



ANNUAL INFORMATION FORM

For the year ended December 31, 2025

Dated: March 31, 2026

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DEFINITIONS

"**2024 Debenture**" means an unsecured convertible debenture in the principal amount of \$1,000 previously issued and outstanding under the 2024 Debenture Indenture, which had a maturity date of March 31, 2024;

"**2024 Debenture Indenture**" means the convertible debenture indenture dated May 9, 2019 entered into between Western and Odyssey Trust Company, that governed the 2024 Debentures;

"**2025 Debenture**" means an unsecured convertible debenture in the principal amount of \$1,000, issued under the 2025 Debenture Indenture, which had a maturity date of December 31, 2025;

"**2025 Debenture Indenture**" means the convertible debenture indenture dated October 24, 2023, entered into between Western and Odyssey Trust Company, that governs the 2025 Debentures;

"**ABCA**" means the *Business Corporations Act*, R.S.A. 2000, c. B-9, as amended, including the regulations promulgated thereunder;

"**AIF**" means this Annual Information Form;

"**Amended and Restated Commitment Letter**" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History - 2025*";

"**ATB**" means ATB Financial;

"**ATB Facility**" means the credit facility with ATB originally entered into by the Corporation in 2020 and as subsequently amended including pursuant to the Amended and Restated Commitment Letter;

"**Board**" means the board of directors of Western;

"**Common Shares**" means the common shares in the capital of Western;

"Corporation" or **"Western"** means The Western Investment Company of Canada Limited;

"COVID-19" means coronavirus disease (COVID-19), also known as the 2019 novel coronavirus, and severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2);

"Exchange" or **"TSXV"** means the TSX Venture Exchange Inc.;

"Foothills" means Foothills Creamery Ltd., a company incorporated under the ABCA;

"Foothills USA" means the unanimous shareholders agreement dated February 28, 2018 entered into by the shareholders of Foothills;

"Fortress" means Fortress Insurance Company, an insurer incorporated under the *Insurance Act* (Alberta);

"Fortress Transaction" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History - 2024*";

"GlassMasters" means GlassMasters ARG Autoglass Two Inc., a company amalgamated under the ABCA;

"GlassMasters Transaction" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History - 2026*";

"Golden Health Care" has the meaning ascribed thereto under the heading "*Corporate Structure - Intercorporate Relationships*";

"Golden Health Care USA" means the unanimous shareholders agreements dated September 1, 2017 entered into by the shareholders of Golden Health Care Management Inc., Hill View Manor Ltd., The Good Shepherd Villas Inc. and William Albert House Ltd.;

"MGA" means managing general agent;

"NI 52-110" means National Instrument 52-110 *Audit Committees*;

"OBCA" means the *Business Corporations Act* (Ontario);

"Ocean Sales" means Ocean Sales Group Ltd., a company incorporated under the ABCA;

"Options" means options to purchase Common Shares issued pursuant to the Corporation's stock option plan;

"Preferred Shares" means the preferred shares in the capital of Western;

"Private Placement" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History*";

"Rights Offering" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History - 2024*";

"SBP" means supporting broker partner;

"Tax Act" means the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.), including the regulations promulgated thereunder, all as amended from time to time;

"Tevir" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History – 2024*";

"**Tevir Agreements**" means the Tevir Investment Agreement, the Tevir Investor Rights Agreement, the Tevir Investment Management Agreement and the Tevir Management Services Agreement;

"**Tevir Investment Agreement**" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History - 2024*";

"**Tevir Investment Management Agreement**" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History – 2024*";

"**Tevir Investor Rights Agreement**" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History - 2024*";

"**Tevir Management Services Agreement**" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History – 2024*";

"**Tevir Transaction**" has the meaning ascribed thereto under the heading "*General Development of the Business – Three Year History - 2024*";

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia; and

"**USAs**" means, collectively, the Golden Health Care USA and the Foothills USA.

Unless otherwise specified, information in this AIF is as at the end of the Corporation's most recently completed financial year, being December 31, 2025.

CURRENCY

In this AIF, all dollar amounts are expressed in Canadian currency, unless otherwise noted.

FORWARD-LOOKING INFORMATION

Certain information and statements contained in this AIF concerning the business, operations and financial performance and condition of Western constitute "**forward-looking information**" within the meaning of applicable Canadian securities laws. All statements and information, other than historical information or statements of historical fact, made by the Corporation that address activities, events or developments that the Corporation expects or anticipates will or may occur in the future is forward-looking information, including, but not limited to information and statements preceded by, followed by or that include words such as "expect", "likely", "may", "will", "aims", "intend", or "anticipate", "potential", "proposed", "estimate" and other similar words, including negative and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. Forward-looking information includes estimates, budgets, plans, expectations, opinions, forecasts, financial and other projections, targets, guidance, or other information or statements that are not statements of fact. Such forward-looking information is made as of the date of this AIF. Forward-looking information in this AIF includes, but is not limited to, information and statements with respect to:

- (a) the Corporation's, Fortress' and the Corporation's other portfolio companies', business objectives and the anticipated timing of execution;
- (b) the performance of the Corporation's business and operations, including the performance of Fortress and the Corporation's other portfolio companies;
- (c) the intention to grow the business, operations and potential activities of the Corporation, Fortress and the Corporation's other portfolio companies;

- (d) the competitive and business strategies of the Corporation, Fortress and the Corporation's other portfolio companies;
- (e) the competitive conditions of the industries in which the Corporation, Fortress and the Corporation's other portfolio companies operate;
- (f) future business strategy, competitive strengths, goals, employment levels, expansion (including opportunities for expansion) and growth of the Corporation's, Fortress' and the Corporation's other portfolio companies' business; and
- (g) the Corporation's plans to expand the Fortress business;

Although the Corporation believes that its anticipated future results, performance or achievements expressed or implied by the forward-looking information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of the Corporation to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information.

Forward-looking information is based upon management's perceptions of historical trends, current conditions and expected future developments, as well as a number of specific factors and assumptions that, while considered reasonable by the Corporation as of the date of such information, are, in many cases, outside of the Corporation's control and are inherently subject to significant business, economic and competitive uncertainties and contingencies which could result in the forward-looking information ultimately being entirely or partially incorrect or untrue. Such factors and assumptions include, but are not limited to:

- (a) applicable laws, regulations and any amendments thereof;
- (b) the Corporation's ability to comply with applicable governmental regulations and standards;
- (c) reliance on suppliers and other third parties;
- (d) general business and economic conditions;
- (e) being a public company;
- (f) dependence on key management personnel;
- (g) general economic trends and conditions;
- (h) equity and debt markets continuing to provide the Corporation with access to capital on terms acceptable to the Corporation;
- (i) litigation;
- (j) the demand for the Corporation's products and services and fluctuations in future revenues;
- (k) sufficiency of current working capital to support future operating and working capital requirements;

- (l) the availability of cash to declare a dividend, and such declaration being determined prudent by the Board;
- (m) the Corporation's future growth prospects and business opportunities; and
- (n) the Corporation's success in implementing its strategies and achieving its business objectives.

You are cautioned that the foregoing list of material factors and assumptions is not exhaustive.

Many factors and risks could cause the actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking information, including, without limitation, those listed in this AIF. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievements may vary materially from those expressed or implied by the forward-looking information contained in this AIF. These factors and risks should be considered carefully, and readers should not place undue reliance on the forward-looking information. Although the forward-looking information contained in this AIF are based upon what management currently believes to be reasonable assumptions, Western cannot assure prospective investors that actual results, performance or achievements will be consistent with such forward-looking information.

Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include, but are not limited to: the impact or unanticipated impact of general economic, political and market factors in the countries in which we do business; the behaviour of financial markets, including fluctuations in interest and foreign exchange rates; global equity and capital markets and the availability of equity and debt financing and refinancing within these markets; insurance risks including pricing risk, concentration risk and exposure to large losses, and risks associated with estimates of loss reserves; strategic actions including dispositions; the ability to complete and effectively integrate acquisitions into existing operations and the ability to attain expected benefits; changes in accounting policies and methods used to report financial condition (including uncertainties associated with critical accounting assumptions and estimates); the ability to appropriately manage human capital; the effect of applying future accounting changes; business competition; operational and reputational risks; technological change; changes in government regulation and legislation within the countries in which we operate; governmental investigations; litigation; changes in tax laws; changes in capital requirements; changes in reinsurance arrangements and availability and cost of reinsurance; ability to collect amounts owed; catastrophic events, such as earthquakes, hurricanes or pandemics; the possible impact of international conflicts and other developments including terrorist acts and cyberterrorism; risks associated with reliance on distribution partners, capacity providers and program administrators; third party risks; risk that models used to manage the business do not function as expected; climate change risk; risk of economic downturn; risk of inflation; risks relating to cyber-security; risks relating to credit ratings; and other risks and factors detailed from time to time in our documents filed with securities regulators in Canada.

The forward-looking information contained in this AIF speak only as of the date of this AIF. The forward-looking information contained herein is expressly qualified in their entirety by this cautionary statement. Many of these risk factors and other specific risks and uncertainties are discussed in further detail throughout this AIF. Readers are specifically referred to the risk factors described in this AIF under "*Risk Factors*".

Readers are cautioned that the foregoing lists of factors should not be construed as exhaustive. The forward-looking information contained in this AIF are expressly qualified by this cautionary statement. Except as required under applicable securities laws, the Corporation undertakes no obligation to publicly update or revise any forward-looking information.

MARKET AND INDUSTRY DATA

This AIF includes market and industry data and forecasts obtained from third-party sources, industry publications and publicly available information, as well as industry data prepared by management based on its knowledge of the markets in which the Corporation and its portfolio companies operate. Certain third-party sources are proprietary, subscription-based, or otherwise not publicly available.

Management's knowledge of the industries in which the Corporation and its portfolio companies operate has been developed through its experience and participation in such industries, in particular, the insurance industry. Management believes that the market and industry data prepared by the Corporation is based on reasonable estimates and assumptions and that the information obtained from third-party sources is reliable. However, such information has not been independently verified by Western, and neither Western nor management makes any representation or warranty as to the accuracy or completeness of such information.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this AIF from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated by reference herein may be obtained on request without charge from investor relations at Suite 1700, 95 St. Clair Avenue West, Toronto, Ontario, M3V 1N6 (investorrelations@winv.ca). These documents are also available through the internet on SEDAR+ which can be accessed at www.sedarplus.com.

The following documents, which have been filed with the securities commission or similar authority in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador are specifically incorporated by reference in, and form an integral part of, this AIF:

1. the business acquisition report of the Corporation dated March 13, 2025, relating to the completion of the Fortress Transaction (the "**March 2025 BAR**").

CORPORATE STRUCTURE

Name, Address and Incorporation

The Western Investment Company of Canada Limited was incorporated on October 28, 2015 pursuant to the ABCA. On December 5, 2025 the Corporation continued under the OBCA. The registered and head office of Western is located at Suite 1700, 95 St. Clair Avenue West, Toronto, Ontario M3V 1N6, Canada.

The Common Shares trade on the TSXV under the symbol "WI".

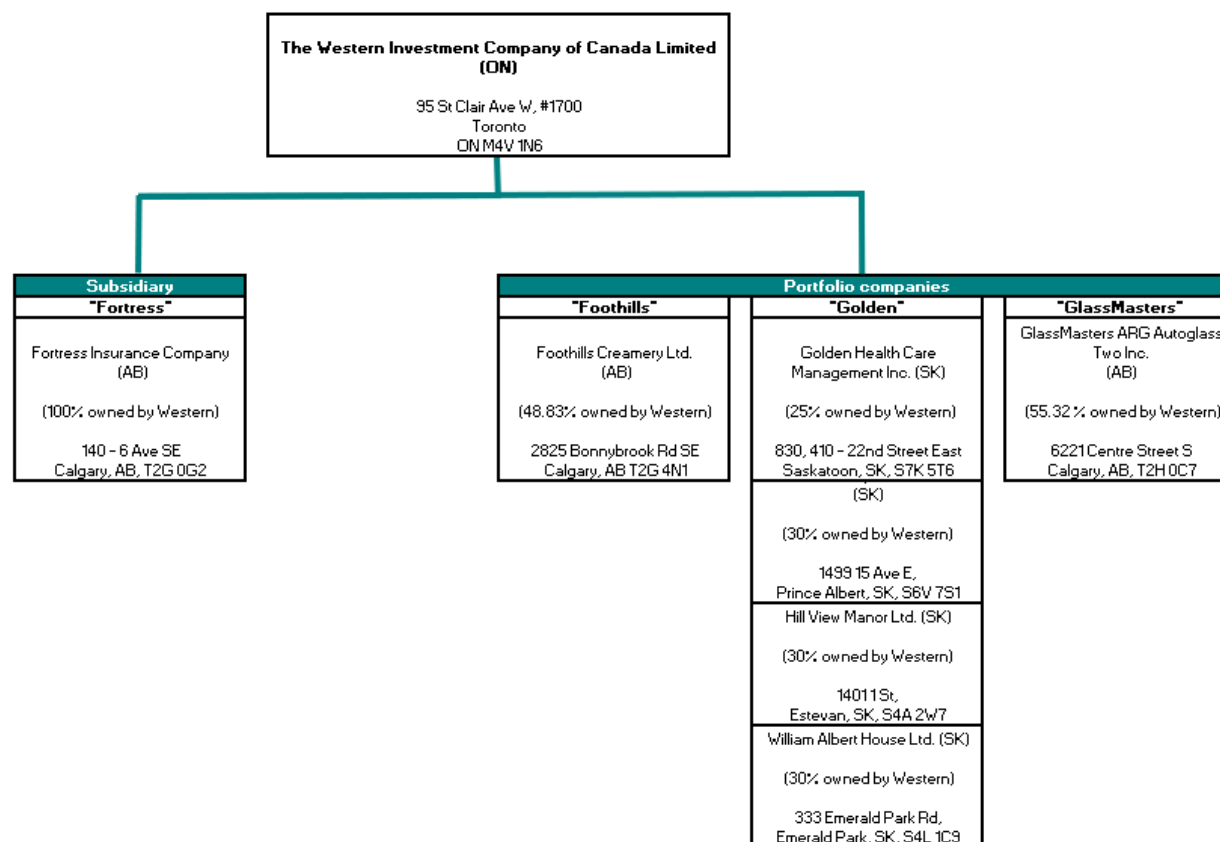
Intercorporate Relationships

As of the date of this AIF, Western has one wholly owned subsidiary and investments in a portfolio of three other companies, all accounted using the equity method, which are as follows:

