ENTERPRISE OIL LIMITED

Management's Discussion and Analysis
For the three month period ended December 31, 2005

Enterprise Oil Limted ("Enterprise" or the "Company") completed its first acquisition, the assets of A & G Grant Construction (1983) Inc., effective August 24, 2005. After this acquisition, Enterprise changed its fiscal year end from December 31 to September 30. This discussion and analysis should be read in conjunction with the unaudited consolidated interim financial statements for the three month period ended December 31, 2005 and 2004. The three month period ended December 31, 2005 represents the first full quarter with Enterprise operating in the pipeline construction industry.

The unaudited consolidated interim financial statements have been prepared in accordance with generally accepted accounting principles in Canada ("Canadian GAAP"). All amounts are expressed in Canadian dollars unless otherwise noted and additional information relating to the Company is on SEDAR at www.sedar.com. This discussion and analysis is dated February 7, 2006.

This MD&A contains projections and other forward-looking statements regarding future events. Such statements are predictions, which may involve known and unknown risks, uncertainties and other factors, which could cause the actual events or results and company plans and objectives to differ materially from those expressed. For information concerning factors affecting the Company's business, the reader is referred to the documents that the Company files from time to time with applicable Canadian securities and regulatory authorities.

Overall Performance

Enterprise's primary strategy is to grow by acquiring and consolidating small to mid-sized pipeline construction companies in Central and Northern Alberta.

The three month period ended December 31, 2005 was the Company's first full quarter of operations in the pipeline construction industry. During the period, the Company was successful in completing construction work for total revenue of $4,880,208.

The Company has been working on several pipeline projects for one of Canada's largest energy producers. At December 31, 2005, these projects are at various stages of completion and have generated revenue of approximately $2.5 million. Management believes that a significant portion of the Company's resources will be required to complete projects for this producer for the remainder of the fiscal year.

With the addition of construction equipment and work crews, the Company was successful in obtaining more pipeline projects. Further highlights for the period included the completion of a $1.5 million pipeline project for one of North America's largest energy producers. The Company's successful completion of this project resulted in additional pipeline work from this energy producer. Also during the period, the Company began work on a $2.4 million pipeline project for a Canadian mid-sized producer, which at December 31, 2005 was less than half completed.

During the period, the Company has also been setting up its head office in St. Albert, Alberta and new office facilities for its Slave Lake, Alberta operations.

Selected Financial Information

The Company was incorporated on March 23, 2004 and was not a reporting issuer pursuant to applicable securities legislation until June 28, 2004. A summary of selected financial information for the three month period ended December 31, 2005 and the nine month period ended September 30, 2005 (Enterprise's new fiscal year end) follows:

	For the three month period ended December 31, 2005	For the nine month period ended September 30, 2005 (audited)
Total revenue	$ 4,880,208	$ 560,797
Net profit (loss)	563,569	(327,214)
Basic and diluted earnings (loss) per share	0.044	(0.04)
Total assets	8,456,850	3,744,704
Long-term liabilities	1,189,190	1,103,265

For the three month period ended December 31, 2005, the Company reported no discontinued operations, no changes in accounting policies and declared no cash dividends.

Results of Operations

Net profit for the three month period ended December 31, 2005 was $563,569 compared to a net loss of ($20,451) for the period ended December 31, 2004.

<u>Revenue</u>

The following table identifies changes to revenue for the three month period ended December 31, 2005 and 2004. Enterprise began generating revenue from operations after the completion of its Qualifying Transaction on August 24, 2005. The three month period ended December 31, 2005, represents the first full quarter with Enterprise operating in the pipeline construction industry.

Revenue	For the three month period ended December 31, 2005	For the three month period ended December 31, 2004	Increase (decrease)
Revenue	$ 4,880,208	$ Nil	$ 4,880,208
Total revenue	$ 4,880,208	$ Nil	$ 4,880,208

Direct Costs

The following table identifies changes to direct costs for the three month period ended December 31, 2005 and 2004. Enterprise began incurring direct costs associated with pipeline construction and oilfield maintenance after the completion of its Qualifying Transaction on August 24, 2005. The three month period ended December 31, 2005, represents the first full quarter with Enterprise operating in the pipeline construction industry.

