PULSAR HELIUM INC

Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2025

(Unaudited – Expressed in US dollars)

Pulsar Helium Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Expressed in US dollars)

	Note		June 30, 2025		September 30, 2024
ASSETS					
Current Assets					
Cash	*4*	$	617,626	$	1,230,982
Receivables			7,680		4,552
Prepaid expenses			137,621		110,378
			762,927		1,345,912
Property and equipment	*5*		440,002		237,711
Exploration and evaluation assets	*6*		675,741		359,373
		$	1,878,670	$	1,942,996
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)					
Current Liabilities					
Trade and other payables	*10*	$	453,495	$	1,177,662
Loan facility	*7*		2,602,167		-
Non-cash warrant liability	*8*		2,545,737		3,798,355
			5,601,399		4,976,017
Shareholders' Equity (Deficiency)					
Share capital	*9*		24,695,724		16,363,734
Special warrants	*9*		-		1,324,118
Reserves	*9*		3,250,755		2,433,083
Deficit			(31,669,208)		(23,153,956)
			(3,722,729)		(3,033,021)
		$	1,878,670	$	1,942,996
Nature of operations and going concern	*1*				
Subsequent events	*14*				

These condensed interim consolidated financial statements are approved for issue by the Audit Committee of the Board of Directors of the Company on August 29, 2025.

They are signed on the Company's behalf by:

"Thomas Abraham-James", Director　　　　"Doris Meyer", Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements

Pulsar Helium Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in US dollars)

	Note	Three months ended June 30, 2025	Three months ended June 30, 2024	Nine months ended June 30, 2025	Nine months ended June 30, 2024
Expenses					
Administration		$ 76,898	$ 38,391	$ 284,256	$ 106,059
Consulting fees	*10*	226,672	127,154	587,750	437,790
Depreciation	*5*	13,527	11,878	40,016	13,700
Director fees	*10*	32,917	31,250	111,217	76,458
Exploration and evaluation expenditures	*6*	690,444	1,295,432	6,461,866	4,834,222
Foreign exchange		9,574	41,072	23,657	110,330
Marketing and promotion		98,083	138,804	504,555	676,990
Professional fees		56,075	51,526	190,899	190,048
Regulatory costs		107,388	19,757	267,450	87,391
Share-based compensation	*9 & 10*	82,569	181,498	382,512	2,349,327
Travel		40,920	80,280	307,519	177,402
		(1,435,067)	(2,017,042)	(9,161,697)	(9,059,717)
Interest expense on loan facility	*7*	(102,167)	-	(102,167)	-
Listing fees	*1*	-	-	(355,003)	-
Loss on settlement of trade and other payables		-	-	-	(12,937)
Revaluation of non-cash warrant liability	*8*	140,549	665,863	1,103,615	(12,371,353)
Loss and comprehensive loss for the period		$ (1,396,685)	$ (1,351,179)	$ (8,515,252)	$ (21,444,007)
Basic and diluted loss per common share		$ (0.01)	$ (0.01)	$ (0.07)	$ (0.24)
Weighted average number of common shares outstanding - basic and diluted		133,791,139	102,389,777	129,542,864	88,859,797

The accompanying notes are an integral part of these condensed interim consolidated financial statements

Pulsar Helium Inc.

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited - Expressed in US dollars)

