabilize or maintain the market price of the Common Shares at levels above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The Underwriting Agreement also provides that the Corporation will indemnify the Underwriters and their directors, officers, employees, shareholders and agents against certain liabilities and expenses and will contribute to payments that the Underwriters may be required to make in respect thereof.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Macleod Dixon LLP, counsel to the Corporation, and Borden Ladner Gervais LLP, counsel to the Underwriters, the following summary describes the principal Canadian federal income tax considerations pursuant to the Tax Act and the regulations thereunder (the "Regulations") generally applicable to a holder who acquires Units or Flow-Through Shares pursuant to this offering and who, for purposes of the Tax Act and all relevant times, holds the Common Shares, Warrants and Flow-Through Shares (the "Securities") as capital property, is resident or deemed to be resident of Canada and deals at arm's length with the Corporation. Generally, the Securities will be considered to be capital property to a holder provided the holder does not hold the Securities in the course of carrying on a business of trading or dealing in securities and has not acquired them in one or more transactions considered to be an adventure in the nature of trade. Certain holders who might not otherwise be considered to hold their Common Shares and Warrants as capital property may, in certain circumstances, be entitled to have the Common Shares (other than Flow-Through Shares) and Warrants treated as capital property by making the election permitted by subsection 39(4) of the Tax Act. This summary does not apply to a subscriber (i) that is a "principal-business corporation" within the meaning of the Tax Act; (ii) whose business includes trading or dealing in rights, licenses or privileges to explore for, drill for or take minerals, petroleum, natural gas or other related hydrocarbons; (iii) that is a "financial institution", "specified financial institution" or an interest in which constitutes a "tax shelter investment", all within the meaning of the Tax Act; or (iv) that is a partnership or trust. Any such subscriber should consult its own tax advisor with respect to an investment in the Units.

This summary is based upon the provisions of the Tax Act and the Regulations in force as of the date hereof, all specific proposals to amend the Tax Act and the Regulations that have been publicly announced prior to the date hereof (the "Proposed Amendments") and counsels' understanding of applicable jurisprudence and the current published administrative practices of the Canada Revenue Agency. This summary assumes the Proposed Amendments will be enacted in the form proposed, however, no assurance can be given that the Proposed Amendments will be enacted in the form proposed, if at all.

This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Proposed Amendments, does not take into account any changes in the law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any purchaser of Securities, and no representations with respect to the income tax consequences to any purchaser are made. Consequently, purchasers of Securities should consult their own tax advisors for advice with respect to the tax consequences to them of acquiring Securities pursuant to this offering, having regard to their particular circumstances.

Units

<u>Allocation of Purchase Price</u>

A subscriber for a Unit will be required to allocate the subscription price paid for such Unit (together with any reasonable acquisition costs) on a reasonable basis among the Common Share and the Warrant received by the subscriber for purposes of determining the cost of each for income tax purposes. The Corporation is of the view that it is reasonable to allocate $1.90 to each Common Share and $0.10 for each half Warrant. While the Corporation is of the view that such allocation is reasonable, such allocation is not binding on the Canada Revenue Agency.

Exercise or Expiry of Warrants

The exercise of Warrants in exchange for Common Shares will not be considered to be a disposition of property for tax purposes, rather, the cost to the subscriber of such Warrants plus the amount paid on the exercise of the Warrants will constitute the cost to the subscriber of the Common Shares so acquired. As a result, no gain or loss will be realized on the acquisition by the holder of Common Shares pursuant to the exercise of the Warrants. In determining a subscriber's adjusted cost base in any Common Shares, the cost of the Common Shares acquired on exercise of the Warrants must generally be averaged with the cost of any other Common Shares (including any Flow-Through Shares) held by such subscriber as capital property.

The expiry of an unexercised Warrant will generally result in a capital loss to the subscriber equal to the adjusted cost base of the Warrant.

Flow-Through Shares

This summary assumes that the Corporation will make all necessary tax filings in respect of the issuance of the Flow-Through Shares and the renunciation of CEE in the manner and within the time required by the Tax Act and the Regulations, that the Corporation will incur sufficient CEE to enable it to renounce to subscribers all of the CEE covenanted to be renounced by the Corporation pursuant to the Flow-Through Agreements effective on the dates set out therein and that all expenses discussed herein will be reasonable in amount. This summary assumes that the Corporation will be a "principal-business corporation" at all material times and that the Flow-Through Shares, when issued, will be "flow-through shares" and will not be "prescribed shares", all within the meaning of the Tax Act.

Canadian Exploration Expense

The Corporation will be entitled to renounce CEE incurred by it to subscribers in an amount equal to the subscription price for the Flow-Through Shares as permitted by and in accordance with the Tax Act. Such CEE that is properly renounced to a subscriber will be deemed to be CEE incurred by the subscriber on the effective date of the renunciation.

The Corporation generally will be entitled to renounce CEE incurred by it on or after the date that subscriptions for the Flow-Through Shares are accepted, less (i) any previous renunciations with respect to such expenses, (ii) any portion of those expenses which are prescribed under the Regulations as being "Canadian exploration and development overhead expenses", (iii) certain seismic expenses, and (iv) any assistance that the Corporation has received, is entitled to receive, or may reasonably be expected to receive at any time which is reasonably related to those expenses. The Corporation may not renounce to subscribers an amount in excess of the amount paid by the subscribers for the Flow-Through Shares. The Corporation will not be entitled to renounce CEE to the extent that such renunciation, if effective, would cause the Corporation's own cumulative CEE ("CCEE") to be a negative amount.

Certain CEE incurred pursuant to a Flow-Through Agreement and within 12 months after the end of the calendar year in which the Flow-Through Agreement was entered into (the "preceding calendar year") can be treated as if incurred in the preceding calendar year, provided that the subscription price for the relevant flow-through shares has been paid for in money during the preceding calendar year, the subscriber deals at arm's length with the Corporation throughout that 12 month period and the renunciation has been duly made within 90 days after the end of such preceding calendar year. In the event the Corporation does not fully expend the amounts renounced by the end of the year of the renunciations the Corporation will be required to reduce the amount previously renounced and the subscribers' income tax returns for the years in which the expenditures were claimed will be reassessed accordingly. However, interest would generally not be levied in respect of such reassessments until April, 2008.

A subscriber for Flow-Through Shares to whom the Corporation renounces CEE will have such CEE added to the subscriber's CCEE. A subscriber may deduct in computing the subscriber's income from all sources for a taxation year an amount not exceeding 100% of the balance of the subscriber's CCEE at the end of that taxation year. Deductions claimed by a subscriber reduce the subscriber's CCEE by the amount claimed. To the extent that a subscriber does not deduct the full CCEE balance at the end of the taxation year, the balance will be carried forward and the subscriber will be entitled to claim deductions in respect thereof in subsequent taxation years in accordance with, and subject to the restrictions under, the provisions of the Tax Act. If at the end of a taxation year the reductions in calculating a subscriber's CCEE exceed the additions thereto, the excess must be included in computing the subscriber's income for that year and the subscriber's CCEE will thereupon have a nil balance. The disposition of Flow-Through Shares will not reduce a subscriber's CCEE. Certain restrictions apply in respect of the deduction of CCEE following an acquisition of control and certain reorganizations of a corporate subscriber. Corporate subscribers should consult their own tax advisors with respect to the application of these rules.

A subscriber who disposes of Flow-Through Shares will retain the entitlement to receive renunciations of CEE from the Corporation as described above, as well as the ability to deduct any CEE previously deemed to have been incurred by the subscriber, and a subsequent purchaser of such Flow-Through Shares will not be entitled to any renunciation of any CEE in respect thereof.

Adjusted Cost Base

For tax purposes, the initial cost to a subscriber of the Flow-Through Shares is deemed to be nil. The adjusted cost base of any Flow-Through Shares acquired pursuant to this Offering will generally be the average of the cost of all such shares including all other Common Shares acquired by the holder under this offering or otherwise held by the holder for the purpose of calculating capital gains or capital losses on subsequent dispositions of such shares.

Cumulative Net Investment Loss

One half of the amount of CEE renounced to a subscriber will increase the subscriber's cumulative net investment loss ("CNIL"). A subscriber's CNIL may impact a subscriber's ability to claim the capital gains deduction available on the disposition of certain qualifying small business corporation shares and farm property.

Minimum Tax

Pursuant to the alternative minimum tax rules in the Tax Act, the tax otherwise payable under Part I of the Tax Act by an individual (other than certain trusts) will not be less than the minimum amount computed by reference to the individual's "adjusted taxable income" for the year. For these purposes the minimum amount generally means the "aggregate percentage" (effective rate of 15.25% for 2006) of adjusted taxable income in excess of $40,000. In calculating adjusted taxable income for this purpose, certain deductions and credits otherwise available are disallowed and certain amounts otherwise not taxable are included in income. These disallowed items include deductions for CEE to the extent the deductions exceed the individual's resource income before deduction of those amounts, and deductions for carrying charges which relate to an investment in flow-through shares to the extent that such deductions exceed the individual's resource income after deductions for resource expenses, including CEE. Also included in adjusted taxable income are 80% of capital gains. Whether and to what extent a particular individual will be subject to minimum tax will depend upon the amount of the individual's income, the sources from which it is derived and the nature and amount of any deductions that are claimed. Any additional tax payable for a year resulting from the application of the minimum tax provisions is recoverable to the extent the tax otherwise determined exceeds the minimum amount for any of the following seven taxation years.

Disposition of Warrants, Common Shares or Flow-Through Shares

Any disposition or deemed disposition of Warrants (other than on the exercise thereof), Common Shares or Flow-Through Shares by a subscriber (other than to the Corporation) will result in the realization of a capital gain (or capital loss) in the taxation year of the disposition to the extent the proceeds of disposition exceed (or are exceeded by) the aggregate of the adjusted cost base of the disposed property and any reasonable costs of disposition.

One-half of the amount of any capital gain (a "taxable capital gain") realized by a subscriber in a taxation year generally must be included in the income of the subscriber for the year, and one-half of any capital loss (an "allowable capital loss") realized by a subscriber in a taxation year may be deducted from taxable capital gains realized by the subscriber in that year. Allowable capital losses in excess of taxable capital gains may generally be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and under the circumstances described in the Tax Act. Where a loss is otherwise realized by a corporation on Common Shares or Flow-Through Shares, the amount of the loss may be reduced in respect of dividends received on the disposed shares, in accordance with certain rules in the Tax Act.

A subscriber that throughout the relevant taxation year is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay a refundable tax of 6 2/3% on certain investment income, including taxable capital gains.

INDUSTRY CONDITIONS

The natural gas and oil industry is subject to extensive controls and regulations imposed by various levels of government. Outlined below are some of the more significant aspects of the legislation, regulations and agreements governing the natural gas and oil industry. All current legislation is a matter of public record and the Corporation is unable to predict what additional legislation or amendments may be enacted.

Canadian Government Regulation

The natural gas and oil industry is subject to extensive controls and regulations imposed by various levels of government. It is not expected that any of these controls or regulations will affect the operations of the Corporation in a manner materially different than they would affect other natural gas and oil companies of similar size.

Pricing and Marketing Oil

In Canada, producers of oil negotiate sales contracts directly with oil purchasers, with the result that the market determines the price of oil. The price depends in part on oil quality, prices of competing fuels, distance to market, the value of refined products and the supply/demand balance. Oil exports may be made pursuant to export contracts with terms not exceeding one year in the case of light crude, and not exceeding two years in the case of heavy crude, provided that an order approving any such export has been obtained from the NEB. Any oil export to be made pursuant to a contract of longer duration (to a maximum of 25 years) requires an exporter to obtain an export licence from the NEB and the issue of such a licence requires the approval of the Governor in Council.

Pricing and Marketing Natural Gas

In Canada, the price of natural gas sold in interprovincial and international trade is determined by negotiation between buyers and sellers. Natural gas exported from Canada is subject to regulation by the NEB and the Government of Canada. Exporters are free to negotiate prices and other terms with purchasers, provided that the export contracts continue to meet certain criteria prescribed by the NEB and the Government of Canada. Natural gas exports for a term of less than two years or for a term of two to 20 years (in quantities of not more than 30,000 m^3/day), must be made pursuant to an NEB order. Any natural gas export to be made pursuant to a contract of longer duration (to a maximum of 25 years) or a larger quantity requires an exporter to obtain an export licence from the NEB and the issue of such a licence requires the approval of the Governor in Council.

The government of Alberta also regulates the volume of natural gas that may be removed from the province for consumption elsewhere based on such factors as reserve availability, transportation arrangements and market considerations.

The North American Free Trade Agreement

On January 1, 1994, NAFTA became effective among the governments of Canada, the United States of America and Mexico. NAFTA carries forward most of the material energy terms contained in the Canada U.S. Free Trade Agreement. In the context of energy resources, Canada continues to remain free to determine whether exports to the United States of America or Mexico will be allowed provided that any export restrictions do not: (i) reduce the proportion of energy resource exported relative to domestic use (based upon the proportion prevailing in the most recent 36 month period), (ii) impose an export price higher than the domestic price, and (iii) disrupt normal channels of supply. All three countries are prohibited from imposing minimum export or import price requirements.

NAFTA contemplates the reduction of Mexican restrictive trade practices in the energy sector and prohibits discriminatory border restrictions and export taxes. NAFTA also contemplates clearer disciplines on regulators to ensure fair implementation of any regulatory changes and to minimize disruption of contractual arrangements, which is important for Canadian natural gas exports.

