

Western Plains Petroleum Ltd. (formerly Saha Petroleum Ltd.)

MANAGEMENT'S DISCUSSION & ANALYSIS (amended April 7, 2010)

Nine months ended September 30, 2009

OVERVIEW OF THE CORPORATION

Western Plains Petroleum Ltd. (the "Corporation" or "Western Plains") was originally incorporated as Mises Capital Corporation under the Business Corporations Act (Alberta) on November 19, 2004 and was classified as a Tier 2 "oil and gas exploration and production" corporation under the symbol "MPP" on the TSX Venture Exchange ("TSXV") on August 11, 2006. On April 1, 2008, the Corporation changed its name to "Saha Petroleum Ltd." and began trading under the symbol "SPZ" on the TSXV on April 25, 2008. On August 24, 2009, the Corporation changed its name to "Western Plains Petroleum Ltd." and began trading under the symbol "WPP" on the TSXV on August 25, 2009.

The Corporation focuses on the following strategies:

1. production of conventional heavy oil building on the core competency of its people,
2. exploration and development in the Lloydminster area (Lloydminster is a border city 250 km east of Edmonton, Alberta and 275 km west of Saskatoon, Saskatchewan), and
3. careful control of development and production costs in order to avoid bank or other debt.

GENERAL

This management discussion and analysis ("MD&A") of Western Plains (formerly Saha Petroleum Ltd.), for the three and nine months ended September 30, 2009 contains financial highlights but does not contain the complete financial statements of the Corporation. It should be read in conjunction with the Corporation's audited financial statements for the year ended December 31, 2008 and unaudited financial statements for the nine months ended September 30, 2009. Additional information is available on SEDAR at www.sedar.com. The financial information presented herein has been prepared on the basis of Canadian generally accepted accounting principles ("GAAP"). All references to dollar amounts are in Canadian dollars.

This MD&A is amended April 7, 2010 to restate certain financial components to agree with amended financial statements also filed on April 7, 2010 and as explained in the press release dated March 10, 2010.

The restatements affect the following items:

- depletion has been restated for each of the quarters in 2009,
- a gain has been recorded on the property disposal in Q2 09,
- a gain has been recorded on the debt settlement in Q3 09, and
- general and administrative expenses have been restated for each of the quarters in 2009, primarily related to how the costs are allocated among the quarters.

NON-GAAP MEASURES

The Corporation's management uses and reports certain measures not prescribed by generally accepted accounting principles (referred to as "non-GAAP measures") in the evaluation of operating and financial performance. Operating netback, which is calculated as average unit sales prices less royalties and operating expenses, and corporate netback, which further deducts administrative and interest expense, represent net cash margin calculations for every barrel of oil equivalent sold. Net debt, which is current assets less current and other financial liabilities (e.g. note payable), is used to assess efficiency and financial strength. Operating netback, corporate netback and net debt do not have any standardized meanings prescribed by GAAP and therefore may not be comparable with the calculation of a similar measure for other companies. The Corporation uses these terms as an indicator of financial performance because such terms are often utilized by investors to evaluate junior producers in the oil and natural gas sector.

HIGHLIGHTS OF THE THIRD QUARTER AND NINE MONTHS ENDED SEPTEMBER 30, 2009

In the third quarter of 2009, the Corporation acquired seven nominally or non-producing heavy oil wells in the Lloydminster area, for \$0.5 million. Effective May 1, 2009, the Corporation sold all producing wells in the Golden Lake area of Saskatchewan, with an average production of 180 bbls per day. As at September 30, 2009, the Corporation had thirteen gross (13 net) wells in the Lloydminster area of eastern Alberta, of which eleven (11 net) produced in Q4 09.

Production during the nine months ended September 30, 2009 varied as a result of the above property transactions with current production of approximately 100 bbls per day. The average for the 9 months ended September 30, 2009 was 121 bbls per day compared to 89 bbls per day for the 9 months ended September 30, 2008. 2008 was the start up year with property acquisitions in March and November.

Revenue in Q2 09 and Q3 09 benefited from higher oil prices than Q4 08 and Q1 09 but also a more favourable differential for heavy oil as shown in Table A in the "Quarterly Summary". The Corporation averaged nearly \$60 per bbl in Q3 09 which was a significant increase over Q4 08, Q1 09 and Q2 09 but less than Q3 08 when the average price was \$92 per bbl. This trend follows the general trend for oil prices over this period as shown by the benchmark price for Hardisty heavy oil set out in Table A in the "Quarterly Summary".