	Nine months ended June 30, 2025	2024
OPERATING ACTIVITIES		
Loss for the period	$ (8,515,252)	$ (21,444,007)
Change in non-cash working capital items:		
Depreciation	40,016	13,700
Compensation warrants issued for marketing and promotion	72,038	-
Share-based compensation	382,512	2,349,327
Accrued interest on loan facility	102,167	-
Shares issued for listing fees	64,991	-
Warrants issued for listing fees	86,860	-
Loss on settlement of trade and other payables	-	12,937
Revaluation of non-cash warrant liability	(1,103,615)	12,371,353
Change in non-cash working capital items:		
Receivables	(3,128)	16,398
Prepaid expenses	50,746	15,430
Trade and other payables	(724,167)	478,416
Net cash used in operating activities	(9,546,832)	(6,186,446)
INVESTING ACTIVITIES		
Purchase of property and equipment	(242,307)	(264,709)
Exploration and evaluation assets	(316,368)	(11,000)
Net cash used in investing activities	(558,675)	(275,709)
FINANCING ACTIVITIES		
Private placement	7,438,483	3,178,307
Share issue costs	(637,187)	(96,136)
Exercise of warrants	190,855	3,768,722
Loan facility proceeds	2,500,000	-
Net cash provided by financing activities	9,492,151	6,850,893
Change in cash for the period	(613,356)	388,738
Cash, beginning of the period	1,230,982	1,207,846
Cash, end of the period	$ 617,626	$ 1,596,584

Non-cash investing and financing activities (Note 13)

Pulsar Helium Inc.

Condensed Interim Consolidated Statements of Shareholders' Equity (Deficiency)

(Unaudited - Expressed in US dollars)

	Number of Shares	Share Capital	Special Warrants	Reserves	Deficit	Total Shareholders' Equity (Deficiency)
Balance, September 30, 2024	105,117,383	$ 16,363,734	$ 1,324,118	$ 2,433,083	$ (23,153,956)	$ (3,033,021)
Conversion of Special Warrants	4,500,000	1,324,118	(1,324,118)	-	-	-
Private placement	21,888,154	7,438,483	-	-	-	7,438,483
Shares issued for corporate finance fee	1,000,000	324,953	-	-	-	324,953
Share issue costs - shares	-	(324,953)	-	-	-	(324,953)
Share issue costs - cash	-	(637,187)	-	-	-	(637,187)
Share issue costs - warrants	-	(395,629)	-	395,629	-	-
Shares issued for prepaid regulatory costs	240,000	77,989	-	-	-	77,989
Listing fees - shares	200,000	64,991	-	-	-	64,991
Listing fees - warrants	-	-	-	86,860	-	86,860
Compensation warrants for marketing and promotion	-	-	-	72,038	-	72,038
Exercise of warrants	747,434	339,858	-	-	-	339,858
Shares issued on release of PSUs	400,000	119,367	-	(119,367)		-
Share-based compensation	-	-	-	382,512	-	382,512
Comprehensive loss for the period	-	-	-	-	(8,515,252)	(8,515,252)
Balance, June 30, 2025	134,092,971	$ 24,695,724	$ -	$ 3,250,755	$ (31,669,208)	$ (3,722,729)

	Number of Shares	Share Capital	Special Warrants	Reserves	Deficit	Total Shareholders' Equity (Deficiency)
Balance, September 30, 2023	74,140,288	$ 3,345,969	$ -	$ 67,865	$ (2,807,244)	$ 606,590
Private placement	18,500,000	2,074,319	-	-	-	2,074,319
Share issue costs	-	(96,136)	-	-	-	(96,136)
IPO issuance costs - warrants	-	(20,640)	-	20,640	-	-
Issuance of shares for trade and other payables	285,715	102,509	-	-	-	102,509
Exercise of warrants	11,638,305	10,611,726	-	(88,505)	-	10,523,221
Share-based compensation	-	-	-	2,349,327	-	2,349,327
Comprehensive loss for the period	-	-	-	-	(21,444,007)	(21,444,007)
Balance, June 30, 2024	104,564,308	$ 16,017,747	$ -	$ 2,349,327	$ (24,251,251)	$ (5,884,177)

The accompanying notes are an integral part of these condensed interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Pulsar Helium Inc. (the "Company") is a publicly traded company incorporated under the laws of British Columbia, Canada on June 30, 2022. The Company's head office is located at Rua Frederico Arouca, nº 251, 2º frente, 2750-356, Cascais, Portugal. The Company's registered and records office is located at Unit 1 – 15782 Marine Drive, White Rock, BC, Canada, V4B 1E6.