Royalties and Incentives

In addition to federal regulation, each province has legislation and regulations that govern land tenure, royalties, production rates, environmental protection and other matters. The royalty regime is a significant factor in the profitability of natural gas and oil production. Royalties payable on production from lands other than Crown lands are determined by negotiations between the mineral owner and the lessee. Crown royalties are determined by government regulation and are generally calculated as a percentage of the value of the gross production, and the rate of royalties payable generally depends in part on prescribed reference prices, well productivity, geographical location, field discovery date and the type or quality of the petroleum product produced.

From time to time the governments of Canada and Alberta have established incentive programs which have included royalty rate reductions, royalty holidays and tax credits for the purpose of encouraging natural gas and oil exploration or enhanced planning projects.

Regulations made pursuant to the *Mines and Minerals Act* (Alberta) provide various incentives for exploring and developing oil reserves in Alberta. Oil produced from horizontal extensions commenced at least five years after the well was originally spudded may also qualify for a royalty reduction. A 24 month, 8,000 m^3 exemption is available to production from a well that has not produced for a 12 month period, if resuming production after February 1, 1993. As well, oil production from eligible new field and new pool wildcat wells and deeper pool exploration wells spudded or deepened after September 30, 1992 is entitled to a 12 month royalty exemption (to a maximum of $1 million). Oil produced from low productivity wells, enhanced recovery schemes (such as injection wells) and experimental projects is also subject to royalty reductions.

The Alberta government has also introduced a third tier royalty with a base rate of 10% and a rate cap of 25% for oil pools discovered after September 30, 1992. The new oil royalty reserved to the Crown has a base rate of 10% and a rate cap of 30%. The old oil royalty reserved to the Crown has a base rate of 10% and a rate cap of 35%.

In the Province of Alberta, the royalty reserved to the Crown in respect of natural gas production, subject to various incentives, is between 15% and 30%, in the case of new natural gas, and between 15% and 35%, in the case of old natural gas, depending upon a prescribed or corporate average reference price. Natural gas produced from qualifying exploration natural gas wells spudded or deepened after July 31, 1985 and before June 1, 1988 is eligible for a royalty exemption for a period of 12 months, up to a prescribed maximum amount. Natural gas produced from qualifying intervals in eligible natural gas wells spudded or deepened to a depth below 2,500 meters is also subject to a royalty exemption, the amount of which depends on the depth of the well.

In Alberta, a producer of oil or natural gas is entitled to a credit on qualified natural gas and oil production against the royalties payable to the Crown by virtue of the ARTC. This tax credit program is based on a price sensitive formula, and the ARTC rate varies between 75%, at prices for oil below $100 per m^3, and 25%, at prices above $210 per m^3. The ARTC rate is applied to a maximum of $2,000,000 of Alberta Crown royalties payable for each producer or associated group of producers. Crown royalties on production from producing properties acquired from corporations claiming maximum entitlement to ARTC will generally not be eligible for ARTC. The rate is established quarterly based on the average "par price", as determined by the Alberta Department of Energy for the previous quarterly period.

On December 22, 1997, the Alberta government announced that it was conducting a review of the ARTC program with the objective of setting out better targeted objectives for a smaller program and to deal with administrative difficulties. On August 30, 1999, the Alberta government announced that it would not be reducing the size of the program but that it would introduce new rules to reduce the number of persons who qualify for the program. The new rules preclude companies that pay less than $10,000 in royalties per year and non corporate entities from qualifying for the program.

Land Tenure

Crude natural gas and oil located in the western provinces is owned predominantly by the respective provincial governments. Provincial governments grant rights to explore for and produce natural gas and oil pursuant to leases, licences and permits for varying terms from two years and on conditions set forth in provincial legislation including requirements to perform specific work or make payments. Natural gas and oil located in such provinces can also be privately owned and rights to explore for and produce such natural gas and oil are granted by lease on such terms and conditions as may be negotiated.

Canadian Environmental Regulation

The natural gas and oil industry is currently subject to environmental regulation pursuant to provincial and federal legislation. Environmental legislation provides for restrictions and prohibitions on releases or emissions of various substances produced or utilized in association with certain oil and gas industry operations. In addition, legislation requires that well, facility and pipeline sites be abandoned and reclaimed to the satisfaction of provincial authorities. A breach of such legislation may result in the imposition of fines and penalties.

In Alberta, environmental compliance has been governed by the AEPEA since September 1, 1993. In addition to replacing a variety of older statutes that related to environmental matters, the AEPEA also imposes certain other environmental responsibilities on natural gas and oil operators in Alberta and in certain instances also imposes greater penalties for violations.

RISK FACTORS

Subscribers for Units or Flow-Through Shares should carefully consider the following risk factors, in addition to the other information contained in this prospectus, before purchasing the securities. The risks and uncertainties below are not the only ones facing the Corporation. Additional risks and uncertainties not presently known to the Corporation or that the Corporation currently considers immaterial may also impair the business and operations of the Corporation and cause the price of the securities of the Corporation to decline. If any of the following risks actually occur, the Corporation's business may be harmed and the financial condition and results of operation may suffer significantly. In that event, the trading price of the Common Shares could decline and purchasers of the Units or the Flow-Through Shares may lose all or part of their investment. Prospective investors should review the risks with their legal and financial advisors and should consider, in addition to the matters set forth elsewhere in this prospectus, the following risks of purchasing the Units or the Flow-Through Shares.

An investment in the Units or the Flow-Through Shares involves risks that are described in this "Risk Factors" section of this prospectus. An investment in the securities of the Corporation is suitable only for purchasers who are aware of such risks and who have the ability and willingness to accept the risk of total loss of their invested capital.

Stage of Development

The business of the Corporation should be considered speculative due to its present stage of development. The Corporation acquired its first natural gas and oil property in June 2004 and is in the early stages of carrying on business. It has had limited production to date. There can be no assurance as to when or whether the Corporation will begin generating revenues or net income. If the Corporation does begin to generate revenues or net income, there can be no assurance it will be able to sustain or increase its revenue or net income in the future.

Speculative Nature of Exploratory and Developmental Natural Gas Activities

The Corporation's natural gas exploration and development activities are focused on undeveloped natural gas rights which are high-risk ventures with uncertain prospects for success. In addition, the Corporation's initial operations will be exploratory only, which increases the degree of risk substantially as compared to properties in the development stage. The Corporation will have no earnings to support it should the wells drilled or properties acquired prove not to be commercially viable. At present, the Corporation does not own or have any interest in any producing developed petroleum rights.

The Corporation's exploration and development activities in the Southern Alberta Foothills Belt will depend in part on the evaluation of data obtained through geophysical testing and geological analysis. The results of such studies and tests are often subject to varying interpretations, and no assurances can be given that such activities will produce natural gas in commercial quantities. Additional data required for proper evaluation of the Cowley and Todd Creek properties will become available after drilling. The exploration and development activities that will be undertaken by the Corporation are subject to greater risks than those normally associated with the acquisition and ownership of producing properties. The drilling of development wells, although generally consisting of drilling to reservoirs believed to be productive, may result in dry holes or a failure to produce natural gas in commercial quantities. Moreover, any drilling of exploration wells is subject to significant risk of dry holes.

Given the exploration stage of the Corporation's operations, it has not proceeded to negotiate contracts for the sale or delivery of natural gas and NGLs which has been or may be found on the Cowley and Todd Creek properties. The Corporation intends to proceed with such activities in the foreseeable future. There is no guarantee that any such contracts will be obtainable or, if obtainable, will be on terms which are economically viable in respect of the production of natural gas and NGLs from the Cowley and Todd Creek properties. The marketability of any natural gas and NGLs that may be discovered by the Corporation will be affected by numerous factors beyond the control of the Corporation, including market fluctuations, the supply and demand for natural gas, the proximity and capacity of natural gas pipelines and processing equipment and government regulations, including regulations relating to the prices, taxes, royalties, land tenure, allowable production, the import and export of natural gas and environmental protection. These factors cannot be predicted.

Additional Financing Requirements

The Corporation's assets have not commenced production because there is no midstream infrastructure in the area in which the Corporation operates. As a result, the Corporation requires additional financing in order to complete construction of a natural gas gathering system, pipeline and processing facility. Without additional financing, the Corporation's ability to generate operating cash flows will be greatly jeopardized.

Once the Corporation's assets are on production, the cash flow from its reserves may not be sufficient to fund its ongoing activities. From time to time, the Corporation may require additional financing in order to execute its acquisition, exploration and development programs. Failure to obtain financing in a timely manner could cause the Corporation to dispose of working interests in properties, pass up acquisition opportunities and reduce or shut-in its operations. If the Corporation's cash flow from operations is not sufficient to satisfy its capital expenditure budget, there can be no assurance that additional financing will be available to meet these requirements.

If alternative sources of financing are required, but are insufficient or unavailable, the Corporation will be required to modify its growth and operating plans in accordance with the extent of available funding, which could have an adverse effect on the Corporation's business and results of operations.

Issuance of Debt

From time to time the Corporation may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed partially or wholly with debt, which may increase WIN's debt levels above industry standards. Depending on future exploration and development plans, WIN may require additional equity and/or debt financing that may not be available or, if available, may not be available on favourable terms. Neither WIN's articles nor its by-laws limit the amount of indebtedness that WIN may incur. The level of WIN's indebtedness from time to time, could impair WIN's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Dependence Upon Key Personnel

The Corporation's success depends upon its ability to attract, train and retain highly qualified key management and operations personnel. Hiring employees with the combination of skills and attributes required to carry out the Corporation's strategy is competitive. Such employees may voluntarily terminate their employment with the Corporation at any time. There can be no assurance that the Corporation will be able to retain or to successfully identify, attract, hire and train additional qualified personnel. The loss of the services of key personnel or the inability to attract additional qualified personnel could have a material adverse effect on the Corporation's business and results of operations. The Corporation does not expect to obtain key man insurance on its management.

Reserves

The process of estimating natural gas and oil reserves is complex and involves a significant number of decisions and assumptions in evaluating available geological, geophysical, engineering and economic data. As a result of these complexities, reserves estimates are inherently uncertain. In addition, there are numerous uncertainties in forecasting the amounts and timing of future drilling, production, costs, expenses and the results of exploration and development projects. All estimates are, to some degree, uncertain and classifications of reserves are only attempts to define the degree of uncertainty involved. For these reasons, estimates of the economically recoverable natural gas and oil reserves attributable to any particular group of properties, the classification of such reserves based on risk of recovery and the standardized measure of discounted future net cash flows, prepared by different engineers or by the same engineers at different times, may vary substantially. WIN's actual production, taxes and development and operating expenditures with respect to its reserves will likely vary from such estimates, and such variances could be material.

Estimates with respect to reserves that may be developed and produced in the future are often based upon volumetric calculations and upon analogy to similar types of reservoirs, rather than upon actual production history. Estimates based on these methods generally are less reliable than those based on actual production history. Subsequent evaluation of the same reserves based upon production history will result in variations, which may be material, in the estimated reserves.

AEUB Application by Local Landowners Group

The Corporation has procured regulatory approval from the AEUB to construct and operate the WIN Facility, comprised of the WIN Gas Plant and the WIN Gathering System. Construction of the WIN Gas Plant is substantially complete. An application has been filed with the AEUB by a local landowners group, seeking the review and variance of the approval to construct the WIN Gas Plant. However, Management believes there is a low probability the AEUB will review the approval and, if it is reviewed, that the terms and conditions of the approval will be varied or the approval rescinded. No decision has been rendered by the AEUB on the application for review and variance. In the event that the AEUB decides to deny the application to review the approval, or if the AEUB reviews the approval but denies the request to vary or rescind the approval, an appeal lies to the Alberta Court of Appeal on a question of jurisdiction or on a question of law. A successful application by the local landowners group for leave to appeal the decision may result in the Alberta Court of Appeal hearing an appeal of the AEUB's decision not to review and vary the approval for the WIN Gas Plant. A decision by the Alberta Court of Appeal to grant an appeal by the local landowners group may result in revocation or variance of the approval for the construction and operation of the WIN Gas Plant. The AEUB has the discretion to suspend the approval while an appeal is pending.

Stakeholder Consultation and Approvals

Each singular development (wells, pipeline and facility) and each phase of development are subject to participant involvement (stakeholder consultation and notification) regulation pursuant to a variety of laws and regulations in the areas in which WIN does business. These regulations apply to the Corporation's business as they apply to other companies or enterprises in the energy industry.

Stakeholder consultation and notification regulations impose, among other things, suggested and prescribed stakeholder consultation and notification and communication planning methodology, stakeholder audiences, minimum radii of personal contact and notification, communication quality and effectiveness, communication mediums, tools and content, contact timing, co-operation methodology and communication audit documentation.

Participant involvement compliance can require significant expenditures and may involve considerable effort that may impact the timing of exploration, production and development activities. However, failure to comply with participant involvement legislation may result in the Corporation's inability to obtain the necessary licenses and permits required to carry out the Corporation's exploration and development programs. At the same time, even though the Corporation routinely conducts effective participant involvement programs that meet or exceed regulatory requirements, there can be no assurance that WIN will be able to obtain all of the necessary licenses and permits required for its exploration and development programs.

WIN does not expect that participant involvement regulations will affect the operations of the Corporation in a manner materially different than they would affect other natural gas and oil companies of similar size.