OUTLOOK

The Corporation continues to strengthen its financial position with stable production volumes, higher oil prices, control over costs and the plan to raise additional equity described under the heading Liquidity and Capital Resources. The Corporation intends to participate in upcoming land sales to add to its base of developed and undeveloped properties as well as to continue to seek favourable property acquisitions consistent with its strategy.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2009, there were 26.9 million common shares and 1.7 million director and officer stock options issued and outstanding. The remaining note payable was settled in July 2009 by issuing 5,680,000 common shares pursuant to a debt settlement agreement. The fair value of the common shares was \$198,800, based on the trading value of the Corporation's common shares on the settlement agreement date. The Corporation recorded \$85,200 as a gain on this debt settlement.

As at September 30, 2009, the Corporation had net debt of \$0.4 million (\$2.7 million at December 31, 2008). The deficiency at September 30, 2009 relates primarily to amounts owed to suppliers as a result of capital development work in Q3 09 to acquire and reactive 5 heavy oil wells. The reduction in net debt from December 31, 2008 was mainly due to funds generated from the sale of wells in the Golden Lake area for \$2.7 million. These proceeds along with the shares issued to repay the note payable, were sufficient to retire the note payable, retire all of the bank debt and fund the acquisition of wells. No other financing was undertaken in the nine months ended September 30, 2009.

In December 2009, the Corporation issued 3,352,940 units at a price of \$0.085 per Unit pursuant to a private placement for gross proceeds of \$285,000. Each unit was comprised of one common share issued on a flow through basis under applicable tax law, and one common share purchase warrant, each warrant exercisable into one common share. Each of the 3,352,940 warrants has a term of 12 months from the date of issuance at an exercise price of \$0.15 per share. In January 2010 Western Plains further strengthened its financial position with the issue of 1,877,500 common shares at a price of \$0.08 per share in a private placement, for gross proceeds of \$150,200 and no finders' fees.

As at September 30, 2009, the Corporation had a deficit and had a record of operating losses (refer to Quarterly Summary). The Corporation's ability to continue as a going concern is dependent upon its ability to attain profitable operations and generate funds there from, and to continue to obtain new financing (equity or debt) sufficient to meet current and future needs. The financial statements do not reflect the adjustments or reclassification of assets and liabilities which would be necessary if the Corporation were unable to continue as a going concern.

QUARTERLY SUMMARY

Tables A, B and C provide a summary of selected quarterly information. All production is conventional heavy oil.

Table A - OPERATIONS
\$000's except for

	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Production and per share	2009	2009	2009	2008	2008	2008	2008	2007
Production - total barrels	4,624	7,824	20,529	20,107	12,083	10,582	1,610	-
Production - bbls/ day	50	86	228	219	131	116	18	-
Heavy oil revenue	277	411	770	859	1,110	1,036	129	-
Royalties	(50)	(94)	(172)	(196)	(290)	(245)	(29)	-
Production & transportation	(148)	(111)	(258)	(319)	(159)	(254)	(30)	-
Operating net back	79	206	340	344	661	537	70	-
General and administrative	(136)	(102)	(155)	(293)	(245)	(275)	(78)	(71)
Interest & financing costs	-	(58)	(54)	(52)	(52)	(57)	(10)	-
Corporate net back	(57)	46	131	(1)	364	205	(18)	(71)
Depletion & accretion	(111)	(101)	(701)	(671)	(304)	(266)	(40)	(1)
Other (expenses) revenue	85	423	-	(25)	(11)	-	(45)	-
Income (loss) for the period	(83)	368	(570)	(697)	49	(61)	(103)	(72)
Basic and diluted income (loss) per share	(0.003)	0.017	(0.027)	(0.043)	0.003	(0.004)	(0.011)	(0.008)
Royalties as % of petroleum revenue	18	23	22	23	26	24	22	n/a