The Company's common shares trade on the TSX Venture Exchange (TSX-V) in Canada under the symbol PLSR and on the OTCQB Venture Market in the United States under the symbol PSRHF. On October 18, 2024, the Company's common shares also commenced trading (the "Admission") on the AIM market of the London Stock Exchange plc ("AIM") under the symbol PLSR. During the nine months ended June 30, 2025, the Company recorded listing fees associated with Admission of $355,003.

The Company is engaged in the identification, acquisition, exploration and, if warranted, development of helium exploration projects in the United States of America ("USA") and Greenland.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at June 30, 2025, the Company had a working capital deficiency of $4,838,472 (including a non-cash warrant liability of $2,545,737). Subsequent to June 30, 2025, the Company extended the maturity date of the loan facility from March 31, 2026 to November 30, 2026 (Note 7) and completed a fundraising for gross proceeds of £3,720,100 (Note 14). However, management estimates that these funds may not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

These condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standard ("IAS") 34 Interim Financial Reporting using accounting policies consistent with IFRS Accounting Standards as issued by the International Accounting Standards Board.

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements, and therefore should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2024.

Basis of measurement

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in US dollars, which is the parent company's functional currency, as well as the functional currency of its three wholly owned subsidiaries.

Use of estimates and judgments

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported expenses during the period. Actual results could differ from these estimates.

Carrying value and recoverability of exploration and evaluation assets

Management has determined that exploration and evaluation assets incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits, including whether economic quantities of helium reserves have been found in assessing economic and technical feasibility, other technical information, accessibility of facilities and existing permits.

2. BASIS OF PRESENTATION (continued)

Use of estimates and judgments (continued)

Warrant and option valuations

The fair value of broker and share purchase warrants as well as stock options is calculated using the Black-Scholes Option Pricing Model. The option pricing model requires the input of highly speculative assumptions, including the expected future price volatility of the Company's shares. Changes in these assumptions can materially affect the fair value estimate.

Going concern assumption

In the determination of the Company's ability to meet its ongoing obligations and future contractual commitments management relies on the Company's planning, budgeting and forecasting process to help determine the funds required to support the Company's normal operations for a period of one year. Changes in estimated cash use may alter the Company's ability to meet its ongoing obligations and future contractual commitments and could result in adjustments to the amounts and classifications of assets and liabilities should the Company be unable to continue as a going concern.

Determination of functional currency

The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Management has determined that the functional currency of the parent company as well as the functional currency of the Company's three wholly owned subsidiaries is the United States dollar.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company as at and for the year ended September 30, 2024.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

New accounting policy

The following amendments to existing standards have been adopted by the Company commencing October 1, 2024:

IAS 1, Presentation of Financial Statements

Amendments to IAS 1 Presentation of Financial Statements clarify how to classify debt and other liabilities as current or non-current. The amendments help to determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or noncurrent. The amendments also include clarifying the classification requirements for debt an entity might settle by converting it into equity. The adoption of this revised standard resulted in the Company's non-cash warrant liability being classified as current liabilities because the Company does not have the contractual right to defer settlement.

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of June 30, 2025 and have not been applied in preparing these condensed interim condensed interim consolidated financial statements.

On April 9, 2024, the IASB issued IFRS 18 "Presentation and Disclosure in the Financial Statements" ("IFRS 18") replacing IAS 1. IFRS 18 introduces categories and defined subtotals in the statement of profit or loss, disclosures on management-defined performance measures, and requirements to improve the aggregation and disaggregation of information in the financial statements. As a result of IFRS 18, amendments to IAS 7 were also issued to require that entities use the operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities and also to remove presentation alternatives for interest and dividends paid and received. Similarly, amendments to IAS 33 "Earnings per Share" were issued to permit disclosure of additional earnings per share figures using any other component of the statement of profit or loss, provided the numerator is a total or subtotal defined under IFRS 18. IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively, with early adoption permitted. The Company is currently assessing the impact of the standard on its financial statements.