Environmental

All phases of the natural gas and oil business are subject to environmental regulation pursuant to a variety of laws and regulations in the areas in which WIN does business. These regulatory regimes are laws of general application that apply to the Corporation's business in the same manner as they apply to other companies or enterprises in the energy industry. Environmental legislation imposes, among other things, restrictions, liabilities and obligations in connection with the generation, handling, storage, transportation, treatment and disposal of hazardous substances and waste and in connection with spills, releases and emissions of various substances to the environment. Environmental legislation also requires that pipelines, wells, facility sites and other properties associated with WIN's operations be constructed, operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Certain types of operations, including exploration and development projects, may require the development, submission and approval of environmental impact assessments or permit applications. In some cases, exploration and development activities may be precluded or restricted due to designation of areas (present and future) as environmentally-sensitive or exploration-restricted areas. Compliance with environmental legislation can require significant expenditures and failure to comply with environmental legislation may result in the imposition of fines and penalties and liability for clean up costs and damages. Additionally, the Corporation's business is subject to the trend toward increased civil liability for environmental matters. Although WIN currently believes that the costs of complying with environmental legislation and dealing with environmental civil liabilities will not have a material adverse effect on the Corporation's financial condition or results of operations, there can be no assurance that such costs in the future will not have such an effect.

The Corporation has not undertaken rare plant surveys along the proposed right of way for the WIN Gathering System. Prior to the completion of the WIN Gathering System, the Corporation will be required to undertake rare plant surveys in the right of way in order to mitigate the impact of the WIN Gathering System on any rare plant species identified. This may result in a delay to the completion of the WIN Gathering System.

Exploration, Development and Production Risks

Natural gas operations involve many risks that even a combination of experience, knowledge and careful evaluation may not be able to overcome. The long-term commercial success of WIN depends on its ability to find, acquire, develop and commercially produce natural gas reserves. Without the continual addition of new reserves, WIN's existing reserves and the production therefrom will decline over time as such existing reserves are exploited.

A future increase in WIN's reserves will depend not only on its ability to explore and develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. No assurance can be given that WIN will be able to continue to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, WIN may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. There is no assurance that further commercial quantities of natural gas will be discovered or acquired by WIN.

Future natural gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient petroleum substances to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While diligent well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

Natural gas exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering, sour gas releases and spills, each of which could result in substantial damage to natural gas wells, production facilities, other property and the environment or personal injury. In accordance with industry practice, WIN is not fully insured against all of these risks, nor are all such risks insurable. Although WIN maintains liability insurance in an amount that it considers in excess of industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event WIN could incur significant costs that could have a material adverse effect upon its financial condition. Natural gas production operations are also subject to all the risks typically associated with such operations, including encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations. Losses resulting from the occurrence of any of these risks could have a material adverse effect on WIN.

Operational Hazards

Hazards, such as unusual or unexpected geological formations, high pressures or other conditions are involved in drilling and operating wells. The Corporation may become subject to liability for pollution, blow-outs or other hazards against which it may not have sufficient insurance to cover such events, or that the Corporation may elect not to insure against because of high premium costs or other reasons. The payment of such liabilities will reduce the funds available to the Corporation or could result in the total loss of the Corporation's property.

Availability of Drilling Equipment

The supply of service and production equipment at competitive prices is critical to the ability to add reserves at a competitive cost, and produce them in an economic and timely fashion. In periods of increased activity, these services and supplies can become difficult to obtain. The Corporation has attempted to mitigate this risk by the contracting of a drilling rig for the period May 1, 2006 to May 1, 2007, by developing strong long-term relationships with suppliers and contractors, and maintaining an appropriate inventory of production equipment.

Project Risks

WIN manages a variety of small and large projects in the conduct of its business. Project delays may delay expected revenues from operations. Significant project cost over-runs could make a project uneconomic. WIN's ability to execute projects and market natural gas depends upon numerous factors beyond the Corporation's control, including:

- the availability of processing capacity;
- the availability and proximity of pipeline capacity

- the supply of and demand for natural gas and oil;
- the availability of alternative fuel sources;
- the effects of inclement weather;
- the availability of drilling and related equipment;
- unexpected cost increases;
- accidental events;
- currency fluctuations;
- the availability and productivity of skilled labour; and
- regulation of the natural gas industry by various levels of government and governmental agencies.

Because of these factors, WIN could be unable to execute projects on time, on budget or at all, and may not be able to effectively market the natural gas that it intends to produce.

Estimated Operating Expenses

As a result of the Corporation's formative stage of development, its estimates of operating expenses may not be accurate. If actual operating expenses are higher than estimated, the Corporation's profit margin will be lower than expected and the Corporation's business and results of operations may be adversely affected.

The Corporation is vulnerable to market prices. Fixed costs, including costs associated with operations, leases, labour costs, and depreciation account for a significant portion of the Corporation's costs and expenses. As a result, delays in the construction of its gathering system, pipeline or natural gas plant or after commencement of production, reduced productivity resulting from reduced demand, equipment failure, weather or other factors, could significantly affect its revenues and financial results.

Management of Growth

The Corporation may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of WIN to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expend, train and manage its employee base. The inability of WIN to deal with this growth could have a material adverse impact on its business, operations and prospects.

Expiration of Licences and Leases

The Corporation’s properties are held in the form of licences and leases and working interests in licences and leases. If the Corporation or the holder of the licence or lease fails to meet the specific requirement of a licence or lease, the licence or lease may terminate or expire. There can be no assurance that any of the obligations required to maintain each licence or lease will be met. The termination or expiration of the Corporation’s licences or leases or the working interests relating to a licence or lease may have a material adverse effect on the Corporation’s results of operations and business.

Aboriginal Claims

Aboriginal peoples have claimed aboriginal title and rights to portions of western Canada. The Corporation is not aware that any claims have been made in respect of its property and assets. However, if a claim arose and was successful this could have an adverse effect on the Corporation and its operations.

Seasonality

The level of activity in the Canadian oil and natural gas industry is influenced by seasonal weather patterns. Wet weather and spring thaw may make the ground unstable. Consequently, municipalities and provincial transportation departments enforce road bans that restrict the movement of rigs and other heavy equipment, thereby reducing activity levels. Also, certain oil and natural gas producing areas are located in areas that are inaccessible other than during the winter months because the ground surrounding the sites in these areas consists of swampy terrain. Seasonal factors and unexpected weather patterns may lead to declines in exploration and production activity and corresponding declines in the demand for the goods and services of the Corporation.

Third Party Credit Risk

The Corporation is or may be exposed to third party credit risk through its contractual arrangements with its current or future joint venture partners, marketers of its petroleum and natural gas production and other parties. In the event such entities fail to meet their contractual obligations to the Corporation, such failures could have a material adverse effect on the Corporation and its cash flow from operations. In addition, poor credit conditions in the industry and of joint venture partners may impact a joint venture partner's willingness to participate in the Corporation's ongoing capital program, potentially delaying the program and the results of such program until the Corporation finds a suitable alternative partner.

Conflicts of Interest

The directors or officers of the Corporation may also be directors or officers of other oil and natural gas companies or otherwise involved in natural resource exploration and development and situations may arise where they are in a conflict of interest with the Corporation. Conflicts of interest, if any, that arise will be subject to and governed by procedures prescribed by the ABCA, which require a director or officer of a corporation who is a party to, or is a director or an officer of, or has a material interest in any person who is a party to, a material contract or proposed material contract with the Corporation disclose his or her interest and, in the case of directors, to refrain from voting on any matter in respect of such contract unless otherwise permitted under the ABCA.

Hedging

Once the Corporation's assets are on production, the Corporation will be exposed to commodity price and market risk for its principal products of natural gas and oil. Commodity prices are influenced by a wide variety of factors, most of which are beyond WIN's control. To manage this risk, the Corporation will consider entering into short-term financial derivatives for hedging purposes. These derivatives could include contracts related to natural gas and oil prices. Inflation also subjects the Corporation to potential erosion of product netbacks. For example, increased domestic prices for natural gas and oil production equipment and services can inflate the cost of operations.

Competition

Competition among natural gas and oil exploration and development companies is significant. Many of the Corporation's competitors are substantially larger and have substantially greater revenues than the Corporation and overall greater financial resources. The Corporation's ability to generate revenues depends on its ability to successfully exploit existing reserves and locate additional reserves.

Title to Natural Gas and Oil Interests

Title to natural gas and oil interests is often not possible to determine without incurring substantial expense. An independent title review was completed with respect to certain of the more valuable natural gas and oil rights acquired by the Corporation pursuant to the Asset Purchase Agreements and the interests in natural gas and oil rights owned by Triangle. Also, legal opinions have been obtained with respect to the spacing units for the wells which have been drilled to date and which have been operated by the Corporation. However, no assurance can be given that title defects do not exist. If a title defect does exist it is possible that the Corporation may lose all or a portion of the properties to which the title defect relates. The actual interest of the Corporation in certain properties may therefore vary from the Corporation's records.

Regulation

Natural gas and oil operations are subject to extensive legislative and regulatory controls imposed by various levels of government, which may be amended from time to time. The Corporation's operations may also be subject to compliance with federal, provincial and local laws and regulations controlling the discharge of materials into the environment or otherwise relating to the protection of the environment. Existing laws and regulations may be revised or new laws and regulations may become applicable to the Corporation that may have a negative effect on the Corporation's business and results of operations.

WIN monitors and complies with current government regulations that affect its activities, although operations may be adversely affected by changes in government policy, regulations or taxation. There can be no assurance that WIN will be able to obtain all of the necessary licenses and permits that may be required to carry out the Corporation's exploration and development programs. It is not expected that any of these controls or regulations will affect the operations of the Corporation in a manner materially different than they would affect other natural gas and oil companies operating in the areas in which the Corporation operates. The Triangle Zone lies, in part, within the eastern slopes of the Rocky Mountains, which is generally an environmentally sensitive area.

Absence of Prior Public Market

Prior to the Offering there has been no public market for the Common Shares. The initial public offering price will be determined by negotiation between the Corporation and the Underwriters and may bear no relationship to the price at which the Common Shares will trade in the public market subsequent to the Offering.

Kyoto Protocol

With the introduction of the Kyoto Protocol, producers in geographic areas where WIN operates may be required to reduce greenhouse gas emissions. This could result in, among other things, increased operating and capital expenditures for those producers. This could also make certain production of crude oil or natural gas by those producers uneconomic, resulting in reductions in such production. The Corporation is unable to predict the effect on its future earnings of the ratification of the Kyoto Protocol by the Federal Government. However, in order to mitigate this risk the Corporation is committed to maximizing shareholder value in an environmentally, socially responsible and safe manner.

Canadian Federal Tax Treatment of Flow-Through Shares

The tax treatment applicable with respect to oil and gas activities and flow-through shares constitutes a major factor when considering an investment in the Flow-Through Shares. There is no guarantee that the taxation laws and regulations and the current administrative practices of both the federal and provincial tax authorities will not be amended or construed in such a way that the tax considerations for a subscriber holding Flow-Through Shares will not be altered, and moreover there is no guarantee that there will not be any differences of opinion between the federal and provincial tax authorities with respect to the tax treatment of the Flow-Through Shares, the status of such Flow-Through Shares and the activities contemplated by the Corporation's exploration and development programs. See "Canadian Federal Income Tax Considerations".

The Flow-Through Shares are designed for investors whose income is subject to high marginal tax rates. The right to deduct Qualifying Expenditures accrues to the Flow-Through Subscriber and is not transferable. No guarantee can be given that Canadian tax laws will not be amended, that the amendments announced with respect to such laws will be adopted or that the current administrative practices of the tax authorities will not be modified. In addition, there is no guarantee that the expected tax deductions will be accepted by the Canada Revenue Agency. Consequently, the tax considerations for subscribers holding or selling Flow-Through Shares may be fundamentally altered. See "Canadian Federal Income Tax Considerations".

There is no guarantee that an amount equal to the total proceeds or the sale of the Flow-Through Shares will be expended on or prior to December 31, 2007 as Qualifying Expenditures resulting in the deductions described under "Canadian Federal Income Tax Considerations". **If the Corporation does not expend an amount equal to the proceeds from the sale of the Flow-Through Shares so as to incur Qualifying Expenditures prior to December 31, 2007, the Corporation shall restate the amount of expenses that it has renounced in favour of the investors and the investors will be reassessed and will remit the tax benefits from which they would have benefited.** Subscribers will not be subject to penalties for any such reassessment and no interest will be payable on such additional tax if such tax is paid by April 30, 2008.

CONFLICTS OF INTEREST

There may be potential conflicts of interest to which the directors, officers, insiders and promoters of the Corporation may be subject in connection with the operations of the Corporation. The directors, officers, insiders and promoters may be engaged in corporations or businesses which may be in competition with the search by the Corporation for businesses or assets. Accordingly, situations may arise where a director, officer, insider or promoter will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies as provided under the ABCA.

LEGAL PROCEEDINGS

An application has been filed by a local landowners group, with regulatory authorities, to review and vary the permit granted to WIN to construct the WIN Gas Plant. However, Management believes there is a low probability the permit will be reviewed and, if it is reviewed, the terms and conditions varied or the permit rescinded. See "Risk Factors".

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Management of the Corporation is not aware of any material interest, direct or indirect, of any director or officer of the Corporation, any person beneficially owning, directly or indirectly, more than 10% of the Corporation's voting securities, or any associate or affiliate of such person in any transaction within the last financial year or in any proposed transaction which in either case has materially affected or will materially affect the Corporation or its subsidiaries, except for the royalty arrangements with Odin.

