CANADA GAS CORP.
(Formerly Wyn Developments Inc.)
MANAGEMENT DISCUSSION & ANALYSIS
For The Nine Month Period Ended October 31, 2009

(December 23, 2009)

FORWARD LOOKING STATEMENTS

Certain statements contained in the report constitute forward-looking statements. When used in this document the words “anticipate”, “believe”, “estimate”, “expect”, “plan”, “future”, “intend”, “may”, “will”, “should”, “predicts”, “potential”, “continue”, and similar expressions, as they relate to Canada Gas Corp. (formerly Wyn Developments Inc.) or its management, are intended to identify forward-looking statements. Such statements reflect current views of Canada Gas Corp. with respect to future events and are subject to certain known and unknown risks, uncertainties and assumptions. These statements should not be relied upon. Many factors could cause the actual results, performance or achievements to be materially different for many future results, performance or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward looking statements prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Canada Gas Corp. does not intend, and does not assume any obligation to update these forward looking statements.

DESCRIPTION OF BUSINESS

The Canada Gas Corp. (the “Company”) is engaged in the business of acquiring, exploring and, if warranted, developing natural gas resource properties. The Company currently has natural gas production in the following property:

1. Trutch Area - North Eastern British Columbia

The Company has the following non producing property:

1. Prophet River- Northeastern British Columbia

OIL AND GAS PROPERTIES

Trutch Area

Through Participation Agreements with Tenaka Drilling Consortium Ltd. (“Tenaka”), the Company has the following working interest:

(a) a 15% working interest in 41 sections from the top of the Slave Point formation to the basement rock pursuant to the participation agreement. The Company has also earned its working interest in all Producing Natural Gas (“PNG”) zones from the surface to those zones shallower than the top of the Slave Point. Due to regrouping and sale of rights, the Company currently have 14 Halfway sections with an additional 6 Halfway sections earned. The Company also has a 24% working interest in 14 sections of deep rights; and

(b) A 15% working interest in 2 sections (district spacing units) which hold the potential for a total of up to 4 Triassic Halfway development wells (upon half-spacing drilling targets) in Trutch East lands. This working interest will include all zones from the surface through to the Halfway horizon. By participating in the C-25-A/94-G-15 Triassic Halfway development well, the Company earned the right to participate in additional option wells on the property.

OIL AND GAS PROPERTIES (Continued)

Trutch Area (Continued)

To date, seven wells have been drilled on the Trutch Area property including four successfully producing Triassic Halfway wells including the C-36-A/94-G-15, B-56-A/94-G-15, C-25-A/94-G-15, and A-38-A/94-G-15. The shut-in on B-86-A/96-G-15 has been completed.

Production began in February 2007 for both the C-36-A/94-G-15, B-56-A/94-G-15 and C-25-A/94-G-15 wells and January 2008 for the A-38-A/94-G-15 well. For the period ended October 31, 2009, the Company's interest in total production for the four wells was 15,571 MCF, equivalent daily rate of 58.98 MCF/day for the nine month period ended October 31, 2009 (2008-23,473 MCF, equivalent daily rate 86.3 MCF/day).

Prophet River

On January 31, 2008, the Company purchased 33.33% of the Prophet River property which included 19 square mile surface to basement and 2 square miles base of debolt to basement. This 33.33% working interest is subject to a non-convertible 2.5% overriding royalty to the 100% working interest.

The Company acquired 33.33% of the Prophet River 3-D seismic program, including data, related interpretation, and full trading rights for $716,667 to date. The terms of the acquisition include a sublicense of the data without trading rights to the contract operator.

During the year ended January 31, 2009, the Company engaged Sproule Associates Ltd., Independent Qualified Reserves Evaluator in Calgary to perform an independent exploration and development review of the Prophet River property, specifically related to the seismic and D-60-E/94-G-15 well log interpretation. As a result of this analysis, the Company plans to conduct additional testing on the D-60-E/94-G-15 well in the future dependent upon economics and the Company's ability to finance.

Oil and Gas Properties Summary

Gross revenue of all four producing wells from Trutch property for the nine month period ended October 31, 2009 was $81,414 (2008- $254,927). Net gain from production was $8,818 (2008- $94,453). Direct expenses included operating expense, $34,861 (2008- $59,844), royalties, $19,780 (2008- $34,268), and depletion and accretion expense, $17,955 (2008- $66,362). Total production volume for the period was 15,571 MCF (2008- 23,473 MCF), equivalent to 58.98 MCF per day (2008- 86.3 MCF per day). The average natural gas price received was $3.40 per GJ (2008- $7.94 per GJ).

