



**Condensed Interim
Consolidated Financial Statements**

For the three months ended December 31, 2025

(Unaudited – Expressed in US dollars)

Pulsar Helium Inc.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited - Expressed in US dollars)

		December 31, 2025	September 30, 2025
	<i>Note</i>		
ASSETS			
Current Assets			
Cash	4	\$ 2,413,733	\$ 1,128,106
Receivables		12,363	13,274
Prepaid expenses		189,743	176,874
		2,615,839	1,318,254
Property and equipment	5	412,917	426,420
Exploration and evaluation assets	6	900,146	675,741
Deferred acquisition costs	15	238,409	-
		\$ 4,167,311	\$ 2,420,415
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current Liabilities			
Trade and other payables	11	\$ 795,003	\$ 860,790
Non-cash warrant liability	8	493,623	1,749,651
		1,288,626	2,610,441
Asset retirement obligation	9	220,455	-
		1,509,081	2,610,441
Shareholders' Equity (Deficiency)			
Share capital	10	38,581,137	29,163,459
Reserves	10	3,994,814	3,446,360
Deficit		(39,917,721)	(32,799,845)
		2,658,230	(190,026)
		\$ 4,167,311	\$ 2,420,415
Nature of operations and going concern	1		
Acquisitions	15		
Subsequent events	16		

These condensed interim consolidated financial statements are approved for issue by the Audit Committee of the Board of Directors of the Company on February 25, 2026.

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)

		Three months ended December 31,	
	<i>Note</i>	2025	2024
Expenses			
Administration		\$ 111,568	\$ 133,329
Consulting fees	11	330,000	160,400
Depreciation	5	13,503	13,293
Director fees	11	30,000	39,150
Exploration and evaluation expenditures	6	2,158,078	1,046,631
Foreign exchange		(17,517)	11,730
Marketing and promotion		58,930	114,806
Professional fees		119,056	47,247
Regulatory costs		86,677	44,986
Share-based compensation	10 & 11	850,145	183,493
Travel		89,514	145,912
		(3,829,954)	(1,940,977)
Listing fees		-	(376,627)
Revaluation of non-cash warrant liability	8	(3,287,922)	(1,430,571)
Loss and comprehensive loss for the period		\$ (7,117,876)	\$ (3,748,175)
Basic and diluted loss per common share		\$ (0.04)	\$ (0.03)
Weighted average number of common shares outstanding			
- basic and diluted		160,903,958	122,598,676

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)

	Three months ended December 31,	
	2025	2024
OPERATING ACTIVITIES		
Loss for the period	\$ (7,117,876)	\$ (3,748,175)
Change in non-cash working capital items:		
Depreciation	13,503	13,293
Share-based compensation	850,145	183,493
Revaluation of non-cash warrant liability	3,287,922	1,430,571
Shares issued for listing fees	-	64,991
Warrants issued for listing fees	-	86,860
Change in non-cash working capital items:		
Receivables	911	(10,843)
Prepaid expenses	(12,869)	53,746
Trade and other payables	(65,787)	(360,544)
Net cash used in operating activities	(3,044,051)	(2,286,608)
INVESTING ACTIVITIES		
Exploration and evaluation assets	(3,950)	(316,368)
Deferred acquisition costs	(68,490)	-
Net cash used in investing activities	(72,440)	(316,368)
FINANCING ACTIVITIES		
Private placement	-	5,010,985
Share issue costs	-	(491,537)
Obligation to issue shares	-	494,000
Exercise of warrants	4,145,141	136,570
Exercise of options	256,977	-
Net cash provided by financing activities	4,402,118	5,150,018
Increase in cash for the period	1,285,627	2,547,042
Cash, beginning of the period	1,128,106	1,230,982
Cash, end of the period	\$ 2,413,733	\$ 3,778,024

Non-cash investing and financing activities (Note 14)

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

Pulsar Helium Inc.