The interests acquired by the Corporation pursuant to the Asset Purchase Agreements and the Share Exchange Agreements effective July 2, 2004 contained various exploration and development prospects. The prospects for the Southern Alberta Foothills Belt were generated by Odin. As part of the consideration for the generation by Odin of the prospects in the Southern Alberta Foothills Belt from 1998 to 2004, Triangle and the joint venture partners of Odin granted a GORR to Odin of 3%, except that, with respect to one section in the Turner Valley area, the GORR is 2% rather than 3%. When the Corporation acquired the interests from the various interest holders pursuant to the Asset Purchase Agreements, the interests were encumbered by the Odin GORR. A clarification agreement was made as of November 1, 2005 among WIN, as grantor, Odin, as royalty owner, and Peter A. Philipchuk and Matthew Philipchuk. The clarification agreement confirmed that:

1. the lands which had been acquired by WIN were subject to the 3% GORR granted to Odin;

2. any additional natural gas and oil rights which are acquired on or before December 31, 2008, where 50% or more of the lands by surface area are located within the Southern Alberta Foothills Belt, will automatically become subject to the 3% GORR granted to Odin;

3. Odin, Peter Philipchuk and Matthew Philipchuk shall not, prior to January 1, 2009, conduct any activity within the Southern Alberta Foothills Belt or within a corridor of one mile around the perimeter of the Southern Alberta Foothills Belt;

4. if between January 1, 2009 and December 31, 2009 Odin, Peter Philipchuk or Matthew Philipchuk acquire an interest in lands located within the Southern Alberta Foothills Belt or lands located within a corridor of one mile around the perimeter of the Southern Alberta Foothills Belt, then WIN shall have the right to acquire all or any portion of the interest acquired on the same terms and conditions; and

5. if any play which has been identified with respect to the lands located within the Southern Alberta Foothills Belt extends to lands located outside of the Southern Alberta Foothills Belt, then the 3% GORR shall also be payable by WIN with respect to production from such lands.

On June 1, 2006, the Corporation entered into a definitive agreement to acquire the Odin GORR for consideration of 2,000,000 Common Shares at a deemed value of $2.25 per share and the issuance of a promissory note in favour of Odin in the principal amount of $1,000,000, maturing May 31, 2007. It is intended that payment of the amount owing pursuant to the promissory note will be made from the proceeds of this Offering. If the promissory note has not been repaid by August 1, 2006, interest will commence to accrue on the balance owing at the rate of six percent per annum.

The issued and outstanding shares of Odin are beneficially owned, directly or indirectly, or controlled by Peter Philipchuk, a director and officer of the Corporation, as to a 50% interest, and Matthew Philipchuk, the Vice President, Corporate Development of the Corporation, as to a 50% interest.

AUDITOR, TRANSFER AGENT AND REGISTRARS

The auditor of the Corporation is PricewaterhouseCoopers LLP of Calgary, Alberta.

The transfer agent and registrar for the Common Shares of the Corporation is Computershare Trust Company of Canada, at its principal offices in Calgary, Alberta and Toronto, Ontario.

MATERIAL CONTRACTS

The only material contracts entered into by the Corporation or on its behalf in the last two years, other than contracts in the ordinary course of business, are as follows:

1. Underwriting Agreement as described under "Plan of Distribution";

2. Warrant Indenture as described under "Details of the Offering";

3. the clarification agreement made as of November 1, 2005 among WIN, as grantor, Odin, as royalty owner, and Peter A. Philipchuk and Matthew Philipchuk respecting the Odin GORR as described under "Interest of Management and Others in Material Transactions";

4. the agreement dated June 1, 2006 pursuant to which the Corporation acquired the Odin GORR as described under "Interest of Management and Others in Material Transactions";

5. Escrow Agreement among the Corporation, Computershare Trust Company of Canada and certain shareholders of the Corporation as described under "Escrowed Securities"; and

6. Seed Share Escrow Agreement among the Corporation, Computershare Trust Company of Canada and certain shareholders of the Corporation described under "Escrowed Securities".

Copies of these agreements, when executed, may be inspected at the head office of the Corporation during regular business hours.

EXPERTS

Certain legal matters relating to the Offering will be passed upon by Macleod Dixon LLP on behalf of the Corporation and by Borden Ladner Gervais LLP on behalf of the Underwriters. The partners and associates of Macleod Dixon LLP, Borden Ladner Gervais LLP, and McDaniel & Associates Consultants Ltd. as a group each own less than one percent (1%) of the outstanding Common Shares and any other outstanding securities of any associate or affiliate of the Corporation. In addition, none of the partners or associates of Macleod Dixon LLP and Borden Ladner Gervais LLP are currently expected to be elected, appointed or employed as a director, officer or employee of the Corporation or any of its associates or affiliates, excepting Robert T. Malcolm, Q.C., who holds the office of Corporate Secretary of the Corporation.

PURCHASERS' STATUTORY RIGHTS

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the applicable province. The purchaser should refer to the securities legislation in the province in which the purchaser resides for the particulars of these rights or consult with a legal advisor.

FORM 51-101F2

REPORT ON RESERVES DATA
BY
INDEPENDENT QUALIFIED RESERVES
EVALUATOR

To the board of directors of WIN Energy Corporation (the "Corporation"):

1. We have evaluated the Corporation's reserves data as at December 31, 2005. The reserves data consist of the following:

   a) (i) proved and proved plus probable oil and gas reserves estimated as at December 31, 2005 using forecast prices and costs; and

      (ii) the related estimated future net revenue; and

   b) (i) proved and proved plus probable oil and gas reserves, estimated as at December 31, 2005 using constant prices and costs; and

      (ii) the related estimated future net revenue

2. The reserves data are the responsibility of the Corporation's management. Our responsibility is to express an opinion on the reserves data based on our evaluation.

   We carried out our evaluation in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook (the "COGE Handbook") prepared jointly by the Society of Petroleum Evaluation Engineers (Calgary Chapter) and the Canadian Institute of Mining, Metallurgy and Petroleum (Petroleum Society).

3. Those standards require that we plan and perform an evaluation to obtain reasonable assurance as to whether the reserves data are free of material misstatement. An evaluation also includes assessing whether the reserves data are in accordance with principles and definitions presented in the COGE Handbook.

4. The following table sets forth the estimated future net revenue (before deduction of income taxes) attributed to proved plus probable reserves, estimated using forecast prices and costs and calculated using a discount rate of ten percent, included in the reserves data of the Corporation evaluated by us for the year ended December 31, 2005, and identifies the respective portions thereof that we have evaluated and reported on to the Corporation's board of directors.

Independent Qualified Reserves Evaluator	Description & Preparation Date of Evaluation Report	Location of Reserves (Country or Foreign Geographic Area)	Net Present Value of Future Net Revenue (before income taxes, 10% discount rate)			
			Audited	**Evaluated**	**Reviewed**	**Total**
			M$	M$	M$	M$
McDaniel & Associates Consultants Ltd.	Appraisal Report as of December 31, 2005 on Certain Properties owned by WIN Energy Corporation dated February 10 , 2006	Canada	-	38,086.3	-	38,086.3

5. In our opinion, the reserves evaluated by us have, in all material respects, been determined and are in accordance with the COGE Handbook. We express no opinion on the reserves data that we reviewed but did not audit or evaluate.

6. We have no responsibility to update this report referred to in paragraph 4 for events and circumstances occurring after their respective preparation dates.

7. Because the reserves data are based on judgments regarding future events, actual results will vary and the variations may be material.

Executed as to our report referred to above:

McDaniel & Associates Consultants Ltd., Calgary, Alberta, dated May 10, 2006.

McDANIEL & ASSOCIATES CONSULTANTS LTD.

(Signed)
P.A. Welch, P.Eng.

FORM 51-101F3

REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISCLOSURE

Management of WIN Energy Corporation (the "Corporation") is responsible for the preparation and disclosure of information with respect to the Corporation's crude oil and gas activities in accordance with securities regulatory requirements. This information includes reserves data, which consists of the following:

a) (i) proved and proved plus probable oil and gas reserves estimated as at December 31, 2005 using forecast prices and costs; and

(ii) the related estimated future net revenue; and

b) (i) proved and proved plus probable oil and gas reserves, estimated as at December 31, 2005 using constant prices and costs; and

(ii) the related estimated future net revenue

An independent qualified reserves evaluator has evaluated the Corporation's reserves data. The report of the independent qualified reserves evaluator will be filed with securities regulatory authorities concurrently with this report.

The Reserves Committee of the board of directors of the Corporation has

(a) reviewed the Corporation's procedures for providing information to the independent qualified reserves evaluator;

(b) met with the independent qualified reserves evaluator to determine whether any restrictions affecting the ability of the independent qualified reserves evaluator to report without reservation; and

(c) reviewed the reserves data with management and the independent qualified reserves evaluator.

The Reserves Committee of the board of directors has reviewed the Corporation's procedures for assembling and reporting other information associated with crude oil and gas activities and has reviewed that information with management. The board of directors has, on the recommendation of the Reserves Committee, approved:

(a) the content and filing with securities regulatory authorities of the reserves data and other crude oil and gas information;

(b) the filing of the report of the independent qualified reserves evaluator on the reserves data; and

(c) the content and filing of this report.

Because the reserves data are based on judgements regarding future events, actual results will vary and the variations may be material.

DATED this 29th day of May, 2006.

(Signed) William J. Kiff
President and Chief Executive Officer

(Signed) Shane Kozak
Vice President, Finance and Chief Financial Officer

(Signed) Peter A. Philipchuk
Director

(Signed) Robert J. Iverach, Q.C.
Director

WIN AUDITOR'S CONSENT

We have read the prospectus of WIN Energy Corporation (the "Corporation") dated •, 2006 relating to the qualification for distribution of 7,500,000 Units at $2.00 per Unit and 2,083,334 common shares of the Corporation to be issued on a flow-through basis. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report dated April 20, 2006, except as to Note 12 which is dated July •, 2006, to the directors of the Corporation on the consolidated balance sheets of the Corporation as at December 31, 2005 and March 31, 2005 and the consolidated statements of operations and deficit for the nine months ended December 31, 2005 and year ended March 31, 2005 and the consolidated statements of cash flows for the nine months ended December 31, 2005, the year ended March 31, 2005 and the period from February 9, 2004 to March 31, 2004.

Calgary, Alberta
•, 2006

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Chartered Accountants

TRIANGLE AUDITOR'S CONSENT

We have read the prospectus of WIN Energy Corporation dated •, 2006 dated •, 2006 relating to the qualification for distribution of 7,500,000 Units at $2.00 per Unit and 2,083,334 common shares of the Corporation to be issued on a flow-through basis. We have complied with Canadian generally accepted standards for an auditor's involvement with offering documents.

We consent to the use in the above-mentioned prospectus of our report dated December 7, 2005 to the directors of the Corporation on the audited financial statements of Triangle Resources Inc. (specifically statements of income, retained earnings and cash flows) for the periods ended June 30, 2004 and 2003 and the years ended December 31, 2003 and 2002.

Calgary, Alberta
•, 2006

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Chartered Accountants

FINANCIAL STATEMENTS

WIN Energy Corporation:

Unaudited Consolidated Financial Statements for the three months ended March 31, 2006. Specifically consolidated statements of operations, deficit and cash flows and consolidated balance sheets.

Audited Consolidated Financial Statements of WIN Energy Corporation for the nine months ended December 31, 2005, for the year ended March 31, 2005, and for the period from inception on February 9, 2004 to March 31, 2004. Specifically consolidated statements of operations, deficit and cash flows and consolidated balance sheets, and Audit Report thereon.

Triangle Resources Inc.:

Audited Financial Statements of Triangle Resources Inc. for the years ended December 31, 2003 and 2002. Specifically statements of operations, deficit and cash flows, and balance sheets, and Audit Report thereon.

Audited Interim Financial Statements of Triangle for the six month periods ended June 30, 2003 and 2004. Specifically statements of operations, deficit and cash flows and balance sheets.

AUDITORS' REPORT

To the Directors of WIN Energy Corporation:

We have audited the consolidated balance sheets of WIN Energy Corporation as at December 31, 2005 and March 31, 2005 and the consolidated statements of operations and deficit for the nine months ended December 31, 2005 and year ended March 31, 2005 and the consolidated statements of cash flows for the nine months ended December 31, 2005, the year-ended March 31, 2005 and the period from February 9, 2004 to March 31, 2004. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2005 and March 31, 2005 and the results of its operations for the nine months ended December 31, 2005 and year ended March 31, 2005 and its cash flows for the nine months ended December 31, 2005, the year ended March 31, 2005 and the period from February 9, 2004 to March 31, 2004 in accordance with Canadian generally accepted accounting principles.

Chartered Accountants
Calgary, Alberta
April 20 , 2006
except as to Note 12 which is dated •, 2006.