(Unaudited - Expressed in US dollars)

4. CASH

		June 30, 2025		September 30, 2024
US dollar denominated deposits held in the USA	$	430,220	$	-
US dollar denominated deposits held in Canada		147,231		899,939
Canadian dollar denominated deposits held in Canada		10,985		320,911
British Pound denominated deposits held in Canada		279		-
Euro denominated deposits held in Portugal		25,882		7,080
British Pound denominated deposits held in Greenland		2,727		2,595
Danish Krone denominated deposits held in Greenland		302		457
Total	$	617,626	$	1,230,982

5. PROPERTY AND EQUIPMENT

		Land		Exploration Equipment				
		USA		USA		Greenland		Total
Cost								
As at September 30, 2024	$	-	$	155,363	$	109,347	$	264,710
Additions		242,307		-		-		242,307
As at June 30, 2025	$	242,307	$	155,363	$	109,347	$	507,017
Accumulated depreciation								
As at September 30, 2024	$	-	$	14,242	$	12,757	$	26,999
Depreciation		-		23,304		16,712		40,016
As at June 30, 2025	$	-	$	37,546	$	29,469	$	67,015
Carrying amounts								
As at September 30, 2024	$	-	$	141,121	$	96,590	$	237,711
As at June 30, 2025	$	242,307	$	117,817	$	79,878	$	440,002

In January 2025, the Company purchased land overlying the Topaz Project (Note 6) for $242,307.

(Unaudited - Expressed in US dollars)

6. EXPLORATION AND EVALUATION ASSETS

	Topaz Project		Tunu Project		
	USA		Greenland		Total
As at September 30, 2024	$	345,311	$	14,062	$ 359,373
Additions		316,368		-	316,368
As at June 30, 2025	$	661,679	$	14,062	$ 675,741

Topaz Project, USA

In October 2021, the Company entered into a three-year option to lease non-hydrocarbon gases agreement (the "Topaz Option") on 3,132 net acres in Minnesota, USA comprising the Topaz helium project. In consideration, the Company paid $78,311 on signing of the Topaz Option and agreed to pay $50,000 on each anniversary of the Topaz Option until October 2024 ($50,000 paid in September 2022 and $50,000 paid in September 2023).

In February 2023, the Company partially exercised the Topaz Option to lease 1,040 acres for a period of five years. In consideration, the Company paid $156,000 cash and agreed to pay a production royalty of 20% (the "Royalty") of the gross sales price of the product sold, where the gross sale price is the actual price paid by a third-party purchaser, less transportation and refining charges or costs.

In October 2024, the Company exercised the remaining Topaz Option to lease 2,092 acres for a period of five years, subject to the Royalty. In consideration, the Company paid $313,868 cash.

In October 2023, the Company entered into a mineral lease agreement with a private mineral rights holder to expand the area of the Topaz project. In consideration, the Company paid $11,000 on signing and agreed to pay a minimum royalty payment on each anniversary thereafter in the following amounts:

- Years 2-5 - $2,500 ($2,500 paid in October 2024)
- Years 6-10 - $5,000
- Years 11-15 - $10,000
- Years 16-20 - $15,000

The minimum royalty payments shall be considered advance royalty and shall be credited to and recoverable from production royalties. The lease is for an initial term of 20 years, extendable up to a maximum of 40 years, subject to conditions. The Company agreed to pay a production royalty of 3%.

A former director of a subsidiary of the Company holds a 0.5% royalty on the Topaz project. The Company has the right to repurchase half of the royalty (0.25%) upon payment of $100,000.

Tunu Project, Greenland

In October 2021, the Company was granted two exploration licences in Greenland known as the Tunu helium project.

(Unaudited - Expressed in US dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Exploration expenditures

During the three and nine months ended June 30, 2025 and 2024, the Company incurred the following exploration and evaluation expenditures.