CORPORATE INTERNAL CONTROLS

The Company practices strict internal controls through proper segregation of responsibilities and internal reporting of its personnel. Agreements and commitments that involve cash and/or share capital distribution such as private placements, stock option grant, property, service, and consulting agreements require Board of Directors approval through Directors' Resolution. The Company's drilling and exploration programs and budgets are planned and approved by the Company's President & CEO, Directors and senior Officers. All cash distribution requires the Company's President & CEO, and CFO approval to ensure that all expenses are accurate and aligned with the Company's budget. Approved share capital distribution is executed through Treasury Orders that requires final approval from the Company's President & CEO, and CFO. These internal control procedures are established and strictly practiced to ensure the Company's goals and best interest are effectively carried out.

Management has evaluated the effectiveness of the Company's disclosure controls and procedures as at October 31, 2009 and has concluded, based on its evaluation, that these controls and procedures provide reasonable assurance that material information relating to the Company is made known to management and reported as required.

Management is also responsible for the design of internal controls over financial reporting in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian generally accepted accounting principles. Management believes the design to be sufficient and appropriate to provide such reasonable assurance.

OPERATING RESULTS, FINANCIAL CONDITION, LIQUIDITY AND SOLVENCY

Current Economic Conditions:

The Company has taken considerable efforts to reduce all operating and overhead costs to match revenues from natural gas production. Revenues from the Company's producing wells were not sufficient to match its direct operating cost due to sharp decline in production volumes and low gas prices. As a result, the Company's net cash flow from production does not accommodate the Company's administrative and overhead expenses, resulting in net operating loss of $157,923 (2008- $250,842) for the nine month period ended October 31, 2009. The Company will require external financing to continue its operation, realize its assets and discharge its liabilities.

As at October 31, 2009, the Company has a working capital deficit of $376,387 (2008- $44,460) and current liabilities valued at $447,801 (2008- $473,261), of which $218,200 (2008- $nil) were owed to related parties. On October 7, 2009, the Company received regulatory approval and completed shares for debt agreements to settle $255,000 of short term loans and accounts payable including $140,500 owed to related parties and $114,500 owed to short term loan lenders. The Company issued 5,100,000 common shares with a deemed value of $0.05 per share and are subject to a four month hold period. The shares for debt agreements have significantly reduced the Company's current liabilities.

On December 17, 2009, the Company announced a financing of up to $1 million through a non brokered private placement by issuing up to 20,000,000 units at $0.05 per unit. The Company also intends to monetize the producing Trutch natural gas properties. The Company intends to market its holdings to current project partners and equally invites competitive proposals from other interested parties. Management is also continuously prospecting other opportunities that will add value to the Company. Management is confident that successful completion of the private placement, monetizing its assets, and acquiring new value added projects will provide the Company with the opportunity to continue its normal course of business, realize its assets and discharge its liabilities.

OPERATING RESULTS, FINANCIAL CONDITION, LIQUIDITY AND SOLVENCY (Continued)

Nine Month Period Ended Summary

For the nine month period ended October 31, 2009, the Company reported $81,414 (2008- $254,927) in gross revenue and $72,596 (2008- $160,474) in direct expenses, resulting in $8,818 (2008- $94,453) of net revenue from four producing Trutch wells. The Company incurred $166,741 (2008- $661,085) for general and administrative expenses predominately made up of management fees, $83,250 ($86,250), professional fees, $44,012 ($209,315), filing fees, $15,946 (2008- $48,200), and rent, $12,103 (2008- $13,260). The Company made major reductions to general and administrative expenses during the period due to less corporate activities compared to the same period last year. Stock based compensation expenses during the period was $nil compared to $221,602 in 2008 due to the issuance of 2,300,000 stock based compensation options. Stock based compensation options were not issued during the period. The Company's net loss before income taxes during the period was $157,923 (2008- $250,842) resulting in $24,653,058 (2008- $22,189,271) of total deficit to date.

As at October 31, 2009, the Company reported current assets of $71,415 (2008- $517,721) and current liabilities of $447,802 (2008- $473,261) resulting in working capital deficit of $376,387 (2008- $44,460). On October 7, 2009, the Company received regulatory approval and completed shares for debt agreements to settle $255,000 of short term loans and accounts payable including $140,500 owed to related parties and $114,500 owed to short term loan lenders. The Company issued 5,100,000 common shares with a deemed value of $0.05 per share and are subject to a four month hold period. The shares for debt agreements have significantly reduced the Company's current liabilities.