WIN ENERGY CORPORATION

CONSOLIDATED BALANCE SHEETS

	March 31 2006 $ (Unaudited)	December 31 2005 $	March 31 2005 $
ASSETS			
Current assets			
Cash and cash equivalents	2,862,718	13,087,097	1,327,365
Accounts receivable	1,240,415	1,507,483	767,762
Prepaid expenses	71,060	73,310	44,492
	4,174,193	14,667,890	2,139,619
Property, plant and equipment (note 3)	43,928,213	31,433,667	6,863,871
	48,102,406	46,101,557	9,003,490
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7,951,617	5,801,340	489,394
	7,951,617	5,801,340	489,394
Asset retirement obligations (note 4)	254,598	232,708	75,208
Future income tax liability (note 6)	3,142,351	551,496	1,487,817
	11,348,566	6,585,544	2,052,419
Shareholders' equity			
Share capital (note 7)	31,411,521	34,109,980	12,425,479
Special warrants (note 7 (f))	11,702,695	11,564,180	–
Contributed surplus (note 7 (g))	1,519,033	1,477,455	440,813
Deficit	(7,879,409)	(7,635,602)	(5,915,221)
	36,753,840	39,516,013	6,951,071
	48,102,406	46,101,557	9,003,490

Nature of business and going concern (note 1)

Commitments (note 10)

Subsequent events (note 12)

See accompanying notes to the consolidated financial statements

WIN ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF OPERATIONS AND DEFICIT

	Three months ended March 31 (Unaudited) 2006 $	2005 $	Nine months ended December 31 2005 $	Year-ended March 31 2005 $
Expenses				
General and administrative	335,859	169,789	967,116	542,672
Stock-based compensation (note 7 (j))	41,578	47,287	1,041,842	440,813
Depreciation and accretion	18,305	3,549	44,142	4,166
Interest	2,368	11,887	1,104	12,981
	398,110	232,512	2,054,204	1,000,632
Interest income	(72,776)	(6,149)	(256,518)	(42,273)
Loss before future income tax	325,334	226,363	1,797,686	958,359
Future income tax recovery (note 6)	(81,527)	(48,109)	(77,305)	(211,120)
Net loss	243,807	178,254	1,720,381	747,239
Deficit, beginning of period	7,635,602	5,736,967	5,915,221	–
Transaction with related parties (note 8)	–	–	–	5,167,982
Deficit, end of period	7,879,409	5,915,221	7,635,602	5,915,221
Basic and diluted loss per share (note 7 (k))	(0.006)	(0.011)	(0.055)	(0.072)

Nature of business and going concern (note 1)

See accompanying notes to the consolidated financial statements

WIN ENERGY CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Three months ended March 31 (Unaudited) 2006 $	2005 $	Nine months ended December 31 2005 $	Year-ended March 31 2005 $	2004[1] $
Cash provided by (used in) operating activities:					
Net loss	(243,807)	(178,254)	(1,720,381)	(747,239)	–
Items not involving cash					
Stock-based compensation	41,578	47,287	1,041,842	440,813	–
Depreciation and accretion	18,305	3,549	44,142	4,166	–
Future income taxes	(81,527)	(48,109)	(77,305)	(211,120)	–
	(265,451)	(175,527)	(711,702)	(513,380)	–
Changes in non-cash working capital (note 11)	(7,466)	24,037	217,965	20,114	–
	(272,917)	(151,490)	(493,737)	(493,266)	–
Cash provided by (used in) investing activities:					
Additions to property, plant and equipment	(12,490,961)	(1,409,624)	(24,456,438)	(7,042,840)	–
Proceeds on disposition of working interests	–	1,807,518	–	1,807,518	–
Acquisition of cash	–	–	–	1,261	–
Changes in non-cash working capital (note 11)	2,367,061	(1,999,145)	4,385,442	(342,974)	–
	(10,123,900)	(1,601,251)	(20,070,996)	(5,577,035)	–
Cash provided by (used in) financing activities:					
Issuance of common and flow-through shares and special warrants, net of share issue costs	112,438	(851)	32,384,465	7,342,666	5,000
Issuance of convertible promissory notes	–	–	–	–	50,000
Changes in non-cash working capital (note 11)	60,000	–	(60,000)	15,000	(15,000)
	172,438	(851)	32,324,465	7,357,666	40,000
Net increase in cash and cash equivalents	(10,224,379)	(1,753,592)	11,759,732	1,287,365	40,000
Cash and cash equivalents, beginning of period	13,087,097	3,080,957	1,327,365	40,000	–
Cash and cash equivalents, end of period	2,862,718	1,327,365	13,087,097	1,327,365	40,000

See accompanying notes to the consolidated financial statements

(1) For the period from inception on February 9, 2004 to March 31, 2004.

1. NATURE OF BUSINESS AND GOING CONCERN

WIN Energy Corporation ("the Company" or "WIN") was incorporated under the *Business Corporations Act* (Alberta) on February 9, 2004. WIN is involved in the exploration, development and production of oil and gas in the southern Foothills of Alberta, Canada.

Since its inception the Company has been evaluating the resource potential of its natural gas exploration properties and is considered to be in the development stage as defined by Accounting Guideline 11 "Enterprises in the Development Stage" ("AcG-11"). As such, the Company requires additional financing in order to fund its ongoing operations and to realize the carrying values of its assets. Management intends to raise the required financing through equity issues, debt or a combination thereof (note 12).

These financial statements have been prepared on the basis of accounting principles applicable to a going concern, which contemplates that the Company will continue in operations for the foreseeable future and be able to realize its assets and discharge its liabilities in the normal course of operations. To date, the Company has not commenced commercial production. The Company's ability to access the public equity and capital markets will allow it to commence commercial production. There are no certainties that the steps management are taking will be successful. These financial statements do not give effect to any adjustment which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements are stated in Canadian dollars and have been prepared in accordance with Canadian generally accepted accounting principles ("GAAP"). The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates.

(a) Basis of presentation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Todd Creek Facilities Ltd, which changed its name from 1116207 Alberta Ltd. on July 18, 2005 and was incorporated under the *Business Corporations Act* (Alberta) on July 5, 2004.

(b) Change of year

Effective December 14, 2005 the Company changed its year end to December 31.

(c) Property and equipment

(i) Capitalized costs

The Company follows the full cost method of accounting for its petroleum and natural gas operations. Under this method, all costs related to the exploration, development and production of petroleum and natural gas reserves are capitalized. Costs include lease acquisition costs, lease rentals on undeveloped properties, geological and geophysical expenses and costs of drilling both productive and non-productive wells and equipment costs. General and administrative costs are capitalized to property, plant and equipment to the extent that these costs can be attributed to exploring for petroleum and natural gas reserves. Proceeds from the sale of properties are applied against capitalized costs and gains or losses are not recognized unless such dispositions would alter the depletion base by more than 20%.

Furniture and equipment is recorded at cost, less accumulated depreciation. Repairs and maintenance are expensed as incurred, unless a betterment to the asset occurs, in which case the costs are capitalized.

(ii) Depletion, depreciation and impairment test

Depletion and depreciation of developed land, seismic, producing assets and capitalized general and administrative costs, net of estimated salvage or residual value, will be provided using the unit-of-production method based upon estimated gross proved petroleum and natural gas reserves as determined by independent engineers. The cost of a major development project is excluded until an economic evaluation has been completed. For depletion purposes, relative volumes of petroleum and natural gas production and reserves are converted at the energy equivalent conversion rate of six thousand cubic feet of natural gas to one barrel of crude oil.

The Company evaluates impairment of assets in accordance with Accounting Guideline 16 "Oil and Gas Accounting – Full Cost" ("AcG-16"). Pursuant to AcG-16, a limit is placed on the aggregate carrying value of oil and gas properties (the "impairment test"). An impairment loss exists when the carrying amount of the Company's oil and gas properties exceeds the estimated undiscounted future net cash flows associated with the Company's proved reserves. If impairment is determined to exist, the costs carried on the balance sheet in excess of the discounted future net cash flows associated with the Company's proved and probable reserves are charged to income.

Furniture and equipment were depreciated on a straight-line basis over the estimated useful life of the assets at rates varying from 20% to 50%.

(d) Measurement uncertainty

The amounts recorded for depletion and depreciation of property, plant and equipment, and the ceiling test are based on estimates of gross proved reserves, production rates, oil and gas prices, future costs and other relevant assumptions. By their nature, these estimates are subject to measurement uncertainty, and the impact on these consolidated financial statements of changes in such estimates in future periods could be material. Inherent in the fair value calculation of asset retirement obligations are numerous assumptions and judgments including the ultimate settlement amounts, inflation factors, credit adjusted discount rates, timing of settlement, and changes in the legal and regulatory environments. To the extent future revisions to these assumptions impact the fair value of the existing asset retirement obligation liability, a corresponding adjustment is made to the property and equipment balance.

(e) Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred, and records a corresponding increase in the carrying value of the related long-lived asset. The fair value is determined through a review of engineering studies, industry guidelines, and management's estimate on a site by site basis. The liability is subsequently adjusted for the passage of time, and is recognized as an accretion expense in the statement of operations. The liability is also adjusted due to revisions in either the timing or the amount of the original estimated cash flows associated with the liability. The increase in the carrying value of the asset is amortized using the unit of production method based on estimated proved reserves as determined by independent engineers. Actual costs incurred upon settlement of the asset retirement obligations are charged against the asset retirement obligation to the extent of the liability recorded. Any difference between the actual costs incurred upon settlement of the asset retirement obligations and the recorded liability is recognized as a gain or loss in the Company's statement of operations in the period in which the settlement occurs.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, and investments in highly liquid money market instruments which are readily convertible to known amounts of cash in less than three months.

(g) Financial instruments

The fair market value of cash and cash equivalents, accounts receivable, and accounts payable and accrued liabilities approximate their carrying value.

(h) Joint operations

Substantially all of the exploration and production activities of the Company are conducted jointly with others. These consolidated financial statements reflect only the Company's proportionate interest in such activities.

(i) Flow-through shares

A portion of the Company's exploration activities was financed through proceeds received from the issue of flow-through shares. Under the terms of the flow-through share issues, the tax attributes of the related expenditures are renounced to the share subscribers. In accordance with Emerging Issues Committee 146 "Flow-Through Shares" ("EIC-146"), to recognize the foregone tax benefits to the Company, the carrying value of the shares issued is reduced by the tax effect of the benefits renounced to subscribers. The estimated tax benefits transferred to shareholders are recorded as a future income tax liability and a reduction in share capital at the time the renunciation documents are filed with the tax authorities.

(j) Future income taxes

The Company follows the liability method of accounting for income taxes. Under this method, future income tax assets and liabilities are determined based on differences between financial reporting and income tax bases of assets and liabilities, and are measured using anticipated tax rates and laws that will be in effect when the differences are expected to reverse. The Company recognizes a future income tax asset when it is more likely than not that the benefit of the asset will be realized. The effect on future income tax assets and liabilities of a change in tax rates is recognized in net income in the period in which the change is substantively enacted.

(k) Per share amounts

The Company utilizes the treasury stock method in the determination of diluted per-share amounts. Under this method, the diluted weighted average number of shares is calculated assuming that proceeds arising from the exercise of in-the-money options and other dilutive instruments are used to purchase, for cancellation, common shares of the Company at their average issue price for the period.

(l) Stock options

Under the Company's stock option plan described in note 7, options to purchase common shares are granted to directors, officers, employees and consultants with an exercise price equal to the fair market value at the time of grant. Stock-based compensation expense is recorded in the statement of operations for all options granted, with a corresponding increase recorded as contributed surplus. Compensation expense is based on the estimated fair values of the options at the time of the grant as determined using a Black-Scholes option model. The expense is recognized on a straight-line basis over the vesting period of the option. Upon the exercise of the stock options, consideration paid together with the amount previously recognized in contributed surplus is recorded as an increase in share capital. In the event that vested options expire, previously recognized compensation expense associated with such stock options is not reversed. In the event that vested options are cancelled or forfeited, previously recognized compensation expense associated with such stock options is reversed.

3. PROPERTY, PLANT AND EQUIPMENT

March 31, 2006 (Unaudited)	**Cost $**	**Accumulated depreciation $**	**Net $**
Petroleum and natural gas properties	32,566,834	–	32,566,834
Gas processing facilities	11,186,428	–	11,186,428
Furniture, equipment and leasehold improvements	223,539	48,588	174,951
	43,976,801	48,588	43,928,213

December 31, 2005	**Cost $**	**Accumulated depreciation $**	**Net $**
Petroleum and natural gas properties	28,155,779	–	28,155,779
Gas processing facilities	3,110,689	–	3,110,689
Furniture, equipment and leasehold improvements	202,443	35,244	167,199
	31,468,911	35,244	31,433,667

March 31, 2005	**Cost $**	**Accumulated depreciation $**	**Net $**
Petroleum and natural gas properties	6,800,826	–	6,800,826
Gas processing facilities	48,176	–	48,176
Furniture, equipment and leasehold improvements	17,333	2,464	14,869
	6,866,335	2,464	6,863,871

No depletion has been recorded for the three months ended March 31, 2006, nine months ended December 31, 2005 and year-ended March 31, 2005 because the Company had no production.

At December 31, 2005, the Company applied a ceiling test to its petroleum and natural gas properties and equipment and has determined no impairment exists. The ceiling test was applied using expected future market prices of:

	2006	**2007**	**2008**	**2009**	**2010**
$Cdn/GJ	10.05	9.05	8.05	7.00	6.55
$Cdn/bbl	48.80	47.00	44.50	41.90	39.60

After 2010 the change in future prices are escalated at 2.5% per year to the end of the reserve life.

On July 2, 2004 WIN acquired 100% of Triangle Resources Inc. ("Triangle") and closed several asset purchases for petroleum and natural gas rights in the southern foothills of Alberta. WIN issued common shares as consideration in both of these transactions. The Triangle acquisition resulted in an increase to petroleum and natural gas properties and equipment of $199,505 (note 8). Some of the asset purchases were conducted with related parties controlled by officers and directors of WIN. The transactions with related parties were measured at the carrying amounts, and the other transactions were measured at the exchange amounts, as supported by third party evaluations, resulting in an increase to petroleum and natural gas properties and equipment of $645,041 (note 8) and $712,962, respectively. In order to close the transactions measured at the exchange amounts 571,201 common shares (note 7) were issued as consideration and were accounted for as follows:

	$
Property, plant and equipment	712,962
Future income tax liability	(89,723)
Total share consideration (note 7)	623,239

To assist in the funding of the Company's exploration program WIN sold a 30% working interest in the Todd Creek and Hillspring prospects to two independent third parties on January 14, 2005 with a right of first refusal to reacquire the working interests. Proceeds from the sale of $1,807,518 were applied against capitalized costs and no gain or loss was recognized because the disposition consisted of substantially all undeveloped land and therefore did not alter the depletion base by more than 20%.