	Three months ended June 30,		Nine months ended June 30,	
	2025	**2024**	**2025**	**2024**
Topaz Project				
Consulting fees	$ 386,450	$ 162,257	$ 1,274,362	$ 305,423
Drilling and completions	104,790	756,811	4,300,258	3,942,966
Geology and geophysics	115,202	317,722	598,474	490,576
Regulatory and permitting	43,073	34,352	194,448	70,967
	649,515	1,271,142	6,367,542	4,809,932
Tunu Project				
Consulting fees	31,999	24,290	31,999	24,290
Geology and geophysics	8,930	-	61,575	-
Regulatory and permitting	-	-	750	-
	40,929	24,290	94,324	24,290
	$ 690,444	$ 1,295,432	$ 6,461,866	$ 4,834,222

7. LOAN FACILITY

	June 30, 2025	September 30, 2024
Balance, beginning of period	$ -	$ -
Loan proceeds	2,500,000	-
Utilization fee	50,000	-
Interest expense	52,167	-
Balance, end of period	$ 2,602,167	$ -

In April 2025, the Company entered into a project financing facility line of credit note with University Bancorp, Inc. (“University Bancorp”) pursuant to which University Bancorp extended the Company a $4,000,000 project finance facility (the “Facility”). The Facility is secured by a pledge of all of the shares of Keewaydin Resources Inc. (“Keewaydin”), the Company’s US subsidiary that holds the Topaz project (Note 6), and a first lien on all assets of Keewaydin. The Facility bears interest on any amount drawn at 12% per annum. A utilization fee of 2% is also charged on any amount drawn. All accrued interest and the utilization fees are payable at maturity.

(Unaudited - Expressed in US dollars)

7. LOAN FACILITY (continued)

Subsequent to June 30, 2025, University Bancorp extended the maturity date of the Facility from March 31, 2026 to November 30, 2026, in consideration for a 0.75% extension fee on the amount drawn to date of $2,500,000, or $18,750, with the fee payable at maturity.

8. NON-CASH WARRANT LIABILITY

		June 30, 2025		September 30, 2024
Balance, beginning of period	$	3,798,355	$	730,670
Issuance of warrants		-		1,103,988
Exercise of warrants		(149,003)		(6,860,742)
Revaluation		(1,103,615)		8,824,439
Balance, end of period	$	2,545,737	$	3,798,355

Share purchase warrants are considered a derivative liability, as the currency denomination of the exercise price is different from the functional currency of the Company.

The non-cash warrant liability was revalued as at June 30, 2025 using the Black-Scholes option pricing model with the following assumptions: a stock price of C$0.49; a risk-free interest rate of 2.59%; an expected volatility of 100%; an expected life of 0.55 years; an exchange rate of 1.3643; a forfeiture rate of zero; and an expected dividend of zero.

9. SHARE CAPITAL AND RESERVES

Authorized

The Company has an unlimited number of common shares without par value authorized for issue.

Issued and outstanding

During the nine months ended June 30, 2025, the Company completed the following:

- On October 18, 2024, and concurrent with Admission (Note 1), the Company completed a fundraising through the issuance of 15,500,000 common shares at a price of £0.25 for gross proceeds of $5,010,985 (£3,875,000).

  The Company paid cash finder's fees of $376,447 (£290,625) and other cash share issue costs of $115,090 (£88,852).

9. SHARE CAPITAL AND RESERVES (continued)

Issued and outstanding (continued)

The Company issued 1,000,000 common shares at a value of $324,953 for corporate finance fees recorded as share issue costs; 240,000 common shares at a value of $77,989 for prepaid regulatory costs; and 200,000 common shares valued at $64,991 for a success fee recorded as listing fees for the nine months ended June 30, 2025.

In addition, the Company issued 1,612,500 broker warrants valued at $395,629 recorded as share issue costs. The broker warrants entitle the broker to purchase one common share at a price of £0.25 until October 18, 2029. The fair value of the broker warrants was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 2.90%; an expected volatility of 100%; an expected life of 5 years; a forfeiture rate of zero; and an expected dividend of zero.

The Company also issued 500,000 warrants valued at $86,860 and recorded as listing fees for the nine months ended June 30, 2025. The warrants entitle the holder to purchase one common share at a price of £0.25 until October 18, 2026. The fair value of the warrants was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 2.97%; an expected volatility of 100%; an expected life of 2 years; a forfeiture rate of zero; and an expected dividend of zero.