- 1) a 100% interest in Fortress.
- 2) 30.0% equity interest in three entities, each of which owns a senior care home, and a 25% equity interest in Golden Health Care Management Inc., a company incorporated under the laws of the Province of Saskatchewan (collectively, "**Golden Health Care**"). The three homes include (a) Hill View Manor in Estevan, Saskatchewan, which is owned by Hill View Manor Ltd., (b) Good Shepherd Villas in Prince Albert, Saskatchewan, which is owned by The Good Shepherd Villas Inc., and (c) William Albert House in the Regina suburb of Emerald Park, Saskatchewan, which is owned by William Albert House Ltd.; and
- 3) a 48.83% interest in Foothills.

On February 2, 2026, the Corporation announced it had completed the sale of its 55.3% equity interest in GlassMasters.

The Corporation's organizational structure as at December 31, 2025 was as follows:



The Corporation's sale of its interest in GlassMasters was completed in February of 2026.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

2023

On February 6, 2023, Western announced that it obtained regulatory approval to proceed with a normal course issuer bid whereby Western may purchase up to a total of 1,500,000 Common Shares, representing approximately 5.0% of the then outstanding Common Shares, through the facilities of the Exchange, at the market price of the Common Shares at the time of the acquisition. During the term of this normal course issuer bid, a total of 25,000 Common Shares were purchased by Western for an aggregate price of \$8,875, at a price of \$0.35 per share.

On September 29, 2023, Western paid dividends of \$0.005 per share for a total amount of \$151,038.

On October 27, 2023, Western exercised the option to extend the maturity date of the shareholder loan made to Foothills until April of 2024.

On October 24, 2023, Western commenced an issuer bid (the "**Issuer Bid**"), pursuant to which it offered to all of the holders of 2024 Debentures the right to exchange each 2024 Debenture for a 2025 Debenture plus a cash payment in respect of all accrued and unpaid interest on such exchanged 2024 Debenture up to, but excluding, the date it is taken up by Western pursuant to the Issuer Bid. Pursuant to the Issuer Bid, which

expired on November 28, 2023, 2024 Debentures in the aggregate principal amount of \$2,875,000 were validly tendered by the holders thereof, and on December 1, 2023, Western issued 2025 Debentures in the aggregate principal amount of \$2,875,000 in exchange for such 2024 Debentures. Immediately following the completion of the Issuer Bid and the exchange of certain 2024 Debentures thereunder, \$1,125,000 of principal amount of 2024 Debentures remained issued and outstanding.

Concurrently with the issuance of 2025 Debentures pursuant to the Issuer Bid, on December 1, 2023, Western also completed a private placement (the "**Debenture Private Placement**") of 2025 Debentures in the aggregate principal amount of \$2,125,000. Collectively, pursuant to the Issuer Bid and the Debenture Private Placement, Western issued 2025 Debentures in the aggregate principal amount of \$5,000,000.

Each 2025 Debenture was convertible into Common Shares at a conversion price of \$0.4725 per share as adjusted in accordance with the 2025 Debenture Indenture following the Rights Offering. The 2025 Debentures were to mature on December 31, 2025 and bore interest at the rate of 9.60% per annum, payable semi-annually in arrears at the end of March and September. The 2025 Debentures were converted in accordance with the provisions of the 2025 Debenture Indenture on March 7, 2025.

2024

On January 19, 2024, Western announced that it obtained regulatory approval to proceed with a normal course issuer bid whereby Western may purchase up to a total of 1,500,000 Common Shares, representing approximately 5.0% of the then outstanding Common Shares, through the facilities of the Exchange, at the market price of the Common Shares at the time of the acquisition. No Common Shares were purchased during this normal course issuer bid.

On March 22, 2024, Western first announced a proposed investment (the "**Tevir Transaction**") with Tevir Capital Corp. ("**Tevir**") the details of which were outlined in Western's Annual Information Form for the year ended December 31, 2023. On August 30, 2024, Western announced certain revisions to the Tevir Transaction incorporated into an investment agreement (the "**Tevir Investment Agreement**") dated August 29, 2024 between Tevir and the Corporation that permitted a more streamlined transaction process. On September 26, 2024 Western provided further details on the Tevir Transaction and the final terms of the accompanying financings. The Tevir Transaction was completed on December 6, 2024. The final terms of the Tevir Transaction were as follows:

- *Private Placement* – Western raised a total of \$30 million through a private placement financing (the "**Private Placement**") to accredited investors through the issuance of 75,000,000 units (each a "**Unit**") at a price of \$0.40 per Unit. Each Unit consisted of one Common Share and one warrant to purchase a Common Share ("**Warrant**"), with each Warrant exercisable to purchase one additional Common Share for a period of five (5) years from the date of closing at an exercise price of \$0.47. Tevir fulfilled its commitment under the Tevir Investment Agreement to subscribe for \$5,000,000 of the Private Placement.
- *Rights Offering* – On October 7, 2024 Western commenced a rights offering Rights offering (the "**Rights Offering**") pursuant to which holders of record of the Common Shares as at the record date of October 15, 2024 received rights ("**Rights**") to subscribe for Common Shares on the basis of one (1) Right for each one (1) Common Share held. Each Right entitled the holder to subscribe for one (1) Common Share at a subscription price of \$0.40 per Common Share until November 29, 2024. On closing of the Rights Offering, Western issued a total of 15,742,365 Common Shares for gross proceeds of \$6,296,946.
- *Key Personnel* –Mr. Paul Rivett joined Western's Board and became Western's new CEO on December 6, 2024.

- *Investor Rights* – Tevir and Western entered into an investor rights agreement (the "**Tevir Investor Rights Agreement**") dated August 29, 2024 as amended on September 26, 2024 pursuant to which Tevir has the right to appoint up to three (3) individuals to the Board of Directors of Western which shall consist of no more than 7 directors without the consent of Tevir. Tevir was also granted participation rights to maintain pro rata ownership rights as well as registration rights typical for transactions of this type. The rights granted to Tevir in the Tevir Investor Rights Agreement are subject to standard terms and conditions including that Tevir and its associates and affiliates continue to hold at least 50% of the shares it acquired pursuant to the Private Placement.
- *Additional Agreements* – Tevir and Western entered into investment management agreement dated December 6, 2024 (the "**Tevir Investment Management Agreement**") and a management services agreement dated December 6, 2024 (the "**Tevir Management Services Agreement**") pursuant to which Western has retained Tevir to provide certain management services to Western. Tevir is entitled to receive fees equal to 0.8% of market value pursuant to the Tevir Investment Management Agreement and a fee of \$500,000 per annum payable monthly to provide organizational strategy, financial and investment management and advisory services pursuant to the Tevir Management Services Agreement.

On March 26, 2024, Western announced that it had entered into a share purchase agreement with a private arm's length vendor pursuant to which Western proposed to purchase 1,000,000 common shares of Fortress (equivalent to 14.22% of the outstanding shares of Fortress) at a price of \$2.60 per share. Western provided updates on May 6, 2024 and June 18, 2024 as additional agreements to acquire shares of Fortress were executed. On August 30, 2024, Western announced that it had entered into agreements with all shareholders of Fortress to acquire the remaining outstanding shares of Western (collectively, all share purchase agreements to acquire common shares of Fortress are referred to as the "**Fortress SPAs**"). On October 1, 2024, Western completed the acquisition of a first tranche (the "**First Closing**") of common shares of Fortress pursuant to the Fortress SPAs. In connection with the First Closing, Western issued an aggregate of 25,193,922 Common shares at a deemed price of \$0.40 per Common Share, in exchange for 3,875,988 common shares of Fortress. The First Closing increased Western's percentage of ownership in Fortress to 83.57% from 28.45%. On December 31, 2024, Western announced it completed the acquisition of the final tranche for shares of Fortress (the "**Final Closing**") pursuant to the Fortress SPAs. In connection with the Final Closing, Western acquired the final 1,155,140 common shares of Fortress in consideration for the payment of \$2,153,164 in cash and the issuance of 2,135,000 Common Shares at a price of \$0.40 per share. Following the Final Closing, Fortress became a wholly-owned subsidiary of Western (collectively, the "**Fortress Transaction**").

Please refer to the March 2025 BAR (which is incorporated by reference herein) for further details regarding the Fortress Transaction.

September 30, 2024, the Corporation completed the sale of its interest in Ocean Sales to the operators of the business for nominal consideration.

On December 6, 2024, in addition to Paul Rivett, Naim Ali, Rob Cihra, Greg Morrisson, Sharon Ransom and Kyle Pickens were elected to the board of directors. Following the annual meeting and the closing of the Tevir Transaction, Scott Tannas became executive chair of the board of directors and Paul Rivett was appointed as Chief Executive Officer.

2025

On February 27, 2025 Western announced that it had given notice to holders of the 2025 Debentures that it had triggered the forced conversion provisions in the 2025 Debenture Indenture as a result of the 20-day volume weighted average price of Western's common shares reaching \$0.67 on February 25, 2025, exceeding the threshold of \$0.65 set out in the 2025 Debenture Indenture. The outstanding principal amount of the 2025 Debentures, totaling \$5,000,000, was converted into 10,582,010 common shares of Western at

a price of \$0.4725 per share at the close of business on March 7, 2025. All accrued and unpaid interest from October 1, 2024, to March 7, 2025, was paid concurrently to the holders and the 2025 Debentures were cancelled effective March 7, 2025.

On July 7, 2025 the Corporation announced the appointment of Pablo Dancuart as Chief Financial Officer effective August 7, 2025.

On September 2, 2025 the Corporation announced the appointment of Wayne Connelly as Chief Client Officer.

On November 3, 2025 the Corporation announced the appointment of Keith Lau as Chief Actuary.

On December 5, 2025 the Corporation announced that it had completed its continuance under the OBCA.

On December 15, 2025, the Corporation entered into an amended and restated commitment letter (the "**Amended and Restated Commitment Letter**") with ATB. The Amended and Restated Commitment Letter replaces Western's previous commitment letter with ATB dated October 6, 2022, and provides the Company with continued flexibility on similar terms.

Fortress became a licensed insurer in New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island during 2025.

2026

On February 2, 2026, the Corporation announced the sale of its 53.5% stake in GlassMasters (the "**GlassMasters Transaction**"). The Corporation's proceeds from the GlassMasters Transaction were approximately \$23.2 million, subject to customary post-closing adjustments, including working capital true-ups and escrow arrangements. The GlassMasters Transaction represented an approximate 2.3 times multiple of the carrying value of the Corporation's investment in GlassMasters. The Corporation initially invested in GlassMasters in 2016. The GlassMasters Transaction is aligned with the Corporation's broader strategy as an insurance and investment holding company.

BUSINESS OF THE CORPORATION

General

Western is a publicly traded company with a focus on developing the insurance business currently carried on by its wholly-owned subsidiary while maximizing value from its other portfolio companies. Western's Common Shares are listed for trading on the TSXV under the trading symbol "WI". Western's purpose is to create long-term wealth for its shareholders by building and maintaining a portfolio of strong, stable, and profitable companies focussed on the insurance, financial services and investment sectors and helping them to grow and prosper. Following the completion of the Tevir Transaction and the Fortress Transaction, Western's is focused on identifying new acquisition and business development opportunities in the insurance sector including personal and casualty insurance and life insurance. Western will also focus on growing the Fortress platform to \$100 million per annum in written premiums by 2028 through a combination of prudent organic growth and accretive acquisitions. Western will continue to review its other existing portfolio companies and seek options to maximize shareholder value.