The following table presents the amount of capitalized general and administrative costs:

	Three months ended March 31 (Unaudited)		**Nine months ended December 31**	**Year-ended March 31**
	2006	**2005**	**2005**	**2005**
	$	**$**	**$**	**$**
Capitalized costs	104,250	43,650	272,424	85,975

4. ASSET RETIREMENT OBLIGATIONS

The following table presents the reconciliation of the carrying amount of the obligations associated with the retirement of the property and equipment:

March 31, 2006 (Unaudited)	**$**
Asset retirement obligations, beginning of year	232,708
Liabilities incurred	16,929
Accretion expense	4,961
Liabilities settled	–
Asset retirement obligations, end of year	254,598

December 31, 2005	**$**
Asset retirement obligations, beginning of year	75,208
Liabilities incurred	146,138

Accretion expense	11,362
Liabilities settled	–
Asset retirement obligations, end of year	232,708

March 31, 2005	**$**
Asset retirement obligations, beginning of year	–
Liabilities incurred	73,506
Accretion expense	1,702
Liabilities settled	–
Asset retirement obligations, end of year	75,208

A credit-adjusted risk-free rate of 8% and an inflation rate of 2.5% was used to calculate the fair value of the asset retirement obligations. The total undiscounted amount of the estimated cash flows required to settle the obligations was $1,062,557, $892,864 and $226,167 as at March 31, 2006, December 31, 2005 and March 31, 2005, respectively. The expected timing of payment of the cash flows required for settling the obligations ranges from 2 years to 28 years, with the majority of the expenditures expected to be incurred in the later years.

5. DEBT FACILITY

At March 31, 2006, the Company had a $1,500,000 undrawn credit facility with a Canadian chartered bank, which was granted on a fully cash secured basis.

6. INCOME TAXES

The provision for income taxes in these consolidated financial statements differs from the result, which would have been obtained by applying the combined federal and provincial tax rate to the Company's earnings before income taxes. This difference results from the following items:

	Three months ended March 31 (Unaudited)		**Nine months ended December 31**	**Year-ended March 31**
	2006	**2005**	**2005**	**2005**
	$	**$**	**$**	**$**
Loss before taxes	(325,334)	(226,363)	(1,797,686)	(958,359)
Combined federal and provincial tax rates	33.62%	33.62%	33.62%	33.62%
Expected income tax recovery	(109,377)	(76,103)	(604,382)	(322,200)
Increase (decrease) resulting from:				
Non-deductible charges	1,955	520	2,787	3,391
Resource allowance	11,917	11,576	66,447	38,160
Stock based compensation	13,978	15,898	350,267	148,201
Provision to actual adjustment	–	–	107,576	(78,672)
Future income tax recovery	(81,527)	(48,109)	(77,305)	(211,120)

The tax-effected temporary differences on future income tax assets (liabilities) are as follows:

	March 31 2006 (Unaudited)	**December 31 2005**	**March 31 2005**
	$	**$**	**$**
Carrying amount of property, plant and equipment in excess of tax basis	(5,042,149)	(2,284,252)	(2,051,407)
Asset retirement obligations	85,596	78,236	25,285
Share issue costs	861,296	892,329	198,357
Non-capital losses	952,906	762,191	339,948
Future income tax liability	(3,142,351)	(551,496)	(1,487,817)

The Company has non-capital losses carried forward for Canadian income tax purposes of $2,834,343, $2,267,076 and $1,011,148 as at March 31, 2006, December 31, 2005 and March 31, 2005, respectively, which expire from 2007 to 2016. Through the acquisition of Triangle, the Company acquired $126,644 worth of non-capital losses that expire from 2007 to 2015. The Company has recorded the associated income tax asset relating to the non-capital loss because it is more likely than not that these losses will be used in future taxable periods.

7. SHARE CAPITAL

Authorized

Unlimited number of voting Common Shares without nominal or par value.

Issued

The following table summarizes the changes in common shares and special warrants outstanding:

	Number of Shares	$
Balance, March 31, 2004	500,000	5,000
Issued seed capital (a)	60,000	600
Private placement of common shares (b)	175,000	140,000
Asset purchases (note 3)	571,201	623,239
Related party asset purchases (note 8)	2,901,771	3,165,703
Triangle share exchange (note 8)	2,647,416	2,888,331
Conversion of promissory notes (c)	66,665	50,000
Private placement of flow-through shares (d) (*i*)	5,670,920	5,670,920
Tax effect of flow-through shares	–	(1,906,563)
Private placement of common units (d) (*i*)	2,869,850	2,066,292
Conversion of special incentive warrants (d) (*i*)	286,985	229,588
Share issue costs, after future income taxes (e)	–	(622,931)
Balance, March 31, 2005 before agent's warrants	15,749,808	12,310,179
Agent's warrants – 640,557 warrants (h)	–	115,300
Balance, March 31, 2005	15,749,808	12,425,479
Exercise of stock options	13,333	10,666
Contributed surplus on exercise of stock options	–	5,200
Private placement of flow-through shares (d) (*ii*)	5,350,900	8,026,350
Private placement of common units (d) (*ii*)	11,817,700	14,063,063
Common share purchase warrants - 5,908,850 (d) (*ii*)	–	709,062
Share issue costs, after future income taxes (e)	–	(1,429,276)
Balance, December 31, 2005 before agent's warrants	32,931,741	33,810,544
Agent's warrants – 1,197,742 warrants (h)	–	299,436
Balance, December 31, 2005	32,931,741	34,109,980
Tax effect of flow-through shares	–	(2,698,459)
Balance, March 31, 2006 (Unaudited)	32,931,741	31,411,521

(a) Issued seed capital

The Company issued seed capital to certain officers and directors of the Company for $0.01 per common share until May 12, 2004.

(b) Private placement of common shares

From June 10, 2004 to June 25, 2004, the Company issued common shares to certain directors and officers of the Company for $0.80 per common share in order to finance start up costs.

(c) Conversion of promissory notes

On March 4, 2004, the Company issued five convertible promissory notes to certain directors in the principal amount of $10,000 each. The convertible promissory notes bore interest at 6% per annum, and interest expense of $nil and $978 has been recorded for the nine months ended December 31, 2005 and year-ended March 31, 2005, respectively. On June 30, 2004 all of these notes were converted into common shares of the Company at a conversion price of $0.75 per common share.

(d) Private placements

(i) Three tranches of a private placement were closed in July 2004 for the issuance of 5,670,920 flow-through shares at $1.00 per flow-through share and 2,869,850 common units at $0.80 per common unit for gross proceeds of $7,966,800. Under this private placement each unit issued consisted of one common share and one special incentive warrant. Holders of special incentive warrants, for no additional consideration, would receive one common share for each ten special incentive warrants held if the Company was unable to obtain a public listing on the Exchange or the Toronto Stock Exchange on or before January 14, 2005. Since the Company was unable to meet this deadline, 2,869,850 special incentive warrants were converted into 286,985 common shares on January 15, 2005.

The fair value of the special incentive warrants is $229,588, and was allocated to the conversion of special incentive warrants for the year-ended March 31, 2005. Fair value of each special incentive warrant granted is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Risk free interest rate	2.3%
Term (years)	0.5
Expected volatility	51.4%
Expected dividend yield	Nil

The risk free interest rate used to calculate the fair value of the options granted is higher than the risk free interest rate used to calculate the fair value of the special incentive warrants because the term of the options is five years whereas the term of the special incentive warrants is 0.5 years. Using the Black-Scholes option pricing model a higher risk free interest rate is used to calculate the fair value of equity instruments with a longer term.

(*ii*) Three tranches of a private placement were closed in April and May 2005 for the issuance of 5,350,900 flow-through shares at $1.50 per flow-through share and 11,817,700 common units at $1.25 per common unit for gross proceeds of $22,798,475. Each common unit consisted of one common share and one half common share purchase warrant. Each full common share purchase warrant is exercisable at a price of $1.55 per common share, on or before June 30, 2006. If the common shares of WIN trade on a recognized stock exchange at an average price of $2.00 or higher for 20 consecutive trading days, then the Company can force conversion of the common share purchase warrants upon providing notice to the holders, and the warrants shall expire 30 days from the date of notice.

The fair value of the common share purchase warrants is $709,062. Fair value of each common share purchase warrant granted is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Risk free interest rate	2.77-2.88%
Term (years)	1
Expected volatility	43.8%
Expected dividend yield	Nil

(e) Share issue costs

The following table summarizes the Company's share issue costs incurred during the various periods:

	$
Balance, March 31, 2004	–
Professional fees	(167,225)
Agent's fees	(597,510)
Tax effect (33.62%)	257,104
Balance, March 31, 2005 before agent’s warrants	(507,631)

Fair value of agents warrants (h)	(115,300)
Balance, March 31, 2005	(622,931)
Professional fees	(262,601)
Agent's fees	(2,292,476)
Tax effect (33.62%)	859,017
Balance, December 31, 2005 before agent's warrants	(1,696,060)
Fair value of agents warrants (h)	(299,436)
Balance, December 31, 2005	(1,995,496)
Professional fees	(77,562)
Tax effect (33.62%)	26,077
Balance, March 31, 2006 (Unaudited)	(51,485)

(f) Special warrants

	Number of Special Warrants	$
Balance, March 31, 2004 and 2005	–	–
Private placement of special warrants	6,065,200	12,130,400
Share issue costs, after future income taxes (e)	–	(566,220)
Balance, December 31, 2005	6,065,200	11,564,180
Private placement of special warrants	95,000	190,000
Share issue costs, after future income taxes (e)	–	(51,485)
Balance, March 31, 2006 (Unaudited)	6,160,200	11,702,695

Two tranches of a private placement were closed in December 2005 for the issuance of 6,065,200 special warrants at $2.00 per special warrant for gross proceeds of $12,130,400. On January 11, 2006 a third tranche of special warrants closed for the issuance of 95,000 special warrants at $2.00 per special warrant for gross proceeds of $190,000. Each special warrant entitles the holder to acquire one common share of the Company at no additional cost on the earlier of the day that is the fifth business day after the date on which a receipt for a final prospectus has been obtained by the Company from the last of the Securities Commissions to issue a receipt or the day that is four months and a day following the closing date of the private placement.

As at December 31, 2005, the Company recorded a subscription receivable for $60,000 for the issuance of 30,000 special warrants. Prior to year end the Company received executed subscription agreements for the issuance of 30,000 special warrants, but the funds were held in trust by the Company's agent until January 6, 2006.

(g) Contributed surplus

The following table summarizes the changes in contributed surplus:

	$
Balance, March 31, 2004	–
Stock-based compensation expense	440,813
Balance, March 31, 2005	440,813
Stock options exercised	(5,200)
Stock-based compensation expense	1,041,842
Balance, December 31, 2005	1,477,455
Stock-based compensation expense	41,578
Balance, March 31, 2006 (Unaudited)	1,519,033

(h) Agent's warrants

Pursuant to the private placement, which closed in three tranches in July 2004, the Company's agent received agent's warrants equal to 7.5% of the number of common units and flow-through shares sold under the financing. Each agent's warrant entitles the holder thereof to acquire one common share of the Company on or before two years from the date of closing, at a price of $1.00 per common share.

The Company's agent also received agent's warrants equal to 7% of the number of common units and flow-through shares sold under the private placement financing that closed in April and May 2005. Each agent's warrant entitles the holder thereof to acquire one common share of the Company on or before 18 months from the date the Company obtains a public listing, at a price of $1.50 per common share.

The following is a schedule of agent's warrants:

Balance, March 31, 2004	–
Issued during July 2004 private placement	640,557
Exercised during the year	–
Expired during the year	–
Balance, March 31, 2005	640,557
Issued during April and May 2005 private placement	1,197,742
Exercised during the year	–
Expired during the year	–
Balance, December 31, 2005 and March 31, 2006 (Unaudited)	1,838,299

The fair value of the agent's warrants for the private placements was $115,300 and $299,436, respectively. Fair value of each agent's warrant granted was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

Risk free interest rate	3.01% – 3.32%
Term (years)	2
Expected volatility	43.8% – 51.4%
Expected dividend yield	Nil

(i) Options outstanding

The Company has a stock option plan, administered by the board of directors, in which up to 10% of the issued and outstanding common shares are reserved for issuance. Stock options entitling the holder to purchase common shares of the Company have been granted to officers, directors, employees and consultants of the Company. Stock options are exercisable for a period of five years from the date of grant. Under the terms of the Company's stock option plan 774 options were available to be issued as at March 31, 2006 and December 31, 2005 and 79,980 options were available to be issued as at March 31, 2005.

The following tables summarize the options outstanding:

	Number of options	Weighted average exercise price ($)
Balance, March 31, 2004	–	–
Granted	1,495,000	0.80
Exercised	–	–
Cancelled	–	–
Balance, March 31, 2005	1,495,000	0.80
Granted	1,837,400	1.37
Exercised	(10,000)	0.80
Cancelled	(30,000)	0.80
Balance, December 31, 2005 and March 31, 2006 (Unaudited)	3,292,400	1.12

Price of options	Number of options outstanding	Weighted average remaining contractual life (years)
$0.80	1,455,000	3.44
$1.25	1,120,000	4.12
$1.55	717,400	4.53
	3,292,400	3.91

The following tables summarize the vested exercisable options outstanding:

	Number of options	Weighted average exercise price ($)
Balance, March 31, 2004	–	–
Balance, March 31, 2005	849,167	0.80
Balance, December 31, 2005 and March 31, 2006 (Unaudited)	2,488,733	1.13

Price of options ($)	Number of options outstanding
0.80	1,146,667
1.25	636,666
1.55	705,400
	2,488,733

(j) Stock based compensation

During the three months ended March 31, 2006 and 2005 no stock options were granted by the Company. However, compensation expense of $41,578 has been recorded for the three months ended March 31, 2006 (three months ended March 31, 2005 – $47,287) relating to options granted in prior periods.