- On January 9 and March 21, 2025, the Company completed a brokered private placement, in two tranches, through the issuance of 6,388,154 common shares at a purchase price of $0.38 per share for gross proceeds of $2,427,498. The Company paid cash finder's fees of $145,650.

- On April 24, 2025, the Company issued 400,000 common shares valued at $119,367 on the settlement of 400,000 performance share rights ("PSUs").

- During the nine months ended June 30, 2025, the Company issued 747,434 common shares on the exercise of warrants for gross proceeds of $190,855. The Company recorded an allocation on exercise of warrants of $149,003 from non-cash warrant liability (Note 8).

Special Warrants

In August 2024, the Company issued 4,500,000 special warrants ("Special Warrants") at a price of £0.25 per Special Warrant for gross proceeds of $1,471,245 (£1,125,000). This investment in the Company was completed in conjunction with the Company's admission to trading on AIM (Note 1). The Company paid $147,127 (£112,500) cash in satisfaction of finder's fees. In October 2024, all of the Special Warrants were converted to common shares and the Company recorded an allocation of $1,324,118 to share capital.

9. SHARE CAPITAL AND RESERVES (continued)

Escrow shares

As at June 30, 2025, the Company had 37,140,820 common shares held in escrow, of which 9,285,205 will be released on each of August 15, 2025 (released), February 15, 2026, August 15, 2026, and February 15, 2027. 9,285,205 were released from escrow on February 15, 2025. These common shares along with 9,285,205 common shares to be released from escrow on August 15, 2025 are subject to lock-in and orderly market arrangements under Rule 7 of AIM ("Rule 7 Lock-Ups") where the common shares may not be disposed of for a period of 12 months from the October 18, 2024 date of Admission.

Warrants

The continuity of warrants exercisable in Canadian dollars for the nine months ended June 30, 2025 is as follows:

Expiry date	Exercise price C$	Balance, September 30, 2024	Granted	Exercised	Expired	Balance, June 30, 2025
January 17, 2026	$ 0.36	18,067,392	-	(747,434)	-	17,319,958
January 10, 2027	$ 0.57	-	282,335	-	-	282,335
		18,067,392	282,335	(747,434)	-	17,602,293
Weighted average exercise price - C$		$ 0.36	$ 0.57	$ 0.36	$ -	$ 0.36

As at June 30, 2025, the weighted average remaining contractual life of the warrants outstanding and exercisable in Canadian dollars was 0.57 years.

The sale of 15,500,000 common shares underlying the exercise of 15,500,000 warrants with an exercise price of C$0.36 are subject to Rule 7 Lock-Ups.

On January 10, 2025, the Company issued an advisor 282,335 compensation warrants valued at $72,038 exercisable at a price of C$0.57 until January 10, 2027. In addition, the Company paid the advisor a cash advisory fee of $112,500. The compensation warrants and cash advisory fee were recorded as marketing and promotion on the statement of loss and comprehensive loss. Notwithstanding the foregoing, if at any time prior to expiry date of the compensation warrants, the volume weighted average trading price of the common shares on the TSX-V is C$0.76 or greater for a period of 20 consecutive trading days, the Company may, within 10 business days of the occurrence of the event, accelerate the expiry date of the compensation warrants by giving notice to the holder, and in such case, the expiry date of the compensation warrants shall be the date specified by the Company in the warrant acceleration notice, provided such date shall not be less than 30 trading days following delivery of the warrant acceleration notice.

The fair value of the compensation warrants was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 3.07%; an expected volatility of 100%; an expected life of 2 years; a forfeiture rate of zero; and an expected dividend of zero.