Employees

Western had four (4) employees as at December 31, 2025. The operating objective is to have a sustainable but flexible workforce that expands and contracts based on the needs of the Corporation. Western expects to maintain the current workforce for the foreseeable future until the Corporation reaches a sustainable size. Contractors are used as needed to execute acquisitions and manage the day-to-day operations of the Corporation.

Wholly Owned Subsidiaries

Fortress

Fortress is a Canadian-licensed insurance company focused on specialty and surplus lines of business within the Canadian insurance marketplace. The principal business for Fortress involves property insurance, but the company also offers insurance in niche products, including accident & sickness, liability, boiler & machinery, marine, fidelity, legal expense, and surety. Fortress is licensed in all provinces in Canada other than Quebec and all three territories.

Fortress has been actively working on developing relationships with its broker network and negotiating reinsurance contracts that mitigate the risk taken by Fortress. With reinsurance, Fortress essentially shares the risk of each contract with other insurance companies. Expanding the broker network allows Fortress to penetrate deeper into the market and offer greater capacity to brokers.

Portfolio Companies

Golden Health Care

Golden Health Care is the largest full-service retirement home operator in Saskatchewan. Golden Health Care was conceived as an integrated care model based on the concept of small group "households" and a philosophy of "aging in the right place". This philosophy is unique and provides competitive advantage as it counters the need for residents to relocate to an alternative care facility when their personal care needs change. Golden Health Care homes operate with 70% to 100% occupancy rates. The homes bring with them an established management team, a reputation of quality service and resident suites.

Foothills

Foothills is a producer and distributor of high-quality butter and ice cream products with over 53 years of operations in Western Canada. Headquartered in Calgary, Alberta, it serves customers across Canada, supported by two distribution facilities in Edmonton, Alberta, and Kelowna, British Columbia. Foothills services its customers quickly and efficiently and has a vertically integrated service model in connection with its production, cold storage, and distribution fleet.

Foothills' butter products are specially churned using only the freshest cream to produce a smooth textured product with exceptional taste. Target markets for its butter products include grocery retailers, and the food service industry including commercial kitchens and bakeries.

Foothills' ice cream products are differentiated with natural and fresh ingredients, along with a sweet buttermilk base from its butter churns that produce richer and creamier ice cream. Target markets include many of the independent ice cream shops in Western Canada, as well as grocery retailers and large service contracts through Gordon Foods.

Revenue by Reportable Business Segment

Below is a summary of Western's revenue from each reportable business unit. Revenue is based on the equity income, finance income, and management fees earned as set out in Western's financial statements for the year ended December 31, 2025 as well as dividends received from the portfolio companies.

Reportable Business Segment	Percentage of Total Revenue	
	2025	2024
Fortress	43%	16%
GlassMasters	31%	45%
Golden Health Care	4%	6%
Foothills	22%	33%

Reportable Business Segment 1 – Fortress

Principal Products or Services

Fortress is a Canadian-licensed insurance company focused on specialty and surplus lines of business within the Canadian insurance marketplace. While its principal line of business is property insurance, Fortress also writes a range of niche products, including accident & sickness, liability, boiler & machinery, marine, fidelity, legal expense, and surety. Fortress is licensed in every province in Canada other than Quebec and all three territories.

Amid a challenging soft market environment, management has focused on diversifying the product portfolio, maintaining strong account retention, actively managing underwriting performance, and pursuing disciplined growth. These efforts have been supported by strengthening relationships with existing broker and MGA partners, including exploring additional classes where underwriting capacity may be required. In parallel, Fortress continues to develop new strategic partnerships to expand scale and position the Corporation to capitalize on opportunities when market conditions strengthen. Fortress continues to increase capacity on all its products. In 2024, Fortress added additional automobile replacement value insurance products in the transportation segment and added a new Ontario property program. In 2025, Fortress added six additional products. The Corporation expects to see continued growth in written premiums with a focus on the diversification of product lines and geography and on growing business.

Operations

Fortress participates mostly as a subscriber to commercial insurance policies. Business is being developed through relationships with select independent insurance brokers and managing general agents, referred to as supporting broker partners ("SBPs"). Under the management of the SBP, the lead insurer is responsible for pricing, underwriting, loss-control and claims management. In conjunction with the lead insurer, the SBP is responsible for all policy and client administration and service functions. Fortress will receive risk, premium and claims data via secure data bordereaux as established with the SBP. Specifics of insurance coverage, limits provided by Fortress, risk appetite participation and related details vary by program as uniquely negotiated for the risk assumed.

Reinsurance is a long-term requirement for Fortress' general insurance non-auto business. Fortress has multiple providers for quota share and catastrophe reinsurance protection. Fortress has negotiated typical terms with its reinsurance partners, including exposure limits, premium payment, ceding commission

structure, risk and claims administration. Fortress will participate in policies to a maximum limit of \$20,000,000 with reinsurance cover up to 95% of the loss, capping the single-loss exposure of Fortress to \$1,000,000. Fortress's risk exposure is further covered by catastrophe reinsurance for severe natural disaster occurrences over a certain threshold of losses which is reviewed multiple times per year to ensure adequate coverage. A retention amount is negotiated and all losses above this threshold are covered by the reinsurer up to a certain limit. These benchmarks are adjusted regularly as the portfolio grows and exposure changes.

Fortress' investment policy seeks to achieve superior long-term total returns in order to support its liabilities and maintain strong regulatory and economic capital levels. In 2025, Fortress' new investment philosophy focused on clearly understanding each portfolio investment thoroughly as a core tenet of the business, with the same rigour that is applied for insurance underwriting and relying less on outside investment managers and reducing the corrosive application of multiple layers of investment management fees. Fortress' \$33.7M investment portfolio consists of cash and cash equivalents, short-term securities, and government and corporate bonds. All of Fortress' fixed income holdings are highly liquid (able to sell a fixed income investment within a short period of time). 87% of fixed income holdings are rated A or higher.

Market

Fortress is governed by the Alberta *Insurance Act* and supervised by the Alberta Superintendent of Insurance. It operates in all provinces and territories in Canada other than Quebec.

Specialty insurance encompasses products and services typically not offered by standard insurers, often requiring specialized underwriting expertise and advanced actuarial and financial analysis. These niche segments focus almost exclusively on commercial lines, featuring more complex risks and fewer competitors. While the broader property and casualty market is evenly split between personal and commercial lines, specialty insurers maintain a distinct commercial portfolio that differs from the general market.

These risks are often challenging to place in the standard insurance market, where many carriers lack the capability or willingness to underwrite them. Consequently, specialty insurers benefit from greater flexibility in pricing and policy form design compared to traditional market insurers, whose rates and policies are subject to more stringent regulatory approval processes. Specialty lines are less commoditized, relying heavily on relationships, product expertise, and tailored solutions that are difficult for competitors to replicate. They are generally also smaller markets, so they can be overlooked by larger carriers looking for more meaningful growth and profit. As a result, specialty insurers have historically outperformed standard markets by achieving lower claims and combined ratios compared to traditional insurance companies.

Unlike the standard property and casualty ("P&C") insurance market, which is evenly split between personal and commercial lines, specialty insurers are focused almost exclusively on commercial lines. Even within the commercial sector, the business mix of specialty insurers differs significantly from the broader P&C industry. While no universal definition of the specialty insurance market exists, it typically includes non-standard insurance, niche market segments, and products requiring customized underwriting.

The agency channel is the primary distribution channel for specialty insurance. Managing general agents ("MGAs") often serve an important role in helping carriers distribute and administer specialty insurance products. The MGA market has experienced growth outpacing that of the overall insurance market. Several factors have contributed to this trend, including private equity interest, which has provided financial support for these operations, and a conservative approach from traditional market capacity, creating opportunities for niche players. Structural changes in the marketplace and increased reinsurance interest in supporting

MGAs have further fueled this expansion. Additionally, entrepreneurial underwriting talent has been instrumental in establishing independent operations, adding skilled labour to the MGA sector.

The Canadian insurance industry continued to experience 'soft market' conditions throughout 2025, particularly in the residential property segment. An abundance of capital—driven by global investors seeking the relative stability of the Canadian market—combined with increasingly sophisticated risk segmentation and modelling tools, has heightened competition. As a result, market capacity remained abundant, while rates continued to decline, consistent with 2024 trends.

Macroeconomic pressures, including a slowing economy, persistent inflation, and the introduction of new tariffs, may influence demand for certain insurance products and increase claims costs. Tariffs, in particular, could affect clients' operating expenses and insurance requirements, adding further complexity to market dynamics.

Marketing Plans and Strategies

Fortress is executing a balanced diversification strategy, targeting a range of business segments with sufficient scale and revenue potential to support long-term profitability and resilience.

Growth opportunities will be pursued by leveraging existing relationships with key broker partners, including within the specialty insurance market and through MGAs.

The most critical operational function for the launch of the general insurance division is the sales and marketing functions. This will be provided for through the well-established industry relationships of Western and its advisors. In addition, SBP oversight and program supervision is provided for through this operations function.

Competitive Conditions

The commercial insurance market is dominated by a few very large national insurers. As these insurers grow, a market emerges for niche-centric products and programs that lack sufficient scale to attract the large insurance entity. These programs, opportunistically developed and managed by key industry brokers, offer attractive terms and profit to niche oriented insurers. This market reality offers ample opportunity for a small, niche-focused, creative and nimble insurer to achieve immediate share.

The insurance industry's 'soft market' conditions persisted in 2025, in particular in residential property across Canada. The abundance of capital, as global markets look to deploy their healthy capital reserves in the relative 'safety' of Canada, alongside ever-improving risk segmentation and modelling tools, has pushed competition to a peak. As a result, and consistent with 2024, capacity in the market is still abundant; however, rates have decreased. While this may impact Fortress' growth and retention, management continues to focus on prudent underwriting practices, building diversity geographically and by segment or product, supporting our existing partners and retaining gross written premiums.

Employees

To account for the bordereaux data exchange with SBP and reinsurers, compile financial results and fulfill governance, compliance and reporting obligations of Fortress, a small but capable back-office with some new elements of operations infrastructure is required. These tasks are provided for in cooperation among the shareholders and through strategic use of outsourced advisors. General and administrative expenses are defined within shareholder operating agreements.

Fortress employed or contracted on average 14 to 15 employees during 2025. The number is expected to expand as the company grows.

New Products

Fortress added 6 new products in 2025 within its existing property and casualty insurance lines of business during the year. These product enhancements were designed to expand the Corporation's offerings to brokers and policyholders, address evolving customer needs, and strengthen the Corporation's competitive position in targeted market segments. The introduction of these products supports the Corporation's broader strategy of growing premium volumes within established lines while maintaining disciplined underwriting and diversifying sources of insurance revenue.

Cycles

Fortress is sensitive to fluctuations in market conditions that affect the insurance types it offers. As market conditions shift, the pricing of coverage and the terms associated with the products may also change to remain competitive. To mitigate this risk, Fortress employs a strategy of diversification. This involves offering a variety of products that are subject to different business cycles and focusing on geographic diversification. By not relying on a single area of business, Fortress ensures a more stable operation capable of adapting to changing market dynamics. This strategic approach helps maintain its competitive edge and reduces the vulnerability to any specific economic or regional downturns.

Changes to Contracts

Fortress finalizes contractual relationships with the SBP channel prior to writing any business. These contracts include provisions for critical risk-management and operational controls and guidance. Fortress does not expect that any aspect of its business will be affected in the current financial year by renegotiation or termination of contracts or sub-contracts.

Proprietary Protection

Fortress does not have any formal proprietary intellectual property protection.

Lending

Fortress does not undertake any lending operations.

Reportable Business Segment 2 – GlassMasters

The following summary describes the business of GlassMasters as of December 31, 2025. On February 2, 2026, Western sold its interest in GlassMasters.

Principal Products or Services

GlassMasters is an automotive glass service company with a Service Division and a Wholesale Division. See "*Portfolio Companies - GlassMasters*".

The Service Division sells to retail and account-based customers. Account-based customers are comprised of dealerships, auto-body shops, fleet companies and car rental companies. The Wholesale Division has a distribution agreement with a leading glass manufacturer in China that ensures it can provide factory fitting glass parts for almost every vehicle brand. A significant portion of the Wholesale Division's sales are to the Service Division, with the balance being sold to other retailers and wholesalers in Alberta.

Operations

GlassMasters provides its services through retail locations and mobile repair and installation units. GlassMasters' retail locations are leased from third-party companies. The head office is at its Calgary South location. GlassMasters also has warehouse locations, all of which are leased from third-party companies.

As GlassMasters is a sales-driven organization, it invests considerable effort and resources into marketing. In order to facilitate the recognition of the brand, GlassMasters sets aside approximately 5% of budgeted revenue for marketing and advertising purposes. GlassMasters uses its website, social media, word of mouth, radio, billboards and campaigns for marketing.

Market

GlassMasters has a service division that operates its retail stores, as noted under "*Operations*" above. GlassMasters has a wholesale division that supplies glass to the service division and to independent operators within Western Canada.