During the nine months ended December 31, 2005 the Company granted 1,837,400 stock options to its directors, officers, employees and consultants to acquire common shares at an exercise price ranging from $1.25 to $1.55 per share. Accordingly, a compensation expense net of cancelled options of $1,041,842 has been recognized for the nine months ended December 31, 2005. The weighted average fair value per option granted during the nine months ended December 31, 2005 was $0.59 per option. Fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

December 31, 2005	
Risk free interest rate	3.7%
Term (years)	5
Expected volatility	43.8%
Expected dividend yield	Nil

During the year-ended March 31, 2005 the Company granted 1,495,000 stock options to its directors, officers, employees and consultants to acquire common shares at an exercise price of $0.80 per share. Accordingly, a compensation expense of $440,813 has been recognized for the year-ended March 31, 2005. The weighted average fair value per option granted during the year-ended March 31, 2005 was $0.39 per option. Fair value of each option granted is estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

March 31, 2005	
Risk free interest rate	3.7 - 4.1%
Term (years)	5
Expected volatility	51.4%
Expected dividend yield	Nil

(k) Loss per share data

Basic loss per share is calculated based on the weighted average number of common shares outstanding during the year. In computing diluted per share amounts, all of the Company's potentially dilutive instruments were excluded from the calculation, as all were considered to be anti-dilutive.

	Three months ended March 31 (Unaudited) 2006	2005	Nine months ended December 31 2005	Year-ended March 31 2005
Net loss	$243,807	$178,254	$1,720,381	$747,239
Weighted average shares outstanding	39,081,385	15,708,355	31,361,537	10,336,159
Per share	$0.006	$0.011	$0.055	$0.072

8. RELATED PARTY TRANSACTIONS

On July 2, 2004 WIN acquired 100% of Triangle in exchange for 2,647,416 common shares (note 7) and on August 1, 2004 the two companies were amalgamated and operations continued under the name WIN Energy Corporation. The acquisition did not result in a substantive change in ownership interests in Triangle, therefore the acquisition was accounted for at the carrying amounts as a related party transaction in accordance with the standards recommended by section 3840 of the Canadian Institute of Chartered Accountants' ("CICA") Handbook. A difference of $2,647,320 between the carrying and exchange amounts has been charged against accumulated deficit.

The acquisition has been accounted for as follows:

	$
Cash	1,261
Property, plant and equipment	199,505
Future income tax asset	40,245
Accumulated deficit	2,647,320
Total share consideration (note 7)	2,888,331

On July 2, 2004 WIN closed several asset purchases for petroleum and natural gas rights in the southern foothills of Alberta in exchange for 2,901,771 common shares (note 7). Several of these transactions were conducted with related parties controlled by officers and directors of WIN. These transactions were measured at the carrying amounts and the shares issued in exchange for these assets were supported by third party evaluations. These transactions were accounted for as follows:

	$
Property, plant and equipment	645,041
Deficit	2,520,662
Total share consideration (note 7)	3,165,703

The Company incurred management fees paid to a company owned by a director and an officer of the Company. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes these fees:

	Three months ended March 31 (Unaudited) 2006 $	2005 $	Nine months ended December 31 2005 $	Year-ended March 31 2005 $
Management fees	–	–	21,000	96,495
Accounts receivable/(payable)	53	4,679	(2,675)	4,679

The Company incurred capital costs paid to a service company of which an officer of the Company has an ownership. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes these fees:

	Three months ended March 31 (Unaudited)		Nine months ended December 31	Year-ended March 31
	2006	2005	2005	2005
	$	$	$	$
Capitalized costs	32,346	9,477	21,095	14,746
Accounts (payable)	(34,610)	(6,768)	(2,758)	(6,768)

The corporate secretary of WIN is a partner with a law firm which provides legal services to the Company. These fees were incurred in the normal course of operations and are measured at the exchange amounts. The following table summarizes these fees:

	Three months ended March 31 (Unaudited)		Nine months ended December 31	Year-ended March 31
	2006	2005	2005	2005
	$	$	$	$
Capitalized costs	20,397	–	17,348	–
Share issue costs	67,898	851	177,564	157,476
General and administrative	40,215	22,142	88,890	84,078
Total legal fees	128,510	22,993	283,802	241,554

As at March 31, 2006, December 31, 2005 and March 31, 2005 the Company had accounts payable of $137,506, $124,361 and $nil owing to this related party, respectively.

The Company conducts joint venture operations with a third party of which one of its former directors is also an officer of WIN, and with another third party that is owned and operated by a director of WIN. As at March 31, 2006 the Company has recorded accounts receivable owing from these related parties of $70,062 and $577, respectively. All transactions with these third parties are carried out in the normal course of operations and are measured at the exchange amounts.

9. FINANCIAL INSTRUMENTS

Fair values of financial assets and liabilities

Financial instruments of the Company consist mainly of cash and cash equivalents, accounts receivable and accounts payable and accrued liabilities. At December 31, 2005 and March 31, 2005 and 2004 there were no significant differences between the carrying amounts reported on the balance sheets and their estimated fair values.

Credit risk

The majority of the Company's accounts receivable are in respect of oil and gas exploration activities. The Company generally extends unsecured credit to these third parties, and therefore, the collection of accounts receivable may be affected by changes in economic or other conditions and may accordingly impact the Company's overall credit risk. WIN has not experienced any material credit loss in the collection of receivables during the nine months ended December 31, 2005 and 2004 nor during the year-ended March 31, 2005.

10. COMMITMENTS

Through the normal course of operations the Company has entered into the following commitments for office space and other office expenses:

March 31, 2006 (Unaudited)	**$**
2006	123,975
2007	170,071
2008	175,555
2009	176,376
2010	173,318
Thereafter	93,176

As at March 31, 2006 the Company had issued irrevocable standby letters of credit to various third parties totalling $1,018,915.

In the normal course of business, the Company has entered into a Farmout Agreement with ExxonMobil Canada Energy ("EMC"). Under the EMC Farmout Agreement the Company has the right to drill test wells and will earn a 100% interest in each section on which a well is drilled and a 100% interest in one additional pre-selected section, subject to a convertible 12.5% overriding royalty. EMC has the right to convert its 12.5% overriding royalty interest to a 35% working interest after the Company has conducted the required production tests and completed the test well. EMC has agreed, where it holds the fee title for the minerals, to grant an oil and natural gas lease to WIN upon the Company earning its interest, in exchange for an 18% royalty. By drilling five test wells by December 31, 2005, the Company earned the right to drill additional test wells until December 31, 2007; however, if by December 31, 2006 the Company has drilled less than ten test wells in total, then its right to drill additional test wells shall terminate at that time.

11. SUPPLEMENTAL CASH FLOW INFORMATION

The following tables summarize the changes in working capital:

	Three months ended March 31 (Unaudited)		**Nine months ended December 31**	**Year-ended March 31**	
Changes in non-cash operating working capital	**2006 $**	**2005 $**	**2005 $**	**2005 $**	**2004 $**
Accounts receivable	15,874	(18,639)	(34,782)	(18,639)	–
Prepaid expenses	2,250	(15,875)	(28,818)	(34,492)	–
Accounts payable and accrued liabilities	(25,590)	58,551	281,565	73,245	–
	(7,466)	24,037	217,965	20,114	–
Changes in non-cash investing working capital	**2006 $**	**2005 $**	**2005 $**	**2005 $**	**2004 $**
Accounts receivable	191,194	1,123,996	(644,939)	(749,123)	–
Prepaid expenses	–	–	–	(10,000)	–
Accounts payable and accrued liabilities	2,175,867	(3,123,141)	5,030,381	416,149	–
	2,367,061	(1,999,145)	4,385,442	(342,974)	–
Changes in non-cash financing working capital	**2006 $**	**2005 $**	**2005 $**	**2005 $**	**2004 $**
Accounts receivable	60,000	–	(60,000)	15,000	(15,000)
Prepaid expenses	–	–	–	–	–
Accounts payable and accrued liabilities	–	–	–	–	–
	60,000	–	(60,000)	15,000	(15,000)
Additional cash flow information	**2006 $**	**2005 $**	**2005 $**	**2005 $**	**2004 $**
Interest paid	14,035	220	1,104	1,315	–
Interest received	72,776	6,149	256,518	42,273	–

12. SUBSEQUENT EVENTS

On April 24, 2006 an additional 135,000 options were granted to the President and Chief Executive Officer of the Company at an exercise price per common share equal to the offering price allocated to the Company’s common shares issuable pursuant to the Company’s initial public offering (“IPO”).

On May 1, 2006 the Company secured bridge financing in the maximum principal amount of $5,000,000 from Toscana Capital Corporation (“the Lending Agent”) and its financial partner, Toscana GP Capital Inc. (“the Lender”). All outstanding advances under the bridge facility are due to be repaid no later than July 31, 2006. The bridge facility bears interest at an annual rate of 9.0%, payable on the last business day of each month, with any overdue interest being compounded monthly. The Lending Agent has been paid a $25,000 work fee and the Lender has been paid a $50,000 commitment fee, and will also receive that number of common shares, priced at the same price as the IPO, having a value of $55,000. These common shares will not be subject to any escrow conditions and are to be delivered to the Lender no later than the closing of the IPO. The bridge facility was used primarily for construction costs of the WIN gas plant and gathering system and was repaid on June 30, 2006.

On May 10, 2006 the Company filed a preliminary prospectus for the Company’s IPO of $30,000,000, which was amended and restated on May 29, 2006. On July 5, 2006 the Company filed a second amended and restated preliminary prospectus for the Company's IPO of 7,500,000 units at a price of $2.00 per unit, each unit comprised of one Common Share and one half warrant, each whole warrant exercisable for a period of 24 months at an exercise price of $2.50 (a "Unit"), and 2,0833,334 common shares issued on a flow-through basis at a price of $2.40 per share. Associated with the Company’s IPO, the underwriters will be paid a fee equal to 6.25% of the gross proceeds of the IPO, and will be reimbursed for their expenses, including legal fees and disbursements. The expenses of the IPO are estimated to be $750,000, which will be paid by the Company out of the proceeds of the IPO but after deducting the underwriter’s fee. The Company has granted to the underwriters an option to purchase or sell and distribute at the closing of the IPO up to an additional 2,500,000 Units at a price of $2.00 per Unit and an option to offer and distribute up to an additional 1,250,000 common shares issuable on a flow-through basis at $2.40 per share, each exercisable until 48 hours prior to the time of closing of the IPO. The Company has also granted the underwriters an over-allotment option of up to that number of Units of the Company equal to 15% of the Units issued pursuant to the IPO, at the same price per Unit as the IPO, exercisable for 30 days from the dated of the closing of the IPO, solely to cover over-allotments, if any.

On June 1, 2006, the Company and Odin Capital Inc. (“Odin”), which is a related party to WIN, entered into an agreement pursuant to which the Company acquired the Odin gross overriding royalty for consideration of 2,000,000 common shares at a deemed value of $2.25 per common share and the issuance of a promissory note in favour of Odin in the principal amount of $1,000,000, maturing May 31, 2007. It is intended that payment of the amount owing pursuant to the promissory note will be made from the proceeds of the Company’s IPO. If the promissory note has not been repaid by August 1, 2006, interest will commence to accrue on the balance owing at the rate of 6.0% per annum.

AUDITORS' REPORT

To the Directors of
Triangle Resources Inc.

We have audited the balance sheets of Triangle Resources Inc. as at June 30, 2004, June 30, 2003, December 31, 2003 and December 31, 2002, and the statements of operations and deficit and statements of cash flow for the periods then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at June 30, 2004, June 30, 2003, December 31, 2003 and December 31, 2002 and the results of operations and its cash flows for the periods then ended, in accordance with Canadian generally accepted accounting principles.

Calgary, Alberta
December 7, 2005

"HOLT ROONEY"
CHARTERED ACCOUNTANTS

TRIANGLE RESOURCES INC.

BALANCE SHEETS

	June 30		December 31	
	2004	**2003**	**2003**	**2002**
	$	**$**	**$**	**$**
ASSETS				
Current assets				
Cash	1,263	1,355	2,156	4,428
Accounts receivable	3	3	17,184	–
	1,266	1,358	19,340	4,428
Property and equipment (note 2)	229,874	187,809	198,624	187,818
	231,140	189,167	217,964	192,246
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current liabilities				
Accounts payable	–	–	7,922	–
	–	–	7,922	–
Debentures (note 3)	–	56,000	–	56,000
Asset retirement obligations (note 4)	9,062	8,391	8,713	8,068
Future income tax liability	5,616	3,679	3,679	3,679
	14,678	68,070	20,314	67,747
Shareholders' equity				
Share capital (note 5)	326,589	211,851	300,932	211,851
Contributed surplus (note 6)	–	4,000	4,000	4,000
Deficit	(110,127)	(94,754)	(107,282)	(91,352)
	216,462	121,097	197,650	124,499
	231,140	189,167	217,964	192,246

See accompanying notes to the financial statements

Approved on behalf of the board:

"*Robert J. Iverach, Q.C.*"
Director

"*Peter A. Philipchuk*"
Director

TRIANGLE RESOURCES INC.