Table A (continued)
\$ per bbl of heavy oil

	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
	2009	2009	2009	2008	2008	2008	2008	2007
Heavy oil revenue	59.88	52.53	37.53	42.74	91.85	97.89	80.13	n/a
Royalties	(10.79)	(12.06)	(8.40)	(9.76)	(24.03)	(23.19)	(17.83)	n/a
Production & transportation	(32.02)	(14.17)	(12.56)	(15.85)	(13.13)	(23.97)	(18.44)	n/a
Operating net back	17.07	26.29	16.57	17.13	54.68	50.73	43.87	n/a
General and administrative	(29.31)	(13.10)	(7.55)	(14.59)	(20.28)	(25.94)	(48.54)	n/a
Interest and financing costs	-	(7.36)	(2.63)	(2.58)	(4.31)	(5.36)	(6.31)	n/a
Corporate netback	(12.25)	5.83	6.39	(0.04)	30.09	19.42	(10.99)	n/a
Depletion & accretion	(23.95)	(12.91)	(34.15)	(33.37)	(25.12)	(25.15)	(24.99)	n/a
Other (expenses) revenue	18.42	54.05	-	(1.23)	(0.93)	-	(28.29)	n/a
Income (loss) for the period	(17.77)	46.97	(27.76)	(34.64)	4.05	(5.72)	(64.27)	n/a

WPP revenue prices	59.88	52.53	37.53	42.74	91.85	97.89	80.13	n/a
Benchmark prices								
Edmonton light 40 API	71.70	66.19	50.15	63.94	122.50	126.74	98.22	n/a
Hardisty heavy 12 API	60.90	58.07	39.38	40.62	98.02	96.57	70.06	n/a
Heavy oil differential	10.80	8.13	10.77	23.32	24.48	30.18	28.16	n/a
Table B - Funds (invested in) recovered from petroleum properties	(778)	2,703	(50)	(1,784)	(43)	-	(79)	-

Table C - BALANCE SHEET \$000's

	Q3 2009	Q2 2009	Q1 2009	Q4 2008	Q3 2008	Q2 2008	Q1 2008	Q4 2007
Net cash (debt)	(377)	174	(2,575)	(2,657)	(1,898)	(2,218)	(2,424)	613
Total assets	2,297	2,034	4,289	4,820	4,419	4,236	4,313	674
Total liabilities	783	637	3,258	3,220	2,998	2,875	2,891	60
Shareholders equity	1,514	1,397	1,030	1,600	1,421	1,361	1,422	614
SHARES 000's								
Basic outstanding	26,907	21,227	21,227	21,227	15,949	15,949	15,949	15,949
Weighted average	26,907	21,227	21,227	17,567	15,949	15,949	9,552	9,552

OPERATING RESULTS FOR 2009

- **Production, prices, royalties and production expense**

The May 2009 disposal of all producing wells in the Golden Lake area reduced production. These wells averaged approximately 180 bbls per day in April 2009. The new wells acquired in Q3 09 were reactivated over the course of the quarter. Production by quarter is shown in Table A in the "Quarterly Summary" and the variations are explained by these property transactions.

The realized average prices per bbl for each of the quarters in Table A are consistent with the Hardisty heavy oil benchmark also set out in the table.

Table A in the "Quarterly Summary" shows royalty expense as a per cent of oil sales is consistent over the quarters. The decline in Q3 09 over prior quarters relates to the sale of the Golden Lake properties in May 2009. Those Saskatchewan wells incurred a higher royalty burden than Alberta wells. Most production subsequent to the May 2009 property sale is from Alberta wells.

A significant portion of production costs are fixed and therefore production expense per bbl varies significantly with volume. The reactivation activities in Q3 09 led to higher costs and costs per bbl. These will decline as all the wells are now producing and the reactivation process is now complete.

- **General and administrative expense**

As production volumes increased from the start up in 2008 the general and administrative costs per bbl decreased. As production continues to increase as a result of development work and further acquisitions, costs per bbl will reduce. The lower production level of Q3 09 led to much higher costs per bbl than Q3 08.

The Corporation contracts all general and administrative services and has no employees. This includes the President and CEO position for which consulting fees are paid to a corporation with an officer and director in common with Western Plains.

- **Interest expense**

There was no interest expense in Q3 09 as all debt was retired by July 2, 2009. The prior interest expense related to the credit facility with the bank and the note payable. The note bore interest at 9% per annum and the credit facility bore interest at prime plus 1.25%.

The note payable was due to Brahma Resources Ltd., a corporation that is controlled by an officer and director of the Corporation.

- **Depletion and accretion**

Depletion expense measures the estimated cost of the oil produced or the reduction in the proven reserves. It is measured as a function of volume produced. The decrease in volume in Q2 09 and Q3 09 due to the property sale in May 2009 lowered the total expense for depletion. The proceeds of the May 2009 property sale (less the portion recorded as a gain on the sale of property, plant and equipment) were credited against the accumulated capital costs in Q2 09 and thus reducing future depletion costs per bbl. The impact of the sale had an impact on depletion per bbl greater than 20% and thus the gain was recorded on this disposition.