Glass is becoming smarter and more complex. "Smart glass" includes auto tinting, sensors, built in displays, antennas, and other technology. As automobile glass and side mirrors increase in sophistication, so does the skill level required to properly install them. To improve mileage and efficiency, manufacturers are making every effort to build lighter vehicles. As a relatively light weight, strong and "smart" material, glass is claiming an increasing share of a vehicle's composition. GlassMasters is aware of continuous market trends and ensures its training, tools and technology continue to increase to provide superior service as the level of complexity increases. GlassMasters is continually training its technicians to keep up with the market trends and thus does not expect to be adversely affected by the increasing level of complexity in the market.

Marketing Plans and Strategies

GlassMasters operates in the provinces of Alberta, British Columbia and Saskatchewan and its target customer base resides in the geographic regions in which it operates.

Competitive Conditions

The Service Division is one of the largest windshield repair companies in the province of Alberta. Its primary competition is Crystal Glass and Speedy Glass. The remaining competitors are generally small, localized operators. Crystal Glass specializes in repairing and replacing auto glass, windshields, residential and commercial glass, with locations across Alberta, British Columbia and Saskatchewan. Speedy Glass was founded in 1946 and is based in Mercer Island, Washington. It operates as a subsidiary called TCG International Inc. ("TCG"). Through its subsidiaries, TCG engages in glass replacement, repair, and distribution in the United States, Canada and Europe. It offers automotive, commercial, and residential glass replacement and repair services, operates auto glass repair and flat glass restoration networks, and processes auto glass repair and replacement claims from national and regional insurance accounts.

The Service Division maintains a competitive market share in the Alberta and Saskatchewan markets and has well located retail stores and a large fleet of mobile units. Management believes the Service Division is a low-cost producer and it is concentrated solely on the auto glass market.

Speedy Glass and Crystal Glass have more brick-and-mortar locations than GlassMasters and deal with residential and commercial glass in addition to auto glass. In the case of Speedy Glass, it is concentrated in other regions on the insurance claims market. However, the insurance claims market in Alberta represents less than 2% of total auto glass sales.

As for the Wholesale Division, the competition in Alberta, Saskatchewan and British Columbia also consists of CAN-AM and Vanfax which are part of the Crystal Glass and Speedy Autoglass families respectively.

With glass becoming smarter and more complex, the barriers to entry become more difficult. Alberta has no government driven insurance programs and thus the larger players prefer markets that are regulated for the simple fact they can charge more as there is less competition. In terms of any other competition, management does not see any threat to its current market share.

Proprietary Protection

GlassMasters does not have any formal proprietary intellectual property protection.

Cycles

The life cycle of a particular vehicles stock keeping unit ("SKU") windshield is up to 15 years, peaking in years four to five after a new model is introduced.

GlassMasters sales are seasonal, with the period from April to September being the most active. The sand and gravel used by municipalities during the winter months increases the risk of damage to windshields. Many customers delay windshield replacement until the summer in order to avoid the risk of having to replace it more than once in a season. As a result, GlassMasters has historically experienced lower revenue in November, December, January and February.

Employees

GlassMasters employed on average approximately 200 non-unionized employees in 2025, with the vast majority being full time employees. Staffing levels and positions fluctuate seasonally, rising up to 226 employees during the peak season to handle the additional demand.

Lending

GlassMasters does not undertake any lending operations.

Reportable Business Segment 3 - Golden Health Care

Principal Products or Services

Golden Health Care is the largest full-service retirement home operator in Saskatchewan. It has a unique model of "aging in place" where Golden Health Care's care homes adapt to the needs of each individual resident from assisted living up to long term care in each facility, maintaining a family environment rather than an institutional one regardless of the level of care required. This is a philosophy that Western believes in and is unique to Golden Health Care. The homes bring with them an established management team, a reputation of quality service and resident suites. The homes are located in three communities, Estevan, Prince Albert and Emerald Park Saskatchewan. Emerald Park is a community located close to Regina, and services many of the residents in the metropolitan area. Below is an overview of each of the facilities:

Retirement Home	Building Address	Licensed # of Rooms	Year Built
Hill View Manor	401 1 st Street, Estevan, SK	40	2003
The Good Shepherd Villas	1499 15 th Ave East, Prince Albert, SK	63	2003

Retirement Home	Building Address	Licensed # of Rooms	Year Built
William Albert House	333 Emerald Park Rd, Emerald Park, SK	50	2005

Operations

Golden Health Care's homes are a subset of a larger network of retirement homes in Saskatchewan. In total the current management team at Golden Health Care manages seven retirement homes with 457 rooms. The network of homes is one of the largest retirement home operators in the Province of Saskatchewan. As a result, the management team has a strong understanding of the market in Saskatchewan and is working on building scale in the province.

According to the Saskatchewan Ministry of Health, personal care is assistance or guidance with activities of daily living. This may include: eating, bathing, dressing, grooming, taking oral medications, using the washroom, mobility and participating in social and recreational activities. Personal care homes provide 24-hour staffing.

The following levels of care have been defined by the Government of Saskatchewan which Golden Health Care provides at each of the facilities.

Light Care:

- Resident is independent with personal care; may need reminders and cueing.
- Minimal specialized care (e.g., supervising a resident with their own specialized care).
- Independent with transfers and mobility.

Intermediate Care:

- Supervision of behaviour.
- Supervision and some assistance with personal care.
- Assistance with specialized care.
- Supervision and/or one person assist transfers and/or mobility.

Heavy Care:

- Frequent supervision of resident due to emotional, behavioural or physical needs (e.g., palliative).
- Direct assistance with all personal care.
- Two person assist or mechanical lift with transfers and/or mobility.

Market

According to the Government of Canada's 2021 Census, 16.7% of Saskatchewan's population was over the age of 65. This number was up from the 2016 age study by Statistics Canada that showed 15.5% of Saskatchewan's population was over 65. Although only a minor increase, the province's population is aging.

Canada Mortgage and Housing Corporation's report on Housing Choices and Changing Housing Needs of Seniors and Pre-Seniors indicates that the population of seniors aged 65 and older is expected to more than double between 2013 and 2063. It is also projected that the population of those over 80 years will increase sharply. These projections suggest there may be an increasing demand for seniors housing for the foreseeable future as "baby boomers" age and require higher levels of care in some form of enriched or assisted living.

Marketing Plans and Strategies

Western's investment in Golden Health Care brings modest revenue to Western's portfolio, with the opportunity for future expansion as Golden Health Care is uniquely positioned to meet the needs of a growing health care segment. Western and Golden Health Care have worked to develop and implement a planning and governance framework to support future growth. Western will bring experience and resources to support the vision of Golden Health Care's management team as they explore the potential for expansion of the organization both at current sites and into new communities. There is also a possibility that regulatory changes in the Saskatchewan marketplace could boost the expansion potential. Given the current environment in senior care following the COVID-19 pandemic, Golden is not planning any expansions at this time. However, shifts in government regulations could lead to change this.

The primary source of marketing is through word of mouth. One of Golden Health Care's three homes in Western's portfolio are close to or at capacity. Very little marketing is undertaken. In addition, Golden Health Care's long-term history in Saskatchewan and penchant for high quality seniors' care has resulted in a well-recognized brand in the region which attracts residents to its facilities.

Competitive Conditions

Golden Health Care's philosophy is an aging in place model that allows each resident to remain in the retirement homes and move within the home depending on the level of care they desire. Golden Health Care's homes are located in smaller markets and have strong market positions within those communities. In the urban markets, Golden Health Care tends to face greater competitive pressures where operators who have higher vacancy rates and consumers have greater options.

Greater investment is being made into retirement homes, and as a result, vacancy rates are likely to increase as consumers have greater choice. Golden Health Care believes in the smaller markets in Saskatchewan, there will be limited competition given the sizeable impact to supply to build facilities in those markets.

New Products

Golden Health Care is focused on maintaining its current offering. Expansion is contemplated from its existing facilities and new markets in the Province of Saskatchewan. Given the opportunities in the Province of Saskatchewan in the near term, it is unlikely that Golden Health Care's management team will expand to adjacent provinces in the near future.

Cycles

Golden Health Care's business is relatively stable particularly given the current occupancy rates and wait lists are used to help homes operate near capacity. Over time, Golden Health Care is expecting increasing demand. Golden Health Care has expansion plans in place on adjacent plots of land where they could expand current operations should it become economical to do so.

Changes to Contracts

Each tenant at Golden Health Care has a month-to-month contract and is able to leave at their option with 30 days' notice. Golden Health Care does not expect that any aspect of its business will be affected in the current financial year by renegotiation or termination of contracts or sub-contracts. As well, there has been no change to contracts or sub-contracts for the current fiscal year that would have a material impact on the operations or financials of Golden Health Care.

Proprietary Protection

Golden Health Care does not have any formal proprietary intellectual property protection.

Employees

Golden Care Homes employ on average approximately 125 non-unionized employees.

Lending

Golden Health Care does not undertake any lending operations.

Reportable Business Segment 4 – Foothills

Principal Products or Services

Foothills is a producer and distributor of high-quality butter and ice cream products with over 53 years of operations in Western Canada. Headquartered in Calgary, Alberta, it serves customers through a large grocery retail and food service network spanning across Western Canada, supported by two distribution facilities in Edmonton, Alberta, and Kelowna, BC. Foothills butter products are specially churned using only the freshest cream to produce a smooth textured product with exceptional taste.

Foothills provides over 5 butter varieties, 20 different soft serve products and over 80 flavors of hard packed ice cream, sherbet, sorbetto and frozen yogurt products for customers to choose from. It offers 3 different types of products:

- Butter – churned butters, convenient butter-margarine blends, and bulk food service/ commercial kitchen product lines;
- Ice cream – offered in a variety of hard and soft flavors, sherbet, sorbetto, frozen yogurt and frozen mixes; and
- Ice cream cones – distributes premium ice cream cones including pointed and flat bottom cones, and a wide selection of waffle, sugar and other cake cones (sourced from other manufacturers).

Foothills derives around 53% of its revenue from butter and 43% from ice cream. Ice cream margins are significantly higher than that of butter. Most of the butter produced is private label for supermarkets, with the remainder being specialized, flavored product. Butter is considered a commodity product with very low margins, a factor compounded by the strength of supermarkets in private label negotiations. Butter can last up to 24 months and ice cream up to 18 months if appropriately stored.

Operations

Foothills serves customers through a large grocery retail and food service network spanning across Western Canada, with a production facility located in Calgary, Alberta, supported by two storage and distribution facilities in Edmonton, Alberta, and Kelowna, BC. Foothills' Calgary headquarters, located at 2825 Bonnybrook Road SE, include the manufacturing plant, warehouse and distribution facility, and office space for administrative and management personnel. The Edmonton and Kelowna facilities are ideally located to streamline Foothills' distribution capabilities in Northern Alberta and central B.C., so that customers receive their products in top quality and with minimum risk of spoilage. All real estate is owned directly by Foothills itself, with the exception of the Kelowna warehouse which was sold in 2023 and is now a lease.

Foothills is both a manufacturer and distributor of butter and ice cream products. All product is manufactured in the Calgary facility that contains production, storage and transportation equipment. Although the profile of the ice cream business is heavily seasonal, the production plant runs throughout the

year with product being stored for anticipated future sales. Foothills, in continually investing in its manufacturing plant to improve product quality and expand capacity.

From a supply perspective, the Canadian market has quotas set on the supply of milk inputs, and as a result, the total amount of butter that can be produced on an annual basis can be limited. Canadian regulators have created programs that allow for the storage of butter on a seasonal basis, under a two plan arrangement. Foothills is a manufacturer approved by Canadian regulators to store butter seasonally, which provides it with a competitive advantage in controlling the sourcing and sales of butter products.

The main suppliers of inputs for Foothills are Agropur and the Canadian Dairy Commission ("CDC"). While Agropur is also considered a competitor to Foothills, it maintains a good relationship with them and considers supply risk to be low. The raw butter used to supplement in-house butter manufacturing and ice cream is sourced from the CDC, which utilizes existing butter inventories, and imports and redistributes tariff rate quota butter to manufacturers.

Market

Coordinated by the CDC, Canada's dairy sector operates under a managed supply structure whereby dairy production is controlled by defined quotas, pricing mechanisms, and dairy import limits. With a market size of approximately \$17 billion, the dairy industry makes up the 2nd largest segment of Canada's agriculture sector. The industry produces approximately 113 thousand tonnes of butter annually, and approximately 152 thousand litres of hard ice cream. The vast majority of dairy products produced in Canada are for domestic consumption.

Target markets for its products include grocery retailers and the food service industry including commercial kitchens and bakeries. Foothills has a network of over 400 grocery retailers, food distributors, and commercial service/food establishments from B.C. through to Manitoba, making them one of the market's leading providers of butter and ice cream products. Select retail and distribution partners include: Loblaws, Sobeys, Safeway, Ikea, Gordon Food Service, and Sysco.