9. SHARE CAPITAL AND RESERVES (continued)

Warrants (continued)

The continuity of warrants exercisable in British Pounds for the nine months ended June 30, 2025 is as follows:

Expiry date	Exercise price - £	Balance, September 30, 2024	Granted	Exercised	Expired	Balance, June 30, 2025
October 18, 2026	£ 0.25	-	500,000	-	-	500,000
October 18, 2029	£ 0.25	-	1,612,500	-	-	1,612,500
		-	2,112,500	-	-	2,112,500
Weighted average exercise price - £		£ -	£ 0.25	£ -	£ -	£ 0.25

As at June 30, 2025, the weighted average remaining contractual life of the warrants outstanding and exercisable in British Pounds was 3.59 years.

Share-based compensation

The Company has a 10% “rolling” stock option plan which governs the granting of stock options to directors, officers, employees and consultants of the Company for the purchase of up to 10% of the issued and outstanding common shares of the Company from time to time. The maximum term of stock options is ten years from the grant date. The exercise price and vesting terms are at the discretion of the directors.

In addition, the Company has an equity incentive plan (the “Equity Plan”) which governs the granting of any restricted share unit (RSU), performance share unit (PSU) or deferred share unit (DSU) granted under the Equity Plan, to directors, officers, employees and consultants of the Company. The Company has reserved for issuance up to 7,414,028 common shares of the Company.

Stock options

The continuity of stock options for the nine months ended June 30, 2025 is as follows:

Expiry date	Exercise price C$	Balance, September 30, 2024	Granted	Exercised	Expired	Balance, June 30, 2025
February 1, 2029	$ 0.45	8,800,000	-	-	-	8,800,000
		8,800,000	-	-	-	8,800,000
Weighted average exercise price - C$		$ 0.45	$ -	$ -	$ -	$ 0.45

As at June 30, 2025, all stock options were exercisable with a weighted average remaining contractual life of 3.59 years. The sale of 6,350,000 common shares underlying the exercise of 6,350,000 stock options are subject to Rule 7 Lock-Ups.

(Unaudited - Expressed in US dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Share-based compensation (continued)

Performance Share Units (“PSUs”)

The continuity of PSUs for the nine months ended June 30, 2025 is as follows:

Award date	Balance, September 30, 2024	Granted	Settled	Forfeited	Balance, June 30, 2025
February 1, 2024	4,000,000	-	(400,000)	-	3,600,000
	4,000,000	-	(400,000)	-	3,600,000

In February 2024, the Company awarded 4,000,000 PSUs to four key individuals, including 2,800,000 to two officers of the Company. The PSUs vest as to one-third each on the first, second and third anniversaries of the award date. The PSUs were valued at $1,193,674, using a share price of C$0.40 and an exchange rate of 1.3404. During the nine months ended June 30, 2025, $382,512 of the total amount was recorded as share-based compensation on the statement of loss and comprehensive loss.

While one-third of the PSUs vested in February 2025, only two of the four key individuals’ PSUs were settled and the other two key individuals elected and the Company agreed to defer the settlement of their PSUs.

The sale of 2,800,000 common shares underlying the settlement of 2,800,000 PSUs are subject to Rule 7 Lock-Ups.

(Unaudited - Expressed in US dollars)

10. RELATED PARTY TRANSACTIONS AND BALANCES

Compensation of key management personnel

Key management includes members of the Board of Directors, the Chief Executive Officer, the Vice President Engineering, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel during the three and nine months ended June 30, 2025 and 2024 were as follows:

	Three months ended June 30, 2025	Three months ended June 30, 2024	Nine months ended June 30, 2025	Nine months ended June 30, 2024
Consulting fees				
Chief Executive Officer	$ 43,915	$ 44,530	$ 161,123	$ 184,530
Vice President Engineering	33,334	-	33,334	-
Golden Oak *	41,250	33,874	123,850	109,510
Executive Chair	31,250	18,750	93,950	43,750
	149,749	97,154	412,257	337,790
Director fees	32,917	31,251	111,217	76,459
Share-based compensation	57,798	127,048	267,758	1,616,823
	$ 240,464	$ 255,453	$ 791,232	$ 2,031,072

* Golden Oak Corporate Services Ltd. ("Golden Oak") is a consulting company controlled by the Chief Financial Officer and Corporate Secretary of the Company. Golden Oak provides the services of a Chief Financial Officer, Corporate Secretary, and accounting and administrative staff to the Company.