STATEMENTS OF OPERATIONS AND DEFICIT

	for the six months ended June 30		for the year ended December 31	
	2004	2003	2003	2002
	$	$	$	$
Expenses				
Professional fees	(1,538)	2,174	10,246	8,544
Interest and bank charges	44	40	4,162	5,980
Operating costs	–	640	640	2,953
Stock-based compensation	2,000	–	–	(4,000)
Office supplies	44	216	217	1,208
Bad debt	–	–	–	18,301
Accretion expense	349	323	645	598
Amortization	9	9	20	21
	908	3,402	15,930	33,605
Loss before future income tax	(908)	(3,402)	(15,930)	(33,605)
Future income tax expense	(1,937)	–	–	(1,248)
Net loss	(2,845)	(3,402)	(15,930)	(34,853)
Deficit, beginning of period	(107,282)	(91,352)	(91,352)	(61,168)
Prior period adjustment (note 7)	–	–	–	4,669
Deficit, end of period	(110,127)	(94,754)	(107,282)	(91,352)

See accompanying notes to the financial statements

TRIANGLE RESOURCES INC.

STATEMENTS OF CASH FLOWS

	for the six months ended June 30		for the year ended December 31	
	2004	**2003**	**2003**	**2002**
	$	**$**	**$**	**$**
Cash provided by (used in) operating activities:				
Net loss	(2,845)	(3,402)	(15,930)	(34,853)
Items not involving cash				
Stock-based compensation	2,000	–	–	(4,000)
Accretion	349	323	645	598
Amortization	9	9	20	21
Future income taxes	1,937	–	–	1,248
	1,450	(3,070)	(15,265)	(36,986)
Changes in non-cash working capital				
Accounts receivable	17,181	(3)	(17,184)	64,349
Accounts payable	(7,922)	–	7,922	–
	10,709	(3,073)	(24,527)	27,363
Cash provided by (used in) financing activities:				
Issuance of common shares	19,657	–	89,081	(31,900)
Changes in long-term debt	–	–	(56,000)	56,000
	19,657	–	33,081	24,100
Cash provided by (used in) investing activities:				
Additions to property and equipment	(31,259)	–	(10,826)	(49,542)
	(31,259)	–	(10,826)	(49,542)
Net increase (decrease) in cash	(893)	(3,073)	(2,272)	1,921
Cash, beginning of period	2,156	4,428	4,428	2,507
Cash, end of period	1,263	1,355	2,156	4,428

See accompanying notes to the financial statements

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with Canadian generally accepted accounting principles. As a precise determination of many assets and liabilities depends on future events, the preparation of financial statements necessarily calls upon the use of estimates made using careful judgment. These financial statements have, in management's opinion, been prepared using such careful judgment, within reasonable limits of materiality and within the framework of significant accounting policies as described below.

Oil and gas properties
The Company has an interest in properties in four areas of Alberta. Other than one shut in well, these properties have not been developed, but have increased in value according to the independent reserve report prepared for the joint venture partner in the properties.

The Company follows the full cost method of accounting for oil and gas operations. Capitalized costs are accumulated in a single cost centre and amortized to income over the production life of the proved reserves. Capitalized costs are those incurred to explore for and develop petroleum and natural gas reserves, whether productive or non-productive, including lease and land acquisitions, geological and geophysical activities, lease rentals on non-producing properties, drilling wells, and annual carrying charges of non-producing properties. Costs accumulated in the cost centre where exploration activity has ceased and recoverable reserves have not been found are written off. No gains or losses are recognized upon disposition of oil and gas properties accounted for under the full cost method, unless such disposition would significantly alter the relationship within a cost centre between capital costs and proved reserves of oil and gas.

Costs accumulated within the cost centre are limited to the estimated undiscounted future net revenues from production of proved reserves at year end market prices, plus cost of unproved properties (net of impairment), less amounts associated with future production, general and administrative, financing, site restoration, and income tax costs.

Depletion is computed on the unit of production method based on proved reserves. For purposes of the depletion calculation, oil and gas reserves, net of royalties, are converted to a common unit of measure on the basis of their approximate relative energy content (six MCF of gas is equivalent to one BOE).

A significant part of the Company's activities are conducted jointly with third parties and accordingly these financial statements reflect the Company's proportionate interest in these activities.

Income taxes
Income taxes are calculated using the liability method of tax accounting. Under this method, future income tax assets and liabilities are determined based on differences between the amount reported in the financial statements and their respective tax bases, measured using the enacted or substantively enacted tax rates and laws that are anticipated to be in effect in the periods in which the difference are expected to be settled or realized. The effect of a change in income tax rates on future income tax assets and liabilities is recognized in income in the period that the change occurs.

Property and equipment
Capitalized assets are recorded at cost and amortized over the estimated useful life of the asset. Amortization and depletion is recorded at the following annual rates:

Incorporation costs	7% declining balance
Petroleum and natural gas rights	unit of production

Revenue recognition
As there has been no production from these properties in the year, no revenue has been recognized.

Asset retirement obligations

The Company recognizes the fair value of a liability for an asset retirement obligation in the period in which it is incurred, and records a corresponding increase in the carrying value of the related long-lived asset. The fair value is determined through a review of engineering studies, industry guidelines, and management's estimate on a site by site basis. The liability is subsequently adjusted for the passage of time, and is recognized as an accretion expense in the statement of operation. The liability is also adjusted due to revisions in either the timing or the amount of the original estimated cash flows associated with the liability. The increase in the carrying value of the asset is amortized using the unit of production method based on estimated proved reserves as determined by independent engineers. Actual costs incurred upon settlement of the asset retirement obligations are charged against the asset retirement obligation to the extent of the liability recorded. Any difference between the actual costs incurred upon settlement of the asset retirement obligations and the recorded liability is recognized as a gain or loss in the Company's statement of operations in the period in which the settlement occurs.

2. PROPERTY AND EQUIPMENT

	Cost $	**Accumulated Amortization** $	**Net June 30 2004** $	**Net June 30 2003** $
Petroleum and natural gas properties and equipment	229,622	-	229,622	187,537
Incorporation costs	433	181	252	272
	230,055	**181**	**229,874**	**187,809**

	Cost $	**Accumulated Amortization** $	**Net December 31 2003** $	**Net December 31 2003** $
Petroleum and natural gas properties and equipment	198,363	-	198,363	187,537
Incorporation costs	433	172	261	281
	198,796	**172**	**198,624**	**187,818**

3. DEBENTURES

The Company issued debentures of $70,000 to several shareholders on February 15, 2002. $14,000 of principal and interest at 10% was paid to the debenture holders on December 17, 2002. The remaining debentures of $56,000 plus accrued interest of $4,081 were exchanged for 1,802,451 common shares ($0.033 per share) of the company on September 9, 2003.

4. ASSET RETIREMENT OBLIGATIONS

The following table presents the conciliation of the carrying amount of the obligations associated with the retirement of the property and equipment:

	June 30	
	2004 $	**2003** $
Asset retirement obligations, beginning of period	8,713	8,068
Liabilities incurred	-	-
Accretion expense	349	323
Liabilities settled	-	-
Asset retirement obligations, end of period	**9,062**	**8,391**

A credit-adjusted risk-free rate of 8% was used to calculate the fair value of the asset retirement obligations. The total undiscounted amount of the estimated cash flows required to settle the obligations was $70,943 as at June 30, 2004. The expected timing of payment of the cash flows required for settling the obligation is 27 years.

The following table presents the reconciliation of the carrying amount of the obligations associated with the retirement of the property and equipment:

	December 31	
	2003	**2002**
	$	**$**
Asset retirement obligations, beginning of year	8,068	7,470
Liabilities incurred	-	-
Accretion expense	645	598
Liabilities settled	-	-
Asset retirement obligations, end of year	**8,713**	**8,068**

A credit-adjusted risk-free rate of 8% was used to calculate the fair value of the asset retirement obligations. The total undiscounted amount of the estimated cash flows required to settle the obligations was $70,943 as at December 31, 2003. The expected timing of payment of the cash flows required for settling the obligation is 28 years.

5. CAPITAL STOCK

The Company is incorporated under jurisdiction of the Alberta Business Corporations Act.

Authorized:
Unlimited number of Class A voting common shares
Unlimited Class B non-voting common shares
Unlimited Class C non-cumulative, redeemable voting preferred shares
Unlimited Class D non-cumulative, redeemable non-voting preferred shares

Issued:

	June 30	
	2004	**2003**
	$	**$**
Class A Shares: 6,250,904 (2003 – 3,286,500)	**326,589**	**211,851**

	December 31	
	2003	**2002**
	$	**$**
Class A Shares: 5,958,950 (2002 – 3,286,500)	**300,932**	**211,851**

Contributed surplus:	$
Balance, December 31, 2003 and 2002 and June 30, 2003	4,000
Stock based compensation expense	2,000
Reclassification to common shares on exercise of options	(6,000)
Balance, June 30, 2004	**-**

Stock options outstanding:
400,000 options were issued on February 14, 2001. 200,000 of these options expired ninety days after the option holders withdrew from the business, in accordance with the terms of the option agreement. The remaining 200,000 options have an exercise price of $0.10 and expire on February 14, 2006. 150,000 of these options were exercised on April 12, 2004 and the remaining 50,000 options were exercised on May 5, 2004.

100,000 options were issued on February 14, 2004. The options have an exercise price of $0.10 and expire on February 14, 2006. 50,000 of these options were exercised on April 12, 2004 and the remaining were exercised on April 22, 2004.

Warrants:
700,000 warrants were issued on February 15, 2002 with an expiry date of February 15, 2005 in conjunction with the issue of the debentures. The rights to these warrants were released as part of the conversion of the debenture to common shares (see note 3).

Earnings per share:
Basic earning per share are based on the weighted average number of common shares outstanding during the period. Diluted earnings per share are based on the weighted average number of common shares, stock options, and warrants outstanding at the beginning of, or granted during the period.

	June 30	
	2004	**2003**
Weighted average number of shares	6,080,608	3,286,500
Basic loss per share	0.0005	0.0010
Diluted loss per share	N/A	N/A

	December 31	
	2003	**2002**
Weighted average number of shares	4,157,176	4,457,544
Basic loss per share	0.0038	0.0075
Diluted loss per share	N/A	N/A

Diluted earnings per share is not reported for 2004 as the outstanding warrants would have an anti-dilutive effect. Warrants to purchase common shares were outstanding as at June 30, 2003 and December 31, 2003 and 2002 but were not in the computation of diluted earnings because the warrants' exercise price was greater than the average price of the common shares.

There were no options to purchase common shares outstanding at June 30, 2004. Options to purchase common shares were outstanding at the end of 2003 but were not included in the computation of diluted earnings because the options' exercise price was greater than the average price of the common shares.

6. INCOME TAXES

At June 30, 2004, the Company has non-capital losses carried forward of $123,729 which expire as follows:

	$
2007	6,718
2008	39,241
2009	37,008
2010	15,284
2011	25,478
	123,729

At December 31, 2003, the Company has non-capital losses carried forward of $98,251 which expire as follows:

	$
2007	6,718
2008	39,241
2009	37,008
2010	15,284
	98,251

7. PRIOR PERIOD ADJUSTMENT

The prior period adjustment consists of the following:

	$
Reduction of depletion and depreciation of petroleum and natural gas properties and equipment	(15,100)
Recording of stock compensation expense and associated contributed surplus	8,000
Recording of future taxes	2,431
	(4,669)

8. SUBSEQUENT EVENTS

The Company was sold to Win Energy Corporation on July 2, 2004. On August 1, 2004 the Company was amalgamated with Win Energy.

9. AUDIT REPORT

Previous audit reports dated June 30, 2004 and July 12, 2004 have been withdrawn.

The December 31, 2003 financial statements were revised with respect to the number of shares issued, warrants outstanding, and options outstanding as outlined in note 4.

The previously unaudited comparative December 31, 2002 numbers were adjusted as described in note 7.

There were no other changes from the financial statements as originally issued.

CERTIFICATE OF THE CORPORATION

DATED: July 5, 2006

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by Part 9 of the *Securities Act* (British Columbia), by Part 9 of the *Securities Act* (Alberta), by Part XI of *The Securities Act, 1988* (Saskatchewan), by Part VII of *The Securities Act* (Manitoba), by Part XV of the *Securities Act* (Ontario), by section 64 of the *Securities Act* (Nova Scotia), by Part 6 of the *Securities Act* (New Brunswick), by Part II of the *Securities Act* (Prince Edward Island) and by Part XIV of the *Securities Act, 1990* (Newfoundland and Labrador), and the respective regulations thereunder.

By: "*William J. Kiff*"
President and Chief Executive Officer

By: "*Shane J. Kozak*"
Vice President, Finance and
Chief Financial Officer

On Behalf of the Board of Directors

By: "*Robert J. Iverach, Q.C.*"
Director

By: "*David M. McGoey*"
Director

CERTIFICATE OF THE UNDERWRITERS

DATED: July 5, 2006

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this amended and restated prospectus as required by Part 9 of the *Securities Act* (British Columbia), by Part 9 of the *Securities Act* (Alberta), by Part XI of *The Securities Act, 1988* (Saskatchewan), by Part VII of *The Securities Act* (Manitoba), by Part XV of the *Securities Act* (Ontario), by section 64 of the *Securities Act* (Nova Scotia), by Part 6 of the *Securities Act* (New Brunswick), by Part II of the *Securities Act* (Prince Edward Island) and by Part XIV of the *Securities Act, 1990* (Newfoundland and Labrador), and the respective regulations thereunder.

CIBC WORLD MARKETS INC.

By: "*Francesco G. Mele*"

JENNINGS CAPITAL INC.

By: "*Martin P. McGoldrick*"

CANACCORD CAPITAL CORPORATION

By: "*George T. Wilson*"

GMP SECURITIES L.P.

By: "*Christopher T. Graham*"