Foothills has established its brand and market relationships over a 53-year period, creating significant barriers to entry for new market entrants wanting to establish new brands and products. Additionally, given that ice cream needs to be stored and transported in a frozen state, significant investment is required to create the infrastructure needed to handle products and deliver them to customers in short time frames.

The Canadian butter market is seeing a resurgence in consumers' preference for butter products, rather than oil-based, trans-fat heavy margarine substitutes, give a highly positive outlook for butter demand. Ice cream has an outlook for stable demand as consumers continue to demand higher quality and premium ice cream products. The size of the Canadian ice cream market is approximately \$0.8 billion. In 2023, Foothills gained market share, as a major competitor in the 11.4 L ice cream category exited that market.

Marketing Plans and Strategies

Foothills differentiates its ice cream products by using natural and fresh ingredients, along with a sweet buttermilk base from butter churns that produce richer and creamier ice cream. Unlike its competitors, Foothills is both a manufacturer and distributor of branded and private-label butter and ice cream products. The majority of market players either manufacture or distribute their products. Specializing in both allows Foothills to offer a full value-add service for customers looking for consistent product quality combined with timely delivery standards and responsiveness. Due to rising transportation costs, ice cream producers such as Foothills, who are strategically located near key customers, dairy producers and suppliers of key inputs have a competitive advantage.

Strong performance is driven by Foothills' buying power, key customer relationships, improved pricing trends for butter, and lower operating costs, such as fuel. Managements' focus is to continuously improve

Foothill's product offering, as well as to find new markets that capitalize on Foothills' strengths in order to grow the business. Areas Foothills intends to achieve growth in include:

- creating new and innovative soft serve lines;
- design new butter product packaging to attract customers;
- offering new flavored butter and butter blends to differentiate within the marketplace; and
- leverage their brand and reputation to expand into eastern Canada, the largest market in Canada.

Management views Foothills' soft serve lines as key to future growth and is constantly experimenting with new ingredients and ice cream flavors to differentiate itself in the marketplace. As butter is a commodity, branding and product differentiation are key. Foothills' major competitive advantage is its known quality and metallic blue packaging that stands out against competitors on the store shelves. Foothills is updating its product packaging to further appeal to end customers and is constantly working to develop new ice cream and butter flavor offerings.

Competitive Conditions

The largest players in the Canadian butter production market include Parmalat Canada, Saputo, Agropur Cooperative, Gay Lea foods and Foothills. The largest players in the Canadian ice cream production market include Chapman's, Nestle Canada Inc., Unilever and Foothills. Of the top companies in the market segment, Foothills is the only company that both manufactures and distributes its products, and it is also the only company that provides both butter and ice cream products under one brand name.

Foothills is expected to benefit from current trends including "Buy Local" initiatives along with an increase in the consumption of butter.

New Products

Foothills constantly experiments with new ingredients and ice cream flavors to differentiate itself in the marketplace. Management views Foothills' soft serve lines as key to future growth and on average develops 6 new flavors per year. Foothills has entered the whipped butter category, where it has secured a significant portion of the market share.

Proprietary Protection

Foothills does not have any formal proprietary intellectual property protection.

Cycles

Foothills operations are seasonal, with the ice cream demand peaking in the summer months, and the demand for butter peaking in December for the holiday season.

Changes to Contracts

Foothills does not expect that any aspect of its business will be affected in the current financial year by renegotiation or termination of contracts or sub-contracts. As well, there has been no change to contracts or sub-contracts for the current fiscal year that would have a material impact on the operations or financials of Foothills.

Employees

Foothills employs on average approximately 85-90 non-unionized employees, 23 of which work in butter and ice cream production.

Foothills employs a small, but growing, sales department, an office and administration department, plant manager department, Edmonton and Kelowna facilities management departments, quality control department, and an equipment maintenance department. The rest of Foothills' employees cover distribution, trucking and warehousing functions. Given that the ice cream business is seasonal, with sales higher in the summer and lower in the winter, Foothills' employee count increases by 6-8 people during the summer months.

Lending

Foothills does not undertake any lending operations.

RISK FACTORS

Investors should carefully consider the risk factors set out below and consider all other information contained herein and in Western's other public filings before making an investment decision. The risks below are not an exhaustive description of all the risks associated with an investment in Western.

In particular, the Corporation is indirectly affected by the risk factors applicable specifically to its portfolio companies GlassMasters, Golden Health Care, Ocean Sales, Foothills, and Fortress.

Risk Factors Related to Western

Acquisition Opportunities and Competition

The Corporation's strategy is to build an insurance, financial services and investment holding company. Western faces competition for acquisition candidates which may increase acquisition prices and reduce the number of acquisitions that will be completed by the Corporation. Some of Western's competitors are substantially larger and have access to greater financial resources, have a longer operating history, have more personnel and different return targets. Competitors may also have a lower cost of funds and access to funding sources that are not available to the Corporation. If Western is not able to compete effectively in this regard, its future growth may be negatively impacted.

The Corporation may have limited access to suitable acquisition opportunities and such acquisitions may not be possible within a reasonable time period. There can be no assurance that the Corporation will be able to complete acquisitions at acceptable prices or acceptable terms. Identifying attractive opportunities is difficult, highly competitive and involves a high degree of uncertainty. Potential returns may be diminished if the Corporation is unable to find and make a sufficient number of acquisitions.

Investment Evaluation

Not all relevant risks or liabilities associated with an acquisition opportunity may be identified through the Corporation's due diligence process. In evaluating acquisition opportunities, the Corporation may be required to assess complex business, financial, tax, accounting, environmental, and legal matters. As a result, unforeseen risks or liabilities may arise following the completion of an acquisition, which could have a material adverse effect on the Corporation's liabilities, profitability, results of operations, and financial condition.

The Corporation may engage external legal advisors, accountants, subject matter experts, and investment banks to assist with due diligence activities, with the level of involvement varying depending on the nature and complexity of the transaction. In conducting this process, the Corporation relies in part on the assessments and analyses provided by these advisors in identifying potential risks and liabilities associated with a proposed acquisition.

Capital and Liquidity Risk

Western's ability to operate its business, pursue strategic opportunities and meet its financial obligations depends on maintaining adequate levels of capital and liquidity. The Corporation's capital position may be affected by a variety of factors, including operating results, investment performance, changes in market conditions, regulatory capital requirements and the availability of external financing. Adverse developments in any of these areas could reduce the Corporation's financial flexibility and its ability to support ongoing operations or future growth initiatives.

Liquidity risk arises from the potential inability to generate sufficient cash flows or obtain funding to meet financial obligations as they become due. Western manages its liquidity position through ongoing monitoring of cash flows, maintaining appropriate levels of liquid investments and access to credit facilities where available. However, disruptions in financial markets, declines in investment values, unexpected operating cash requirements or limited access to capital markets could adversely affect the Corporation's liquidity and, as a result, its financial condition, results of operations and cash flows.

Key members of Management

The Corporation is dependent on the efforts, expertise, and business relationships of key members of management and the Board, including their ability to identify investment opportunities and provide strategic guidance. The continued service of these individuals is critical to the Corporation's operations, and the loss of any key personnel could have a material adverse effect on the Corporation's revenues, net income, cash flows, and its ability to secure investments, maintain or grow assets, or raise capital.

From time to time, the Corporation will also need to attract and retain additional qualified management personnel to support its operations. There can be no assurance that the Corporation will be successful in recruiting, retaining, or adequately training such personnel. Failure to do so could hinder the Corporation's ability to execute its business strategy and may have a material adverse impact on its profitability, results of operations, and financial condition.

Investment Risk

Western routinely evaluates a broad range of potential transactions, including joint ventures, business combinations, acquisitions and dispositions of businesses, new service or product offerings, and other asset transactions. At any given time, Western may be engaged in discussions or negotiations regarding one or more such opportunities. Any of these transactions could be material to Western's financial condition, results of operations, or cash flows.

The integration of an acquired business may involve significant challenges, unforeseen operating difficulties, and additional costs. From time to time, Western may encounter risks and complexities associated with acquisitions that may be material in scope, including:

- diversion of significant management time and resources to address matters arising within a portfolio company;
- a shift in focus of Western management, or that of a portfolio company's management, away from core operating strategies and priorities toward integration, administrative, employment, or other operational matters;

- integration of businesses that may lack sufficient or effective business and financial controls, procedures, policies, or operational oversight, which could increase exposure to liabilities arising from past or ongoing activities, including potential violations of laws and regulations, commercial disputes, tax matters, and other known or unknown obligations;
- challenges in securing the time, effort, and commitment of existing personnel of an acquired business to implement appropriate governance, financial controls, procedures, and policies where such frameworks may not have previously existed;
- the need to develop and implement effective management succession and leadership continuity plans within acquired entities; and
- the risk that liabilities or contingencies associated with an acquired business may not be identified prior to the completion of the acquisition, including liabilities for which Western may not be fully indemnified.

In addition, as a result of Western's acquisition strategy, a portion of the assets of its portfolio companies consists of intangible assets and goodwill. Portfolio companies are required to assess goodwill and other intangible assets for impairment at least annually, or more frequently if events or circumstances indicate that the carrying value may not be recoverable. If impairment is identified, the portfolio company would be required to recognize a charge to earnings reflecting the write-down of the affected assets. As Western accounts for its investments in portfolio companies using the equity method, such impairment charges could adversely affect Western's financial condition and results of operations.

Concentration of Investments

There are no restrictions or limits on the amount or proportion of the Corporation's funds that may be allocated to any single investment. As a result, the Corporation may hold a relatively small number of investments, and its financial results could be materially affected by the adverse performance of any one investment. The Corporation's investment strategy may also lead to significant concentration in a particular company, industry, or geographic region, making overall performance highly dependent on the results of such investments. As at December 31, 2025, the Corporation's portfolio consists entirely of its investments in Fortress, GlassMasters (sold effective February 2, 2026), Golden Health Care, and Foothills.

Transaction and Legal Risks

Western and its portfolio companies may be exposed to transaction and legal risks, including potential liability under securities laws or other laws and disputes over the terms and conditions of investment arrangements. These risks are often difficult to assess or quantify, and their existence and magnitude often remains unknown for substantial periods of time. Western and its portfolio companies may incur significant legal and other expenses in defending against litigation involved with any of these risks and may be required to pay substantial damages for settlements and/or adverse judgments. Substantial legal liability or significant regulatory action against Western or any one of its portfolio companies could have a material adverse effect on the results of operations and financial condition of Western.

Access to Capital

The Corporation may require ongoing capital to support its growth initiatives, fund investments in its portfolio companies, and maintain compliance with covenants under its credit facilities. To meet these requirements, the Corporation may seek additional financing through public or private equity issuances or through additional debt. There can be no assurance that the Corporation will be able to obtain such financing on acceptable terms, or at all. Limitations on the Corporation's ability to access funding sources or capital markets, whether due to adverse market conditions or factors specific to the Corporation, could negatively affect its liquidity, operating results, and ability to pursue additional acquisition opportunities.

As portfolio companies expand, their capital requirements may increase. There can be no assurance that each portfolio company will have sufficient capital resources available to execute its growth strategy. An inability to raise additional capital, whether through debt or equity financing, could constrain future growth and operational initiatives.

Portfolio companies seek to manage their capital requirements through a range of financing and operational strategies to support planned growth. However, there can be no assurance that these strategies will be successful in securing future sources of capital. Portfolio companies may also utilize financial leverage, which creates ongoing debt service obligations. Their ability to refinance existing indebtedness or meet scheduled principal and interest payments will depend on future operating performance and cash flows, which are influenced by economic conditions, prevailing interest rates, and other financial, competitive, and business factors, many of which are beyond their control.

Additional Issuances and Dilution

Western may issue and sell additional securities, including Common Shares and other instruments, to finance its operations or future acquisitions. The Corporation cannot predict the timing, size, or terms of any future issuances, or the effect such issuances may have on the market price of securities then outstanding. Any additional issuance of securities could result in dilution of existing shareholders' voting power and may reduce earnings per share. Furthermore, the sale or anticipated sale of a substantial number of securities, or market perception that such sales could occur, could adversely affect the prevailing market price of the Corporation's securities.

Cash Flow from Portfolio Companies

Western receives distributions from its portfolio companies to fund its operating expenses and meet interest and other obligations under its credit facilities. The distributions to Western are influenced by the profitability, working capital fluctuations, margin sustainability, and capital expenditure requirements of its portfolio companies. While portfolio companies intend to distribute a portion of their available cash and pay management fees to Western, there can be no assurance regarding the timing or amounts of such distributions. Any shortfall in anticipated distributions could adversely affect Western's financial condition and cash flows, potentially limiting its ability to fund operations or service existing debt obligations.

Illiquidity of Investments

Western's investments in its portfolio companies, as well as other businesses and assets it may acquire, are, and are expected to remain, unlisted, illiquid, and potentially difficult to value. Determining the fair value of these businesses, securities, and assets involves a significant degree of judgment and subjectivity. There is no assurance that Western will realize the estimated fair value upon the purchase or sale of such investments. Additionally, the illiquid nature of these assets may limit Western's ability to adjust its portfolio quickly in response to changing economic or market conditions.