Condensed Interim Consolidated Statements of Shareholders' Equity (Deficiency)

(Unaudited - Expressed in US dollars)

	Number of Shares	Share Capital	Obligation to issue shares	Special Warrants	Reserves	Deficit	Total Shareholders' Equity (Deficiency)
Balance, September 30, 2025	150,310,809	\$ 29,163,459	\$ -	\$ -	\$ 3,446,360	\$ (32,799,845)	\$ (190,026)
Exercise of warrants	16,150,567	8,726,165	-	-	(37,074)	-	8,689,091
Exercise of options	800,000	434,289	-	-	(177,312)	-	256,977
Shares issued on release of PSUs	290,979	87,305	-	-	(87,305)	-	-
Shares issued for deferred acquisition costs	292,560	169,919	-	-	-	-	169,919
Share-based compensation	-	-	-	-	850,145	-	850,145
Comprehensive loss for the period	-	-	-	-	-	(7,117,876)	(7,117,876)
Balance, December 31, 2025	167,844,915	\$ 38,581,137	\$ -	\$ -	\$ 3,994,814	\$ (39,917,721)	\$ 2,658,230

	Number of Shares	Share Capital	Obligation to issue shares	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	15,500,000	5,010,985	-	-	-	-	5,010,985
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	-	(491,537)	-	-	-	-	(491,537)
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
Exercise of warrants	530,434	242,661	-	-	-	-	242,661
Obligation to issue shares	-	-	494,000	-	-	-	494,000
Share-based compensation	-	-	-	-	183,493	-	183,493
Comprehensive loss for the period	-	-	-	-	-	(3,748,175)	(3,748,175)
Balance, December 31, 2024	127,087,817	\$ 22,197,312	\$ 494,000	\$ -	\$ 3,099,065	\$ (26,902,131)	\$ (1,111,754)

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

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Pulsar Helium Inc. (the “Company”) is a publicly traded company incorporated under the *Business Corporations Act* (British Columbia) on June 30, 2022. The Company’s common shares are listed on the TSX Venture Exchange (“TSX-V”) in Canada under the symbol PLSR and are quoted on the AIM market of the London Stock Exchange plc in the United Kingdom under the symbol PLSR, as well as listed on the OTCQB Venture Market in the United States of America (“USA”) under the symbol PSRHF. 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 is engaged in the identification, acquisition, and exploration of helium exploration projects in the 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 December 31, 2025, the Company had working capital of \$1,327,213 (including a non-cash warrant liability of \$493,623). Management estimates that its working capital 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.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

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, 2025.

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.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

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.

Asset retirement obligations

The Company's asset retirement obligations represent management's best estimate of the present value of the future cash outflows required to settle estimated reclamation and closure costs on the Company's exploration projects. The provision reflects estimates of future costs, inflation and assumptions of risks associated with the future cash outflows, and the applicable interest rates for discounting the future cash outflows. Changes in the above factors can result in a change to the provision recognized by the Company.

Changes to the asset retirement obligations are recorded with a corresponding change to the carrying amounts of related exploration and evaluation assets. Adjustments to the carrying amounts of related mining properties can result in a change to future depletion expense.

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.

Capitalization of deferred acquisition costs

The Company has entered into agreements to acquire certain companies holding helium projects. The acquisition and transaction costs incurred to acquire these companies has been accounted for in accordance with IAS 16 and capitalized to the consolidated statement of financial position. Upon attaining control of the companies, the Company will consolidate them as subsidiaries.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

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, 2025, other than the accounting policy noted below.

Deferred acquisition costs

Deferred acquisition costs represent acquisition and transaction costs incurred to acquire target companies and their related net assets. Once complete, the Company will consolidate the entities, or in the event of non-completion, such costs will be written-off. The Company assesses the deferred acquisition costs for impairment indicators each reporting period, including assessment of the target company's underlying net assets.

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of December 31, 2025 and have not been applied in preparing these 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 and cannot reasonably estimate the effect of these changes on the Company's financial statements.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

4. CASH

	December 31, 2025	September 30, 2025
US dollar denominated deposits held in the USA	\$ 231,727	\$ 368,416
US dollar denominated deposits held in Canada	1,964,223	131,379
Canadian dollar denominated deposits held in Canada	71,137	24,426
British Pound denominated deposits held in Canada	91,359	552,551
Euro denominated deposits held in Portugal	51,866	47,897
British Pound denominated deposits held in Greenland	2,714	2,685
Danish Krone denominated deposits held in Greenland	707	752
Total	\$ 2,413,733	\$ 1,128,106