Accretion is a measure of the implicit interest on the asset retirement obligation.

INCOME TAX

The Corporation had the following tax pools:

Nature of tax pool	Annual Deduction Available-%	September 30, 2009 \$000's	December 31, 2008 \$000's
Canadian oil and gas property expense (COGPE)	10	1,176	3,079
Canadian development expense (CDE)	30	-	-
Canadian exploration expense (CEE)	100	106	606
Specified foreign exploration and development expenses	10	540	583
Undepreciated capital cost (UCC)	25	-	142
Share issue costs	20	15	43
Non capital loss carry forward	100	531	531

The non capital loss carry forward expires in 2027 and 2028.

The future income tax asset from share issue costs, non capital loss carry forward and asset retirement obligation are offset by the future income tax liability related to property, plant and equipment, the income tax affect of having issued the flow through shares in December 2008 and a valuation allowance. The Corporation has not recorded any future tax asset or liability, nor has it recorded any tax provision or recovery for the nine months ended September 30, 2009 and September 30, 2008, due to the uncertainty of the Corporation's ability to fully utilize the available income tax pools against its future income.

CRITICAL ACCOUNTING ESTIMATES

Management is often required to make judgments, assumptions and estimates in the application of generally accepted accounting principles that may have a significant impact on the financial results of the Corporation. The Corporation's significant accounting policies are described in notes in the audited financial statements at December 31, 2008 and are discussion in our MD&A for December 31, 2008.

NEW ACCOUNTING STANDARDS

International Financial Reporting Standards

International Financial Reporting Standards ("IFRS") are to be followed by Canadian public companies effective January 1, 2011. Comparative financial statements for 2010 will also be required to follow IFRS. The full cost accounting methods now used by the Corporation is not consistent with IFRS which will require reporting more consistent with successful efforts. The Corporation has assessed the following key elements on a preliminary basis as it plans for the changeover:

- determine appropriate changes to accounting policies and required additions and amendments to financial disclosure
- identify and implement changes in associated processes and information systems; and
- review and modify internal controls as necessary.

On July 23, 2009 the IASB adopted certain amendments and exemptions to IFRS 1 in order to make it more useful to Canadian entities adopting IFRS for the first time. One such exemption relating to full cost oil and gas accounting is expected to reduce the administrative burden in transition from the current Canadian Accounting Guideline 16 (related to the full cost method of accounting for oil and gas activities) to IFRS. The amendment permits the Company to apply IFRS prospectively to its full cost pool, rather than the retrospective assessment of capitalized exploration and development expenses, with the proviso that an impairment test, under IFRS standards, be conducted at the transition date.

Consolidated Financial Statements

The CICA has issued CICA Handbook Sections 1601 – Consolidations and 1602 – Non-controlling interests. Section 1601 carries forward the requirements of Section 1600 – Consolidated Financial Statements, other than those relating to non-controlling interests which would be covered in Section 1602. Under Section 1602, any non-controlling interest will be recognized as a separate component of shareholders' equity and net income will be calculated without deducting non-controlling interest and instead net income is allocated between the controlling and non-controlling interests

Business Combinations

In January 2009, the Canadian Accounting Standards Board issued Section 1582, Business Combinations, which replaces former guidance on business combinations. The new standard establishes principles and requirements of the acquisition method for business combinations and related disclosures. This statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 2011 with earlier application permitted. The Corporation will evaluate the effects of adopting these changes at the time a business combination is pending.

OFF BALANCE SHEET ARRANGEMENTS

The Corporation has not engaged in any off-balance sheet arrangements such as obligations under guarantee contracts, a retained or contingent interest in assets transferred to an unconsolidated entity, any obligation under derivative instruments (except as disclosed) or any obligation under a material variable interest in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Corporation or engages in leasing or hedging services with the Corporation.

INDUSTRY CONDITIONS AND RISKS

The business of exploration, development and acquisition of oil and gas reserves involves a number of business risks inherent in the oil and gas industry which may impact The Corporation's results and several of which are beyond control of the Corporation. These business risks are operational, financial or regulatory in nature. These risks and the Corporation's approach to managing these issues are the same as disclosed in the Management Discussion and Analysis for the year ended December 31, 2008. The Corporation does not use derivative instruments as a means to manage risk.