Common Shares Sensitive to Market Fluctuations

The Common Shares have historically experienced relatively low trading volumes and may therefore be considered illiquid. As a result, the market price of the Common Shares has been, and may continue to be, subject to significant fluctuations in response to a variety of factors, including actual or anticipated variations in the Corporation's operating results, changes in financial estimates by securities analysts, and general market conditions.

Market volatility, as well as broader economic, political, and financial conditions—such as economic downturns, changes in interest rates, international currency fluctuations, or geopolitical events including armed conflicts—may adversely affect the market price of the Common Shares, regardless of the Corporation's operating performance. Such illiquidity and price volatility could also impair the

Corporation's ability to raise additional capital through the issuance of Common Shares, which may have a material adverse effect on its financial condition, results of operations, and profitability.

Inaccurate or Unfavourable Research

The trading market for Western, if any, relies in part on the research and reports that securities analysts and other third parties choose to publish about Western. Western does not control these analysts or other third parties and it is possible that no analysts or third parties will cover Western. The price of Western's Common Shares could decline if one or more securities analysts downgrade Western or if one or more securities analysts or other third parties publish inaccurate or unfavourable research about Western or cease publishing reports about Western.

Risk Factors Related to the Insurance Business

Underwriting Risk

Fortress is exposed to underwriting risk, which is the risk that insurance service expenses may exceed insurance revenues. Underwriting risk can arise from a variety of factors, including pricing risk, reserving risk, and catastrophe risk.

Pricing risk arises when actual claims experience differs adversely from the assumptions used in pricing insurance risk. Reserving risk arises when actual claims experience differs from the assumptions used to establish reserves, which is influenced by the time lag between the occurrence of a loss, the reporting of the loss to the insurer, and the ultimate settlement of the claim. The degree of uncertainty varies by line of business, depending on the characteristics of the insured risks, with the ultimate cost of a claim determined by the actual loss incurred by the policyholder. Claims provisions are established based on expectations of the ultimate cost to settle and administer claims, informed by known facts, historical settlement patterns, trends in claim frequency and severity, evolving case law, and other relevant factors. The period required to learn of and resolve claims, often referred to as the "tail," is an important consideration in establishing reserves.

Catastrophe risk arises from exposure to large losses caused by natural or man-made catastrophes, which can result in significant underwriting losses. Weather-related catastrophe losses are increasingly affected by climate change, which contributes to greater unpredictability in both the frequency and severity of such events.

Insurance Industry

The financial performance of the insurance industry has historically been subject to fluctuations resulting from competition, the frequency and severity of catastrophic and non-catastrophic events, levels of capital and underwriting capacity, general economic conditions, and other factors. Demand for insurance products is influenced both by the underwriting results of primary insurers and prevailing economic conditions.

Broader economic factors—including changes in employment levels, wages, consumer spending, business investment, government expenditures, volatility in global capital markets, and inflation or deflation—can affect the operating environment, the demand for insurance and reinsurance products, and ultimately may influence net earnings, financial position, and cash flows.

The insurance sector is subject to periods of intense price competition due to excess underwriting capacity, as well as periods in which limited capacity allowed for more favorable pricing. The cyclicality inherent in the industry can, during periods of soft markets, significantly reduce premiums written and adversely affect Fortress' financial position, profitability, and cash flows.

Reinsurance Credit Risk

The Corporation is exposed to credit risk in respect of amounts recoverable from reinsurers, including reinsurance assets and receivables arising from claims paid and premiums ceded. While reinsurance is used to mitigate underwriting risk and manage capital exposure, it does not relieve the Corporation of its primary obligations to policyholders. As a result, the Corporation remains exposed to the risk that a reinsurer may be unable or unwilling to meet its contractual obligations. To manage this risk, the Corporation transacts primarily with well-capitalized reinsurers with strong financial strength ratings and monitors the financial condition and creditworthiness of its reinsurance counterparties on an ongoing basis. In addition, reinsurance exposures are diversified across multiple counterparties and are reviewed regularly to mitigate potential concentrations of credit risk.

Distribution Risk

The Corporation distributes its products and services through a network of brokers, intermediaries and other distribution partners. As a result, the Corporation is dependent on maintaining strong relationships with these key distribution channels to support the generation and retention of business. Changes in the availability, performance or strategic priorities of these brokers or other distribution partners, increased competition for broker relationships, or shifts in distribution arrangements could reduce the volume of business placed with the Corporation. In addition, consolidation within the brokerage industry, changes in commission structures, or the loss of one or more significant distribution partners could adversely affect the Corporation's ability to generate revenue and may negatively impact the Corporation's financial condition, results of operations and cash flows.

The Corporation seeks to mitigate distribution risk through maintaining diversified distribution relationships, developing long-term partnerships with brokers and intermediaries, and regularly monitoring the performance and concentration of its distribution channels. The Corporation also focuses on providing competitive products, service levels and technology capabilities to support its distribution partners and enhance the attractiveness of its offerings. While these measures are intended to strengthen and diversify the Corporation's distribution network, there can be no assurance that they will fully mitigate the potential impacts of changes within distribution channels or broker relationships.

Risks Related to Technology

Reliance on Technology

Western and its portfolio companies rely on information technology systems to conduct their operations. Any significant system failure, cyber-attack, virus, security breach, destruction, or operational interruption, whether caused by employees, authorized users, or unauthorized parties, could adversely affect their operations. In the event that a cyber incident disrupts operations or results in the loss, unauthorized disclosure, or damage of data or confidential information, Western's and its portfolio companies' reputations, businesses, results of operations, and financial condition could be materially impacted.

There can be no assurance that Western's and its portfolio companies' IT systems, or any insurance coverage against cybersecurity risks, will be sufficient to prevent or mitigate such events. While Western and its portfolio companies have not to date experienced material losses from cyber incidents, they may do so in the future. This risk is mitigated by purchasing cyber insurance cover, but in future additional resources may be required to enhance protective measures, investigate vulnerabilities, or remediate any information security issues.

Investment in Technology

The industries of the portfolio companies continuously incorporate technological advances into the development of their respective businesses. These advances may be much more technically demanding and,

to compete, it may be necessary for the portfolio companies to invest in equipment, systems and staff training. No assurance can be given that any particular portfolio company will be able to make sufficient investments in technological advances.

Macroeconomic, Regulatory and External Environment Risks

Political instability, Inflationary Economy and Regulatory changes

Political or economic instability, including high inflation rates, or unexpected regulatory change could adversely affect Western's portfolio companies. Inflation may affect the cost of claims, raw materials, headcount costs and overhead costs and where a company is unable to pass on the increase to the customer, the company's financial performance may be impacted.

Western and its portfolio companies are subject to a variety of laws, regulations and guidelines and may become subject to additional laws, regulations and guidelines in the future, particularly as a result of acquisitions. The financial and managerial resources necessary to ensure such compliance could escalate significantly in the future which could have a material adverse effect on Western's business, financial condition, results of operations and cash flows. It is not possible for Western to predict the cost or impact of such laws, regulations and guidelines on the portfolio companies' respective future operations.

Legal, tax and regulatory changes may occur that can adversely affect Western and its portfolio companies' securityholders. There can be no assurance that income tax, securities and other laws will not be changed in a manner which adversely affects Western and its portfolio companies' securityholders.

Uncertainty due to United States Tariffs

Potential US-led tariffs imposed on Canada, and the retaliatory tariffs that Canada implements, may impact the Corporation as tariff amounts and the goods to which they are applicable may vary. Consumer sentiment on both the American and Canadian sides of the Canada-US border may also shift as citizens proactively emphasize purchasing goods made in their own country, impacting portfolio company results.

Tax Consequences

There may be an enactment, promulgation or public announcement of a change or proposed change in tax law (including a specific proposal to amend the Tax Act publicly announced by the Department of Finance of Canada or the Minister of Finance of Canada) or applicable case law or written and published interpretative guidance or policy of the Canada Revenue Agency or provincial equivalent that could result in a material impairment of, or materially adversely affect, the operations or financial or tax position of Western and its portfolio companies. Tax filings and filing positions made or taken or to be made or taken by Western and its portfolio companies, including those related to income and expenses as well as those arising out of acquisition or disposition transactions, involve interpretations of the Tax Act which, if interpreted differently or challenged by taxing authorities, could result in tax liabilities to Western and its portfolio companies. Further, the acquisition and disposition of businesses and assets by Western and its portfolio companies often involve various structuring events to complete the transactions in a tax efficient manner and, consequently, involve interpretations of the Tax Act which, if interpreted differently or challenged by taxing authorities, could result in tax liabilities to Western and its portfolio companies. Elections have been made under the Tax Act such that certain transactions pursuant to which Western and its portfolio companies or assets may be affected on a tax-deferred basis. The adjusted cost base of any

property transferred to a subsidiary pursuant to acquisition agreements may be less than its fair market value, such that a gain may be realized on the future sale of the property.

Pandemics

An outbreak or escalation of a contagious disease may adversely affect Western or its portfolio companies. A local, regional, national or international outbreak or escalation of a contagious disease, including the COVID-19 coronavirus or any other similar illness or fear of the foregoing, could create significant societal and economic disruptions, including global stock market and financial market volatility, a general reduction in consumer activity, operating, supply chain and project development delays and disruptions and declining trade and market sentiment, all of which have and could further affect, among other things, the markets and/or industries in which Western's portfolio companies participate.

Furthermore, an outbreak could lead to governments worldwide enacting emergency measures in response to a pandemic including the implementation of regional and/or international travel bans, border closings, mandated closure of non-essential services, social and physical distancing, self-imposed quarantine periods, "shelter-in place" policies and/or similar restrictions on individuals and businesses. The past COVID-19 pandemic caused material disruption to the economy, businesses and industries globally, resulting in an economic slowdown and affecting the financial results of Western's portfolio companies.

The ever-changing and rapidly evolving effects of a pandemic, including the accompanying response measures, on investors, businesses, the economy, society and the financial markets has to date, and may in the future negatively impact Western and its portfolio companies, as well as their partners, customers, counterparties, employees, third-party service providers and other stakeholders.

Other Portfolio Company Risks

Put/Call Agreements

Western has entered into a put/call agreement in relation to ATB's 38% interest in Foothills.

In the event that a put or call notice is provided and Western is not able to finance the acquisition of ATB's 38% interest, Western must sell to ATB for nominal consideration sufficient shares in the capital of Foothills to increase ATB's holdings of Foothills by 10%. Western will then have the option to sell its holding, along with ATB's holding, to any third party. There can be no assurance on the value that Western will receive for its holding if Western sells its holding of Foothills together with ATB's holding.

If, in either case, if Western is unable to finance its acquisition of its partner's holding, Western may suffer a significant loss in relation to the value of the shares of either entity it may be required to sell.

Unanimous Shareholders Agreements

The shareholders of Foothills have entered into the Foothills USA and the shareholders of Golden Health Care have entered into the Golden Health Care USA. The USAs contain provisions which increase the threshold requirements for director and shareholder approvals of significant corporate actions to levels higher than required under applicable corporate and securities laws. The USAs also contain share transfer restrictions, rights of first refusal and drag along and tag along rights. As a result, the USAs limit Western's ability to control each portfolio company or their respective businesses, operations and associated financial results.

Competition and operational performance

The portfolio companies operate in competitive industries where key factors such as price, product and service offerings, and quality influence market position. Existing or new competitors may have greater

financial, operational, or marketing resources than the portfolio companies, and there can be no assurance that competitors will not achieve greater market acceptance or share due to pricing, innovation, or other factors.

To remain competitive, portfolio companies must consistently meet operational performance metrics expected by their customers. Failure to meet these metrics over time could result in reduced sales, lower pricing, or both. While certain portfolio companies have implemented processes and monitoring systems to support the delivery of key performance metrics, there can be no assurance that they will continue to meet these expectations or that the metrics themselves will remain consistent in the future.

Execution on New Strategies

New initiatives may be introduced from time to time in order to grow each portfolio company. Initiatives such as entering new markets or introducing and improving related products and services have the potential to be accretive to the portfolio company's business when the opportunity is accurately identified and executed. There can be no assurance that the portfolio company identifies new initiatives that are accretive to the business or that it is successful in implementing such initiatives.

Fluctuations in Operating Results and Seasonality

Some of the portfolio companies' operating results are expected to continue to be subject to quarterly fluctuations due to a variety of factors including changes in customer purchasing patterns, general operating effectiveness, general and regional economic downturns, unemployment rates and weather conditions. These factors can affect any portfolio company's ability to fund ongoing operations and finance future activities and have a negative impact on the cash flows and net income earned by the Corporation.

Customer Risk

Some or all of the Corporation's portfolio companies are reliant on a few key customers. The loss of one or more of their key customers or any significant reduction in orders from such customers could have a material adverse effect on the business, results of operations, or financial condition of the portfolio companies. Additionally, any disruption in the relationship between any such portfolio company and such customers could adversely affect the business of the portfolio companies. They could experience fluctuations in their respective customer bases or the mix of revenue by customer as markets and strategies evolve. Any consolidation of the portfolio companies' customers could reduce the number of customers to whom their products could be sold. Any inability to meet the customers' requirements could adversely impact the financial performance of the portfolio companies.