Direct Costs	For the three month period ended December 31, 2005	For the three month period ended December 31, 2004	Increase (decrease)
Trades and sub-contracts	$ 1,327,794	$ Nil	$ 1,327,794
Direct wages	1,211,383	Nil	1,211,383
Supplies	323,178	Nil	323,178
Fuel and oil	266,596	Nil	266,596
Camp costs	201,988	Nil	201,988
Rentals	140,693	Nil	140,693
Repairs and maintenance	140,333	Nil	140,333
Freight in and duty	18,464	Nil	18,464
Total	$ 3,630,429	$ Nil	$ 3,630,429

General and Administrative Expenses

The following table identifies changes to general and administrative expenses for the three month period ended December 31, 2005 and 2004. The three month period ended December 31, 2005, represents the first full quarter with Enterprise operating in the pipeline construction industry.

General and Administrative Expenses	For the three month period ended December 31, 2005	For the three month period ended December 31, 2004	Increase (decrease)
Professional fees	$ 88,419	$ 16,301	$ 72,118
Management fees	40,500	Nil	40,500
Office and general	49,684	12,321	37,363
Interest on long term debt	22,913	Nil	22,913
Rent	5,262	Nil	5,262
Stock-based compensation	1,840	Nil	1,840
Interest and bank charges	1,635	15	1,620
Amortization - intangible assets	10,300	Nil	10,300
Amortization	175,334	Nil	175,334
Total	$ 395,887	$ 28,637	$ 367,250

Summary of Quarterly Results

The Company was incorporated on March 23, 2004 and was not a reporting issuer pursuant to applicable securities legislation until June 28, 2004. The Company changed its fiscal year end to September 30 after the completing its Qualifying Transaction. As such, the following is a summary of quarterly information since incorporation.

	Dec. 31/05	Sep. 30/05	Jun. 30/05	Mar. 30/05	Dec. 31/04	Sep. 30/04	Jun. 30/04
Revenue	$4,880,208	$560,797	$ Nil	$ Nil	$ Nil	$ Nil	$ Nil
Net profit (loss)	563,569	(327,214)	(48,036)	(8,715)	(23,432)	(102,569)	(2,980)
Basic and diluted profit (loss) / share	0.044	(0.03)	(0.004)	(0.001)	(0.003)	(0.02)	(0.01)

The three month period ended December 31, 2005, represents the first full quarter with Enterprise operating in the pipeline construction industry. Revenue generated during the quarter ended September 30, 2005 is a result of 37 days of operations from Enterprise's pipeline construction business established upon completion of the Company's Qualifying Transaction.

Liquidity and Capital Resources

Cash and temporary investments were nil at December 31, 2005 and September 30, 2005. Bank indebtedness was $1,400,975 at December 31, 2005 compared to $65,442 at September 30, 2005. Enterprise has a $1,500,000 revolving line of credit with the Alberta Treasury Branch secured by a general security agreement covering all assets. At December 30, 2005, the Company had drawn $830,000 against this line compared to nil at September 30, 2005. During the three month period ended December 31, 2005, the Company completed private placements raising an additional $1,500,000. The Company also entered into three new bank loan agreements for a total of $432,857 to assist with purchases of additional construction equipment. The purchased equipment has been pledged as security against these loans.

To fund ongoing operations, the Company will utilize a combination of bank financing, generation of revenues combined with the collection of accounts receivables and equity financing. The Company plans to expand its fleet of construction equipment and assets by purchasing addition equipment of approximately $1.5 million in the 2006 fiscal year. Management believes that additional equipment, financing and work crews will allow Enterprise to secure more pipeline construction work, increasing revenue and cash flow for the 2006 fiscal year.

Management believes that Enterprise has access to sufficient capital to fund operations throughout fiscal 2006.

Contractual Obligations

Enterprise has entered into a lease agreement for office space which provides for the following payments:

	Payments due by period				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Operating leases	$82,618	$12,393	$34,080	$36,145	Nil
Total contractual obligations	$82,618	$12,393	$34,080	$36,145	Nil

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Share Capital

	Outstanding As at February 7, 2006	Outstanding As at December 31, 2005	Outstanding As at December 31, 2004
Common shares	15,086,700	15,086,700	9,000,000
Stock options	1,505,000	980,000	900,000
Agent's options	359,300	359,000	600,000
Warrants	3,000,000	3,000,000	Nil

An additional 4,864,300 common shares will be issued upon the conversion of all outstanding stock options, agent's options and warrants identified in the above table.

Related Party Transaction

During the period ended December 31, 2005, the Company incurred and paid $12,000 (2004 – nil) in rent to a company controlled by a director of the Company, Mr. Ron Ingram. This transaction is recorded at the amount established and agreed to by the parties.