RELATED PARTY TRANSACTIONS

The Corporation entered into the following related party transactions, all of which were in the normal course of operations and have been valued at the exchange amount that is the amount of consideration established and agreed to by the related parties:

- Legal services provided by a law firm in which an officer and director is a partner:
 - \$73,364 was incurred in the year to date (\$70,353 in the year ended December 31, 2008) of which \$33,766 (\$57,192 at December 31, 2008) was in accounts payable and accrued liabilities at the period end;
 - Costs were recorded as either general and administrative expense or as a capital expenditure depending on the activity for which legal services were provided;
- Accounting services provided by a corporation in which a former officer (from April 1, 2009 to September 30, 2009) is an officer and a director:
 - \$50,609 was incurred in the year to date (\$nil in the year ended December 31, 2008) of which \$952 (\$nil at December 31, 2008) was in accounts payable and accrued liabilities at the period end;

- Costs were recorded as general and administrative expense;
- Interest paid to a corporation in which David Forrest, an officer and director of the Corporation, is an officer and a director. This debt was retired by July 2009:
 - \$86,999 was incurred in the year to date (\$232,536 in the year ended December 31, 2008) of which \$nil (\$17,196 at December 31, 2008) was in accounts payable and accrued liabilities at the period end;
 - Costs were recorded as interest expense;
- Various oil field services (service rig) and products provided by a corporation in which David Forrest, an officer and director of the Corporation, is an officer and a director:
 - \$218,955 was incurred in the year to date (\$59,020 in the year ended December 31, 2008) of which \$31,498 (\$22,710 at December 31, 2008) was in accounts payable and accrued liabilities at the period end;
 - Costs were recorded as either production expense or capital expenditures depending on the nature of the expenditure;
- Oil sold to a corporation in which David Forrest, an officer and director of the Corporation, is an officer and a director:
 - \$nil were earned in the year to date (\$44,639 in the year ended December 31, 2008) of which \$15,456 (\$44,639 at December 31, 2008) was in accounts receivable at the period end;
 - Proceeds were recorded as petroleum revenue.

Forward-Looking Statements

The matters discussed in this MD&A include certain forward-looking statements. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements. Forward-looking statements may be identified, without limitation, by the use of such words as “anticipates”, “estimates”, “expects”, “intends”, “plans”, “predicts”, “projects”, “believes”, or words or phrases of similar meaning. In addition, any statement that may be made concerning future performance, strategies or prospects and possible future corporate action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date. Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Corporation. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events. We stress that the above mentioned list of important factors is not exhaustive. We encourage you to consider these and other factors carefully before making any investment decisions and we urge you to avoid placing undue reliance on forward-looking statements. The Corporation disclaims any intention or obligation to update or revise these forward-looking statements as a result of new information, future events or otherwise, except as required under applicable securities laws.

Western Plains Petroleum Ltd. (formerly Saha Petroleum Ltd.)
MANAGEMENT'S DISCUSSION & ANALYSIS
Nine months ended September 30, 2009

Corporate Address

Western Plains Petroleum Ltd.
(Formerly Saha Petroleum Ltd.)
#202, 5004 18 Street,
Lloydminster, Alberta
T9V 1V4

Telephone (780) 205-4468
Fax (780) 808-8038

Directors

David Forrest ⁽¹⁾
Stephen H. Johnston ⁽¹⁾
Leigh D. Stewart ⁽¹⁾
Menno Wiebe ⁽¹⁾

⁽¹⁾ *Member of the Audit Committee*

Officers

David Forrest, President and CEO
Stephen H. Johnston, VP Finance and CFO
Leigh Stewart, Corporate Secretary

Auditors

Meyers Norris Penny LLP
300, 622 – 5th Avenue SW
Calgary, Alberta
T2P 0M6

Telephone (403) 263-3385
Fax (403) 269-8450

Transfer Agent

Olympia Trust Corporation
2300, 125 – 9th Ave. SE
Calgary, Alberta
T2G 0P6

Phone (403) 261-0900
Fax (403) 265-1455

Banker

Alberta Treasury Branches
300, 239 - 8th Avenue SW
Calgary, AB T2P 1B9

Phone (403) 974-5170
Fax (403) 974-5191

Legal Counsel

DAVIS LLP
1000, 250-2nd Street SW
Calgary, AB T2P 0C1

Phone (403) 698-8769
Fax (403) 697-6619