Key Supplier Risk

Some or all of the Corporation's portfolio companies are reliant on a few significant suppliers. The loss of one or more of their suppliers or any significant reduction in availability of raw materials or supplies from such suppliers could have a material adverse effect on the business, results of operations, or financial condition of the portfolio companies. Additionally, any disruption in the relationship between any such portfolio company and these suppliers could adversely affect the business of the portfolio companies. Any consolidation or loss of the portfolio companies' suppliers could result in a reduction in the amount of product or services any such portfolio company is able to provide and could adversely impact the financial performance of the portfolio companies.

Excess Portfolio Company Leverage

Each portfolio company's credit facilities contain restrictive covenants that limit the discretion of management and the ability to incur additional indebtedness, to expand their business, to create liens or other encumbrances, to pay dividends and fund distributions, to redeem any equity or debt, to pay Western

management fees or to make investments, capital expenditures, loans or guarantees and to sell or otherwise dispose of assets and merge or consolidate with another entity. In addition, the credit facilities contain a number of financial covenants that require each portfolio company to meet certain financial ratios and financial condition tests. A failure to comply with the obligations under these credit facilities could result in an event of default, which, if not cured or waived, could permit acceleration of the relevant indebtedness. If the indebtedness were to be accelerated, there can be no assurance that the assets of the portfolio company would be sufficient to repay the indebtedness in full with the result that Western could lose its entire investment in the portfolio company. There can also be no assurance that the portfolio company will be able to refinance the credit facilities as and when they mature. The credit facilities are secured by the assets of each respective portfolio company. Western has not provided any guarantees or letter of support for any credit facility obtained by the portfolio companies.

Impact of Interest Rates on debt

A majority of Western's portfolio companies have obtained credit facilities with variable interest rates. There can be no assurance that interest rates in Canada will not increase in the future, which could result in a material adverse effect on their business.

Currency Risks

Some of Western's portfolio companies purchase inventory in a foreign currency and as such they are subject to foreign currency exchange fluctuations. The portfolio companies' financial instruments are exposed to currency risk where those instruments are denominated in currencies that are not the same as their functional currency. Exchange gains and losses impact net income or loss. The companies may hold cash and cash equivalents, trade and other receivables, accounts payable that are subject to currency risk. As a result, each company's financial performance may be significantly impacted by changes in foreign exchange rates.

Risk of Litigation

Either Western or the portfolio companies could become involved in various legal actions in the ordinary course of business. Claims will be reviewed on a case-by-case basis. The cost of litigation could have a material effect on with Western or the portfolio companies. In certain cases, legal claims may be covered under applicable insurance policies.

Employee Relations and Staffing

The current work force for each portfolio company is not unionized. Although Western believes that each portfolio company is on good terms with its employees, there are no assurances that a disruption in service would not occur as a result of employee unrest or employee turnover. A significant work disruption or the inability to maintain, replace or grow staff levels would have a material adverse effect on the portfolio company, and the results of operations and cash flows of Western.

Expansion Risk

Certain of the portfolio companies have significant potential for further expansion of their businesses. There can be no assurance that any market for their services and products will develop either at the local, regional or national level. Economic instability, laws and regulations, and the presence of competition in all or certain jurisdictions may limit their ability to successfully expand operations.

Rapid growth can put a strain on managerial, operational, financial, human and other resources. Risks related to rapid growth include administrative and operational challenges such as the management of an expanded number of locations, the assimilation of financial reporting systems, technology and other systems of acquired companies, increased pressure on senior management and increased demand on

systems and internal controls. The ability of the portfolio companies to manage their operations and expansion effectively depends on the continued development and implementation of plans, systems and controls that meet their operational, financial and management needs. If the portfolio companies are unable to continue to develop and implement these plans, systems or controls or otherwise manage their operations and growth effectively, they will be unable to maintain or increase margins or achieve sustained profitability.

Senior Care Industry

Golden Health Care is subject to general business risks inherent in the senior care industry, including: changes in government regulation and oversight; changing consumer preferences; fluctuations in occupancy levels and business volumes; the ability of Golden Health Care to renew its government licenses and customer contracts; changes in government funding and reimbursement programs, including the ability to achieve adequate government funding increases; changes in labour relations and costs; increases in other operating costs; competition from other senior care providers; changes in neighbourhood or location conditions and general economic conditions; health related risks, including disease outbreaks (for example, COVID-19) and control risks; changes in accounting principles and policies; the imposition of increased taxes or new taxes; capital expenditure requirements; and changes in the availability and cost of both short- and long-term financing, which may render refinancing of long-term debt difficult or unattractive. Any one of, or a combination of, these factors may adversely affect the business, results of operations and financial condition of Golden Health Care. In addition, there are inherent legal, reputational and other risks involved in providing accommodation and health care services to seniors. The vulnerability and limited mobility of some seniors enhances such risks. Such risks include fires or other catastrophic events at a Golden Health Care location which may result in injury or death, negligent or inappropriate acts by employees or others who come into contact with the residents and clients, and unforeseen events at locations at which Golden Health Care operates that result in damage to Golden Health Care's brand or reputation or to the industry as a whole.

Changes to Leases

Certain of the portfolio companies' operations require retail locations which are leased from third parties. There can be no assurance that the portfolio companies will be able to obtain all necessary leases that may be required to maintain their operations. If the present leases are terminated or withdrawn, such event could have an adversely negative effect on the portfolio companies' operations.

Environmental, Health and Safety Risk

To date, each portfolio company has not encountered any environmental protection requirements or issues which would be expected to have a material financial or operational effect on its current business, and they are not aware of any material environmental issues that could have a material impact on future results or prospects. No assurance can be given, however, that the prior activities have not created a material environmental problem or that future uses will not result in the imposition of material environmental, health or safety liability upon a portfolio company.

Additional Governmental Regulations

In addition to environmental regulations, Western and its portfolio companies' operations are subject to a variety of other federal, provincial and local laws, regulations and guidelines, including laws and regulations relating to health and safety, the conduct of operations, and the manufacture, management, transportation, storage, and disposal of certain materials used in their operations and facilities. Each of Western and the portfolio companies have invested financial and managerial resources to comply with applicable laws, regulations and guidelines and will continue to do so in the future. Any of these laws or regulations could cause the portfolio companies to incur additional direct costs, as well as increased indirect costs related to their relationships with their customers and suppliers and otherwise harm their operations

and financial condition. Any failure to comply with these laws or regulations could adversely impact the reputation of any one portfolio company and also its financial results.

In addition, Western's securities are publicly listed, and Western is accordingly subject to regulation by Canadian securities regulators and Canadian federal and provincial laws and regulations.

Brand Management and Reputation

A portfolio company's success is impacted by its ability to protect, maintain and enhance the value of its brands and reputation. Brand value and reputation can be damaged by isolated incidents, particularly if the incident receives considerable publicity or if it draws litigation. Incidents may occur from events beyond management's control or may be isolated to actions that occur in one particular location. Demand for services could diminish significantly if an incident or other matter damages its brand or erodes the confidence of its customers. With the evolution of social media, there is an increased ability for individuals to adversely affect the brand and reputation. There can be no assurance that past or future incidents will not negatively affect each portfolio company's brand or reputation.

DIVIDENDS AND DISTRIBUTIONS

To date the Corporation has declared two dividends in the amount of \$0.005 per share, paid on July 29, 2022, and September 29, 2023. All future decisions with respect to the declaration of dividends on the Common Shares will be made by the Board on the basis of Western's earnings, financial requirements and other conditions existing at such a future time.

DESCRIPTION OF CAPITAL STRUCTURE

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series.

The following is a summary of the rights, privileges, restrictions and conditions attaching to the Common Shares and Preferred Shares, as well as to the other outstanding securities of the Corporation.

Common Shares

Western is authorized to issue an unlimited number of Common Shares. The holders of Common Shares are entitled to receive notice of and one vote per share at all meetings of shareholders of Western. The holders of Common Shares are entitled to dividends in such amounts as the Board may from time to time declare and, in the event of liquidation, dissolution or winding-up of Western, are entitled to share pro rata in the assets of Western. As at the date hereof, there were 160,226,057 Common Shares issued and outstanding. Western also has the ability to settle entitlements under Fortress' employee share ownership plan with Common Shares.

Preferred Shares

Western is also authorized to issue an unlimited number of Preferred Shares, issuable in series. The Preferred Shares rank in priority to the Common Shares as to the payment of dividends and as to the distribution of assets in the event of liquidation, dissolution or winding-up of Western. As at the date hereof, there are no Preferred Shares issued and outstanding.

Warrants

Pursuant to the Private Placement, Western issued 75,000,000 Warrants with each Warrant exercisable to acquire a Common Share at a price of \$0.47 per share until December 6, 2029. As of the date hereof, 72,485,000 Warrants remain outstanding.

Options

As at the date hereof, Western has 2,448,000 outstanding Options granted to directors, management and consultants exercisable into Common Shares at exercise prices ranging from \$0.27 to \$0.65 with expiry dates ranging from February 24, 2026 to June 22, 2033.

RSUs

As of the date hereof, Western had 3,266,769 outstanding Restricted Share Units (RSU) to senior employees of Western. The RSUs represent the right, that upon vesting, the participant would have the right to receive one fully paid up share per unit on the date of redemption. 50% of these units vest 5 years from the issue date, with the remaining 50% vesting 10 years from the issue date.

MARKET FOR SECURITIES

Trading Price and Volume of Common Shares

The Common Shares are listed and posted for trading on the TSXV under the symbol "WI". The following table sets forth the high and low trading prices and the aggregate volume of trading of the Common Shares on the TSXV for the periods indicated (as quoted by the TSXV):

Period	Price Range (\$)		Trading Volume
	High	Low	
2025			
January	0.66	0.55	558,546
February	0.72	0.62	603,898
March	0.65	0.55	435,022
April	0.58	0.45	559,792
May	0.61	0.53	451,806
June	0.65	0.51	1,838,812
July	0.65	0.57	768,209
August	0.64	0.59	761,860
September	0.64	0.53	1,345,352
October	0.69	0.61	3,553,574
November	0.63	0.60	211,989
December ¹	1.70	0.46	1,087,609

Note:

(1) On December 31, 2025, the Common Shares experienced a brief and atypical intraday price movement in which the market price increased to approximately \$1.70 per share for a short period before subsequently declining and stabilizing later the same day within its more typical trading range of approximately \$0.60 to \$0.70 per share in that quarter. Management believes this movement was temporary and not reflective of a fundamental change in the Corporation's underlying performance or valuation. Based on subsequent trading activity, the Corporation considers this fluctuation to be non-recurring, with the share price continuing to demonstrate a more stable pattern consistent with its historical trading range.

Prior Sales

No securities of Western that are outstanding but not listed or quoted on a marketplace were issued during the financial years ended December 31, 2025, except as follows:

Date Granted/Issued	Number and Type of Securities	Issue/Exercise Price of Security
August 7, 2025	1,666,667 restricted share units	\$0.60
September 1, 2025	793,650 restricted share units	\$0.63
November 3, 2025	806,452 restricted share units	\$0.62

DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth the name, municipality of residence and principal occupation for the past five years of each of the directors and executive officers of Western.