The Company expects to recover $107,829 from Award Ventures Ltd. (formerly Wyn Metals Inc.) for legal and filing expenses related to the June 10, 2008 Plan of Arrangement. Subsequent to the end of the period, the Company entered into a debt assignment agreement with a director/officer of the Company and a non related party to assign $109,875 worth of debt the Company owed to these parties to Award Ventures Ltd. The November 23, 2009 debt assignment agreement will allow the Company to eliminate $109,875 of accounts payable and short term loans owed, including $22,829 owed to a director/officer of the Company and $87,046 owed to a non related party to settle the March 9, 2007 short term loan agreement. Award Ventures Ltd. acquires the obligation to settle the liabilities with these parties. The Company releases Award Ventures Ltd. of this receivable.

The Company also capitalized $23,837 (2008- $57,719) in deferred exploration cost for its Trutch properties. This amount was not included in the calculation of depletion expenses during the period. At October 31, 2009, the value of the Company's fixed assets was $376,975 (2008- $1,215,382). This does not include the fair value of the Company's non reserve oil and gas properties based on recent assessments.

Three Month Period Ended Summary

Gross revenue from natural gas production from four wells located in the Trutch property for the three month period ended October 31, 2009 was $26,780 (2008- $65,575). Total production cost including royalties, operating, depletion and accretion costs were $28,967 (2008- $44,787), resulting in a net loss from production of $2,187 (2008- $20,788).

Total general and administrative expense for the period was $59,094 (2008- $132,947). The significant reductions in general and administrative expenses were due to decreases in professional fees including legal expenses and filing fees from the Company's Plan of Arrangement in 2008.

OPERATING RESULTS, FINANCIAL CONDITION, LIQUIDITY AND SOLVENCY (Continued)

Three Month Period Ended Summary (Continued)

Table 1. General and Administrative Expenses Summary

	Three Month Ended October 31, 2009	Three Month Ended October 31, 2008
Management fees (note 7)	$ 27,750	$ 27,750
Professional fees	25,507	85,342
Transfer agent, listing and filing fees	4,329	3,019
Rent	3,026	5,180
Office	3,179	5,498
Bank charges and interest	1,365	3,934
Travel and entertainment	-	-
Communications	606	2,223
Consulting fees	(6,667)	-
Stock based compensation cost	-	-
Total Administrative Expenses	**$ 59,094**	**$ 132,947**

CORPORATE ACTIVTIES

The Board of Directors and Officers of the Company include – Chad McMillan, President and C.E.O., David McMillan, Robert Krause, and Marc Tran.

Chad McMillan was appointed President & CEO effective January 19, 2009.

The officers and directors as at the date of this report are as follows:

Chad McMillan*	President, CEO, Audit Committee Member
David McMillan*	Chairman of the Board, Audit Committee Member
Robert Krause*	Audit Committee Member
Marc Tran*	CFO

**Director*

RELATED PARTY TRANSACTION

Related party transactions for the nine month period ended October 31, 2009 are as follows:

(a) The Company incurred management fees of $83,250 (2008 – $86,250), entertainment, travel and promotion expenses of $5,370 (2008 – $2,562), paid to companies controlled by to directors/officers for management services. At October 31, 2009, the Company has an accounts payable balance of $111,374 (2008 – $nil) payable to these directors/officers;

(b) The Company incurred $31,762 (2008 – $182,025) for rent and office expenses to a company controlled by a director/officer of the Company for use of shared office space. An accounts payable balance of $94,498 (2008– $162,735) was outstanding at October 31, 2009;

(c) During the period, the Company incurred $29,250 (2008 – $29,250) for accounting fees payable to a company controlled by an officer of the Company. At October 31, 2009, the Company has an accounts payable balance of $12,300 (2008- $nil) payable to this officer; and

RELATED PARTY TRANSACTION (Continued)

(d) During the period ended, the Company entered into shares for debt agreements to settle $140,500 of accounts payable due to related parties by issuing 2,810,000 common shares at a deemed value of $0.05 per share. The transaction received regulatory approval on October 7, 2009. These common shares were issued and subject to a four month hold period.

INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

The Accounting Standards Board of Canada ("AcSB") plans to converge Canadian GAAP for publicly accountable enterprises with IFRS over a transition period that will end January 1, 2011 with the adoption of IFRS. The AcSB announced on February 13, 2008 that IFRS will be required in 2011 for publicly accountable profits oriented enterprises. The changeover date is for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011. The Company will present its first set of IFRS compliant financial statements for the year ending January 31, 2011. The Company is currently working on its IFRS conversion project which consists of four phases: diagnosis, design and planning, solution development and implementation. The plan addresses the impact of IFRS on accounting policies and implementation decisions, business activities and control activities. The Company plans to complete in a near future the first phase of its IFRS conversion, consisting in a preliminary study of the existing financial information and identifying the main areas where IFRS might have an impact. The IFRS conversion is a major initiative for the Company and all the necessary resources are being allocated to ensure the project's smooth transition. Throughout the 2010 fiscal year, the Company will be reporting on the progress of its IFRS implementation plan in its MD&A.

SELECTED ANNUAL FINANCIAL INFORMATION

The Company's year end is January 31. Please refer to Notes to the Financial Statements for accounting policies. Unless otherwise indicated all dollar amounts refer to Canadian dollars.

	Year ended January 31, 2009	**Year ended January 31, 2008**	**Year ended January 31, 2007**
Revenues	299,967	392,870	-
G&A Expenses	801,755	766,982	969,243
Net Loss(Gain)	1,570,644	10,363,386	1,096,005
-per share basic & diluted	0.08	0.13	0.02
Working Capital (Deficiency)	(467,583)	(691,213)	589,756
Total Assets	440,084	2,226,208	10,549,865
Deferred Mineral and Oil and Gas Property Expenditures	352,705	1,200,015	9,974,791
Liabilities(L.T.)	-	-	-
Cash Dividends	-	-	-

SELECTED QUARTERLY FINANCIAL INFORMATION

	4th Quarter Ended January 31, 2010	3rd Quarter Ended October 31, 2009	2nd Quarter Ended July 31, 2009	1st Quarter Ended April 30, 2009
(a) Revenue	N/A	26,780	22,646	31,989
(b) Loss (Gain) for period	N/A	61,281	55,602	41,040
(c) Loss (Gain) per share	N/A	0.002	0.003	0.002
(d) Natural gas production (MCF)	N/A	5,387	5,379	4,805
	4th Quarter Ended January 31, 2009	3rd Quarter Ended October 31, 2008	2nd Quarter Ended July 31, 2008	1st Quarter Ended April 30, 2008
(a) Revenue	45,040	65,575	94,760	94,592
(b) Loss for period	1,319,802	(93,626)	184,369	160,099
(c) Loss per share	0.06	(0.005)	$0.01	$0.01
(d) Natural gas production (MCF)	2,196	8,287	9,004	10,339
	4th Quarter Ended January 31, 2008	3rd Quarter Ended October 31, 2007	2nd Quarter Ended July 31, 2007	1st Quarter Ended April 30, 2007
(a) Revenue	72,832	76,017	142,327	101,694
(b) Loss for period	9,492,276	25,025	722,189	123,896
(c) Loss per share	0.1220	0.0003	0.0100	0.0020
(d) Natural gas production (MCF)	8,125	9,276	12,379	19,166

SUBSEQUENT EVENTS

(a) On December 17, 2009, the Company announced a financing of up to $1 million through a non-brokered private placement financing, issuing up to 20,000,000 units. Each unit is priced at $0.05 and will include one share and one share purchase warrant exercisable at $0.10 for a period of two years, subject to acceleration if the common shares of the Company trade at greater than $0.25 over a 30 day period. Proceeds will be used to settle debts, pursue Canadian oil focused opportunities, and for general working capital.

(b) On November 23, 2009, the Company entered into a debt assignment agreement with a director/officer of the Company and a non related party to assign $109,875 worth of debt the Company owed to these parties to Award Ventures Ltd. (formerly Wyn Metals Inc.). Per the June 10, 2008 Plan of Arrangement whereby the Company transferred its mineral properties to Wyn Metals Inc., and to spin out Wyn Metals Inc., the Company incurred professional and filing expenses of up to $109,875 that were attributable to Wyn Metals Inc. This became a receivable that was eventually written off during the year ended January 31, 2009. The November 23, 2009 debt assignment agreement will allow the Company to eliminate $109,875 of accounts payable and short term loans owed, including $22,829 owed to a director/officer of the Company and $87,046 owed to a non related party to settle the March 9, 2007 short term loan agreement. Award Ventures Ltd. acquires the obligation to settle the liabilities with these parties.

(c) On November 17, 2009, the Company announced its December 30, 2009 Annual General Meeting of the Shareholders.

Chad McMillan
CEO
Canada Gas Corp.
December 23, 2009