5. PROPERTY AND EQUIPMENT

	Land USA	Exploration Equipment		Total
	USA	USA	Greenland	
Cost				
As at September 30, 2025	\$ 242,307	\$ 155,363	\$ 109,347	\$ 507,017
Additions	-	-	-	-
As at December 31, 2025	\$ 242,307	\$ 155,363	\$ 109,347	\$ 507,017
Accumulated depreciation				
As at September 30, 2025	\$ -	\$ 45,315	\$ 35,282	\$ 80,597
Depreciation	-	7,768	5,735	13,503
As at December 31, 2025	\$ -	\$ 53,083	\$ 41,017	\$ 94,100
Carrying amounts				
As at September 30, 2025	\$ 242,307	\$ 110,048	\$ 74,065	\$ 426,420
As at December 31, 2025	\$ 242,307	\$ 102,280	\$ 68,330	\$ 412,917

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

6. EXPLORATION AND EVALUATION ASSETS

	Topaz Project		Tunu Project		
	USA		Greenland		Total
As at September 30, 2025	\$	661,679	\$	14,062	\$ 675,741
Additions		3,950		-	3,950
Asset retirement obligation (Note 9)		220,455		-	220,455
As at December 31, 2025	\$	886,084	\$	14,062	\$ 900,146

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, as amended, 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:

- Year 1 - \$2,500 (paid in October 2024)
- Years 2-5 - \$3,950 (paid in October & November 2025)
- Years 6-10 - \$7,900
- Years 11-15 - \$15,800
- Years 16-20 - \$23,700

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.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

Tunu Project, Greenland

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

Exploration expenditures

During the three months ended December 31, 2025 and 2024, the Company incurred the following exploration and evaluation expenditures.

	Three months ended December 31,	
	2025	2024
<i>Topaz Project</i>		
Consulting fees	\$ 228,480	\$ 209,956
Drilling and completions	1,868,433	587,241
Geology and geophysics	37,726	180,918
Regulatory and permitting	23,439	60,242
	2,158,078	1,038,357
<i>Tunu Project</i>		
Geology and geophysics	-	7,530
Regulatory and permitting	-	744
	-	8,274
	\$ 2,158,078	\$ 1,046,631

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

7. LOAN FACILITY

	December 31, 2025	September 30, 2025
Balance, beginning of year	\$ -	\$ -
Loan proceeds	-	2,500,000
Utilization fee	-	50,000
Extension fee	-	18,750
Interest expense	-	123,000
Repayment	-	(2,691,750)
Balance, end of year	\$ -	\$ -

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.

During the year ended September 30, 2025, the Company drew \$2,500,000 under the Facility.

On August 14, 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 of \$2,500,000, or \$18,750, with the fee payable at maturity.

On September 24, 2025, the Company repaid the Facility in full including principal of \$2,500,000, interest of \$123,000, utilization fee of \$50,000, and extension fee of \$18,750.

The Facility continues to be available to the Company.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

8. NON-CASH WARRANT LIABILITY

	December 31, 2025	September 30, 2025
Balance, beginning of period	\$ 1,749,651	\$ 3,798,355
Exercise of warrants	(4,543,950)	(152,980)
Revaluation	3,287,922	(1,895,724)
Balance, end of period	\$ 493,623	\$ 1,749,651

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 December 31, 2025 using the Black-Scholes option pricing model with the following assumptions: a stock price of C\$0.88; a risk-free interest rate of 2.58%; an expected volatility of 100%; an expected life of 0.05 years; an exchange rate of 1.3706; a forfeiture rate of zero; and an expected dividend of zero.

The non-cash warrant liability was revalued as at September 30, 2025 using the Black-Scholes option pricing model with the following assumptions: a stock price of C\$0.45; a risk-free interest rate of 2.47%; an expected volatility of 100%; an expected life of 0.30 years; an exchange rate of 1.3921; a forfeiture rate of zero; and an expected dividend of zero.

9. ASSET RETIREMENT OBLIGATION

	December 31, 2025	September 30, 2025
Balance, beginning of period	\$ -	\$ -
Addition	220,455	-
Balance, end of period	\$ 220,455	\$ -

State laws and regulations concerning environmental protection affect the Company's exploration and operations. Under current regulations, the Company is required to meet performance standards to minimize the environmental impact from its activities and to perform site restoration and other closure activities. The Company's provision for future site closure and reclamation costs is based on known requirements.