Name, Municipality of Residence and Office	Present Occupation and Positions Held During the Last Five Years	Director Since
Scott Tannas ⁽²⁾⁽³⁾ High River, Alberta, Canada Executive Chair and Director	- Senator of Canada since 2014 - President and CEO of Western from October 2015 to December 2024	October 28, 2015
Paul Rivett, Toronto, Ontario, Canada CEO and Director	- Member of Advisory Board of the NHL Coaches Association since 2018 - President of Tevir Capital Corp. since 2020 - Chairman of GreenFirst Forest Products since 2021 - Chairman of Chorus Aviation since 2021 - Director of Boreal Carbon since 2021 - Vice Chair and CEO of Gold Reserve since 2024 - President of Fairfax from 2013 to 2020	December 6, 2024
Shafeen Mawani Calgary, Alberta, Canada Chief Operating Officer	- President and CEO of Fortress Insurance since Feb 2021 - Chief Operating Officer of Western since June 2017	N/A
Pablo Dancuart Toronto, Ontario, Canada Chief Financial Officer	- Chief Financial Officer of Western since August 2025 - Vice President of Finance and Procurement at Gore Mutual Insurance Company from August 2020 to August 2025	N/A
Wayne Connelly Calgary, Alberta, Canada Chief Client Officer	- Chief Client Officer of Western since September 2025 - Head of Underwriting, Western Region at Aviva Canada from April 2022 to February 2025 - President of Federated Insurance Company of Canada from April 2012 to September 2019	N/A
Keith Lau Toronto, Ontario, Canada Chief Actuary	- Chief Actuary of Western since November 2025 - Cover Genius: Head of Americas Pricing at Cover Genius November 2022 to October 2025 - Actuarial Senior Manager at PWC Canada from November 2020 to November 2022	N/A
Naim Ali ⁽²⁾⁽³⁾ Calgary, Alberta, Canada Director	- Chief Executive Officer of SM2 Capital Partners, a private investment company	December 6, 2024

Name, Municipality of Residence and Office	Present Occupation and Positions Held During the Last Five Years	Director Since
Rob Cihra New York, New York, USA Director	- Chief Investment Officer of KEWA Financial Inc., and Indemnity National Insurance Company	December 6, 2024
Dr. Jivraj Kabir ⁽¹⁾⁽²⁾ Calgary, Alberta, Canada Director	- Clinical Professor at the University of Calgary, Faculty of Medicine from 2001 to 2021 - Founding Director of AgeCare Investments Ltd. - Serves on various other private company boards	April 6, 2016
Greg Morrison ⁽¹⁾ Smith's Bermuda Director	- Actuary, retired. - Chief Executive Officer of Trisura Group Ltd. - Director at Brookfield Wealth Solutions and various other private companies	December 6, 2024
Kyle Pickens ⁽²⁾ Charlotte, North Carolina, USA Director	- President at Thermo Companies - Director at various private companies	December 6, 2024
Sharon Ranson, FCPA, ICD.D ⁽¹⁾⁽³⁾ Toronto, Ontario, Canada Director	- President of the Ranson Group Inc. since 2002 - Director and audit committee chair at Dorel Industries since 2019	December 6, 2024

Notes:

- (1) Member of the audit committee, of which Sharon Ranson is the Chair.
(2) Member of the HR and compensation, of which Dr. Jivraj Kabir is the Chair.
(3) Member of the governance committee of which Naim Ali is the Chair.

The directors of Western hold office until the next annual meeting of the shareholders of Western or until their respective successors have been duly elected or appointed.

As at the date hereof, the directors and executive officers of Western, as a group, beneficially own, or control or direct, directly, or indirectly, an aggregate of 28,598,571 Common Shares, representing approximately 17.8% of the issued and outstanding Common Shares. The information as to the beneficial ownership of such Common Shares, not being within the knowledge of Western, has been furnished by the directors and executive officers of Western individually. In addition, the directors and executive officers hold Options entitling them as a group to acquire an additional 1,170,000 Common Shares, RSUs entitling them to a group to acquire an additional 3,266,769 Common Shares and Warrants entitling them as a group to acquire an additional 4,375,000 Common Shares as of the date hereof.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the knowledge of Western, no director or executive officer is, as of the date of this AIF, or was within ten (10) years prior to the date of this AIF, a director, chief executive officer or chief financial officer of any company (including Western) that: (i) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than thirty (30) consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or (ii) was subject to such an order, for a period of more than thirty (30) consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer of such company and which resulted from an event that occurred while that person was acting in such capacity.

Except as set forth below, to the knowledge of Western, no director or executive officer of Western or a shareholder holding a sufficient number of securities of Western to affect materially the control of Western is, as at the date of this AIF, or has been within the ten (10) years before the date of this AIF, a director or executive officer of any company (including Western) that, while such person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any

legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold its assets.

Ms. Sharon Ranson, FCPA, ICD.D was a director of Fire and Flower Holdings Corp. ("**Fire & Flower**") until September 15, 2023. On June 6, 2023, Fire & Flower announced that it and its subsidiaries, Fire & Flower Inc., 13318184 Canada Inc., 11180703Canada Inc., 10926671 Canada Ltd., Friendly Stranger Holdings Corp., Pineapple Express Delivery Inc. and Hifyre Inc., had received an order for creditor protection from the Ontario Superior court of Justice under the Companies' Creditors Arrangement Act. Pursuant to such order, Fire & Flower implemented a sale and investment solicitation process and announced on August 17, 2023, that a virtual auction had been held with 2759054 Ontario Inc., operating as FIKA Cannabis, the successful bidder. Fire & Flower and FIKA Cannabis entered into a subscription agreement on August 17, 2023. The subscription agreement received court approval on August 29, 2023.

To the knowledge of Western, no director or executive officer of Western or a shareholder holding a sufficient number of securities of Western to affect materially the control of Western has, within the ten (10) years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

To the knowledge of Western, no director or executive officer of Western or a shareholder holding a sufficient number of securities of Western to affect materially the control of Western has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of Western will be subject with respect to the operations of Western and its portfolio companies. Certain of the directors and/or officers of Western serve as directors and/or officers of other companies or have significant shareholdings in other companies. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest, including the procedures prescribed by the OBCA. The OBCA requires that directors of Western, who are also directors or officers of a party which enters into a material contract with Western or otherwise have a material interest in a material contract entered into by Western, must disclose their interest and, in certain instances, refrain from voting on any resolution of Western's directors to approve the contract.

AUDIT COMMITTEE DISCLOSURE

The audit committee (the "**Audit Committee**") is a committee of the Board established for the purpose of overseeing the accounting and financial reporting process of the Corporation and annual external audits of the financial statements. The Audit Committee has set out its responsibilities and composition requirements in fulfilling its oversight in relation to the Corporation's internal accounting standards and practices, financial information, accounting systems and procedures, which procedures are set out below in the Corporation's audit committee mandate.

Audit Committee Charter

The Board has developed a written Audit Committee charter (the "**Charter**"). A copy of the Charter is attached hereto as Schedule "A" to this AIF.

Composition of the Audit Committee

The Audit Committee consists of Sharon Ranson (Chairman), Kabir Jivraj and Greg Morrison, all of whom are considered to be independent and financially literate within the meaning of NI 52-110.

Relevant Education and Experience of Audit Committee Members

Sharon Ranson - Sharon is President of The Ranson Group Inc., a company offering executive coaching and consulting services and has served as a Director on numerous corporate, crown and not-for-profit Boards over the past 20 years. She is currently on the Board of Dorel Industries (DII.B – TSX) where she chairs the Audit Committee. Prior to founding her executive coaching business in 2002, Sharon spent over 20 years in the financial services industry in executive positions where she worked at both large and small firms. She was a top ranked financial services analyst and managing director with RBC Dominion Securities and was a senior Portfolio Manager with TAL (CIBC). Sharon was also an Adjunct Professor for the Master of Finance program at Queen’s University for three years. Sharon is an FCPA, FCA and holds the ICD.D designation. She graduated from Queen’s University with a Bachelor of Commerce and holds an MBA from York University.

Kabir Jivraj - Dr. Jivraj is the managing Director for the AgeCare group of Companies and is a director of three other private companies. He has held a variety of senior management roles across a diverse group of industry sectors including healthcare, real-estate, hospitality, technology, education and senior housing and care management. Dr. Jivraj has served as Senior Vice-President and Chief Medical officer at Alberta Health Services from 1999 to 2002 and has served as the Vice Dean of the University of Calgary, Faculty of Medicine from 2000 to 2002. Dr. Jivraj is a graduate of the Directors Education Program at ICD Corporate Governance College, and holds a Bachelor of Medical and surgery degree from the University of London, UK.

Greg Morrison – A resident of Bermuda, Mr. Morrison sits on a number of property, casualty and life insurance company Boards and their subsidiaries, including Brookfield Wealth Solutions LLP, Riverstone International Bermuda Ltd., Multi Strat Holdings Ltd., Stoneybrook Capital Ltd. and various subsidiaries of Brookfield Corporation. He previously served as Chief Executive Officer of Trisursa Holdings Group Ltd, Imagine Group Holdings Ltd., Platinum Underwriters Holdings and London Reinsurance Group Inc. Mr. Morrison is a Fellow of the Society of Actuaries (retired).

Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), the exemption in subsection 6.1.1(4) of NI 52-110 (Circumstances Affecting the Business or Operations of the Venture Issuer), the exemption in subsection 6.1.1(5) of NI 52-110 (Events Outside Control of Member), the exemption in subsection 6.1.1(6) of NI 52-110 (Death, Incapacity or Resignation), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

External Auditor Service Fees (By Category)

The following table provides information about the fees billed or quoted to the Corporation for professional services rendered by Ernst & Young LLP for the fiscal years ended December 31, 2025 and December 31, 2024:

	2025	2024
	\$	\$
Audit Fees ⁽¹⁾	549,600	535,000
Audit-Related Fees ⁽²⁾	5,350	99,350
Tax Fees ⁽³⁾	8,560	-
All other Fees ⁽⁴⁾	-	-
Total⁽⁵⁾	563,510	634,350

Notes:

- (1) Audit fees were for professional services rendered by the auditors for the audit of the Corporation's annual financial statements as well as services provided in connection with statutory filings.
- (2) Audit-related fees are for services related to performance of reasonable assurance performed by the Corporation's auditors related to regulatory filings
- (3) Tax fees are for tax compliance, tax advice and tax planning.
- (4) All other fees for services performed by the Corporation's auditors.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Management of Western is not aware of any legal proceedings to which the Corporation is or was a party or of which any of its property is or was the subject of, during the financial year ended December 31, 2025, nor are any such proceedings known to the Corporation to be contemplated.

There were no penalties or sanctions imposed against the Corporation by a court relating to provincial and territorial securities legislation or by a securities regulatory authority, during the financial year ended December 31, 2025, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Corporation, and the Corporation did not enter into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than Option grants, no director or executive officer of the Corporation or a person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10 percent of any class or series of voting securities of the Corporation, or any associate or affiliate of any such person, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or the current financial year that has materially affected or is reasonable expected to materially affect the Corporation.

AUDITORS, REGISTRAR AND TRANSFER AGENT

The auditors of Western are Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, Toronto, Ontario, Canada.

The transfer agent and registrar for the Common Shares is Odyssey Trust Company, located at 305, 300 - 5th Avenue S.W., Calgary, Alberta.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, Western has not entered into any material contracts during its most recently completed financial year, or before its most recently completed financial year that are still in effect, other than:

1. the Tevir Agreements;
2. the Amended and Restated Commitment Letter; and
3. the USAs.

INTERESTS OF EXPERTS

The Corporation's auditors are Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, who have prepared an independent auditors' report in respect of the Corporation's financial statements with accompanying notes for the year ended December 31, 2025. Ernst & Young LLP, Chartered Professional Accountants, Licensed Public Accountants, has advised that they are independent with respect to the Corporation within the context of the CPA code of Professional Conduct of the Chartered Professional Accountants of Ontario.

In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of the Corporation or of any associate or affiliate of the Corporation.

ADDITIONAL INFORMATION

Additional information regarding the Corporation may be found on SEDAR+ at www.sedarplus.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Corporation's securities and securities authorized for issuance under equity compensation plan is contained in the Corporation's information circular for the annual and special meeting of shareholders held on September 22, 2025, which is available for viewing on SEDAR+ at www.sedarplus.com under the Corporation's profile.

Additional financial information is provided in the Corporation's consolidated financial statements for the year ended December 31, 2025, together with the accompanying report of the auditor and management's discussion & analysis filed on SEDAR+ and available for viewing at www.sedarplus.com under the Corporation's profile.

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

Effective February 22, 2016

OVERALL ROLE AND RESPONSIBILITY

The Audit Committee shall:

- 1.1 Assist the Board of Directors in its oversight role with respect to:
 - (a) the quality and integrity of financial information;
 - (b) the independent auditor's performance, qualifications and independence;
 - (c) the performance of the Corporation's internal audit function, if applicable;
 - (d) the Corporation's compliance with legal and regulatory requirements; and
- 1.2 Prepare such reports of the Audit Committee required to be included in the information/proxy circular of the Corporation in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

Otherwise as permitted or required by applicable law, the Audit Committee shall consist of three (3) or more Directors appointed by the Board of Directors, the majority of whom shall not be officers, employees or control persons of the Corporation or any of the Corporation's affiliates or associates. Each of the members of the Audit Committee shall satisfy the applicable independence and experience requirements of the laws governing the Corporation, and applicable securities regulatory authorities.

The Board of Directors shall designate one (1) member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment. The Board of Directors shall determine whether and how many members of the Audit Committee qualify as a financial expert as defined by applicable law.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the board for the appointment and replacement of the independent auditor.
- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.
- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.
- Evaluate the qualifications, performance and independence of the independent auditor, including: (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation; and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.
- Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual information/proxy circular, as required by applicable law.
- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every five years).

Financial Reporting

- Review and discuss with management and the independent auditor:
 - prior to the annual audit the scope, planning and staffing of the annual audit;
 - the annual audited financial statements;
 - the Corporation's annual and quarterly disclosures made in management's discussion and analysis;
 - approve any reports for inclusion in the Corporation's Annual Report, if any, as required by applicable legislation;
 - the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards;
 - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements;

- any significant changes in the Corporation’s selection or application of accounting principles;
 - any major issues as to the adequacy of the Corporation’s internal controls and any special steps adopted in light of material control deficiencies; and
 - other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.
- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE’S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation’s financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

APPROVAL OF AUDIT AND REMITTED NON-AUDIT SERVICES PROVIDED BY EXTERNAL AUDITORS

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this protocol. The Chief Financial Officer shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.