Related party balances

		June 30, 2025	September 30, 2024
Chief Executive Officer	Expenses	$ -	$ 100
Vice President Engineering	Fees	16,667	-
Vice President Engineering	Expenses	388	-
Golden Oak	Expenses	1,210	679
Executive Chair	Fees	31,250	31,250
Directors	Director Fees	30,000	38,750
Total		$ 79,515	$ 70,779

(Unaudited - Expressed in US dollars)

11. SEGMENTED INFORMATION

Operating segments are identified on the basis of internal reports that are regularly reviewed by the chief operating decision-maker to allocate resources to the segments and to assess their performance.

The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments, has been defined as the Chief Executive Officer.

The Company operates in a single segment, being exploration and evaluation of helium.

All of the Company's helium exploration and evaluation assets and equipment are located in the USA and Greenland.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVTOCI"); or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		June 30, 2025	September 30, 2024
Cash	Amortized cost	$ 617,626	$ 1,230,982
Trade and other payables	Amortized cost	(453,495)	(1,177,662)
Loan facility	Amortized cost	(2,602,167)	-
Non-cash warrant liability	FVTPL	(2,545,737)	(3,798,355)

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial Instruments (continued)

The carrying values of cash, trade and other payables, and loan facility approximate their fair values due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. The fair value of the Company's non-cash warrant liability is recorded at fair value using Level 3 of the fair value hierarchy. The carrying value of the non-cash warrant liability is determined using the Black-Scholes option pricing model.

Risk Management

The Company's risk management objectives and policies are consistent with those disclosed by the Company for the year ended September 30, 2024.

13. NON-CASH INVESTING AND FINANCING ACTIVITIES

During the nine months ended June 30, 2025, the Company:

- issued 1,000,000 common shares at a value of $324,953 for corporate finance fees recorded as share issue costs (Note 9);
- issue 240,000 common shares at a value of $77,989 for prepaid regulatory costs (Note 9);
- issued 1,612,500 broker warrants valued at $395,629 for share issue costs (Note 9);
- recorded an allocation on the settlement of PSUs of $119,367 from reserves to share capital;
- recorded an allocation on exercise of warrants of $149,003 from non-cash warrant liability to share capital (Note 9); and
- issued 4,500,000 common shares on the conversion of Special Warrants and recorded an allocation of $1,324,118 to share capital (Note 9).

During the nine months ended June 30, 2024, the Company:

- issued 285,715 common shares valued at $102,509 to settle trade and other payables of $89,572);
- recognized a derivative liability through the issuance of 18,500,000 warrants valued at $1,103,988 as part of the private placement;
- issued 159,236 broker warrants valued at $20,640;
- recorded an allocation on exercise of warrants of $88,505 from reserves to share capital; and
- recorded an allocation on exercise of warrants of $6,754,499 from non-cash warrant liability to share capital.

During the nine months ended June 30, 2025, the Company paid interest of $Nil (2024 - $Nil) in cash.

During the nine months ended June 30, 2025, the Company paid income tax of $Nil (2024 - $Nil) in cash.

14. SUBSEQUENT EVENTS

Subsequent to June 30, 2025, the Company completed the following:

- On August 14, 2025, University Bancorp extended the maturity date of the Facility (Note 7) from March 31, 2026 to November 30, 2026, in consideration for a 0.75% extension fee on the amount drawn to date of $2,500,000, or $18,750, with the fee payable at maturity.

- On August 29, 2025, the Company completed a private placement through the issuance of 16,174,338 common shares at a price of £0.23 per share for total gross proceeds of £3,720,100. The Company paid an advisory fee of £20,000 and a cash finder's fee of £194,226. The Company also issued 844,460 broker warrants exercisable at a price of £0.23 for a period of one year. In addition, the Company paid cash finder's fees of C$30,960 and issued 72,000 broker warrants exercisable at a price of C$0.43 for a period of one year.