As at December 31, 2025, the Company estimated the present value of the environmental disturbance at the Topaz project (Note 6) to be \$220,455 based on an undiscounted obligation of \$263,511, which is expected to be incurred in 2036. The provision was calculated using a weighted average discount rate of 1.80% and an inflation rate of 2.00%.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

10. 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 three months ended December 31, 2025, the Company completed the following:

- On December 16, 2025, the Company issued 290,979 common shares valued at \$87,305 on the settlement of 290,979 PSUs.
- On December 18, 2025, the Company issued 292,560 common shares satisfying the first and second monthly tranches of \$80,000 each on the acquisition of Quantum (Note 15).
- During the three months ended December 31, 2025, the Company issued 16,150,567 common shares on the exercise of warrants for gross proceeds of \$4,145,141. The Company recorded an allocation on exercise of warrants of \$4,543,950 from non-cash warrant liability (Note 8) and an allocation on exercise of warrants of \$37,074 from reserves.
- During the three months ended December 31, 2025, the Company issued 800,000 common shares on the exercise of options for gross proceeds of \$256,977. The Company recorded an allocation on exercise of options of \$177,312 from reserves.

Escrow shares

As at December 31, 2025, the Company had 27,855,615 common shares held in escrow, of which 9,285,205 were released on February 15, 2026, and 9,285,205 will be released on each of August 15, 2026 and February 15, 2027.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

10. SHARE CAPITAL AND RESERVES (continued)

Warrants

The continuity of warrants exercisable in Canadian dollars for the three months ended December 31, 2025 is as follows:

Expiry date	Exercise price C\$	Balance, September 30, 2025			Balance, December 31, 2025					
		Granted	Exercised	Expired	Granted	Exercised				
January 17, 2026	\$ 0.36	17,276,458	-	(15,976,458)	-	1,300,000				
August 29, 2026	\$ 0.43	72,000	-	(60,000)	-	12,000				
January 10, 2027	\$ 0.57	282,335	-	(114,109)	-	168,226				
		17,630,793	-	(16,150,567)	-	1,480,226				
Weighted average exercise price - C\$	\$	0.36	\$	-	\$	0.36	\$	-	\$	0.38

* fully exercised subsequent to December 31, 2025 (Note 16)

As at December 31, 2025, the weighted average remaining contractual life of the warrants outstanding and exercisable in Canadian dollars was 0.16 years.

The continuity of warrants exercisable in British Pounds for the three months ended December 31, 2025 is as follows:

Expiry date	Exercise price - £	Balance, September 30, 2025			Balance, December 31, 2025					
		Granted	Exercised	Expired	Granted	Exercised				
August 29, 2026	£ 0.23	844,460	-	-	-	844,460				
October 18, 2026	£ 0.25	500,000	-	-	-	500,000				
October 18, 2029	£ 0.25	1,612,500	-	-	-	1,612,500				
		2,956,960	-	-	-	2,956,960				
Weighted average exercise price - £	£	0.24	£	-	£	-	£	-	£	0.24

As at December 31, 2025, the weighted average remaining contractual life of the warrants outstanding and exercisable in British Pounds was 2.40 years.

Pulsar Helium Inc.

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For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

10. SHARE CAPITAL AND RESERVES (continued)

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 three months ended December 31, 2025 is as follows:

Expiry date	Exercise price C\$	Balance, September 30, 2025			Balance, December 31, 2025					
		Granted	Exercised	Expired	Granted	Exercised	Expired			
February 1, 2029	\$ 0.45	8,800,000	-	(800,000)	-	-	8,000,000			
December 16, 2030	\$ 0.69	-	2,000,000	-	-	-	2,000,000			
		8,800,000	2,000,000	(800,000)	-	-	10,000,000			
Weighted average exercise price - C\$	\$	0.45	\$	0.69	\$	0.45	\$	-	\$	0.50

As at December 31, 2025, all stock options were exercisable with a weighted average remaining contractual life of 3.46 years.

In December 2025, the Company granted 2,000,000 stock options to an officer and a consultant of the Company at a fair value of \$758,267 or C\$0.52 per option, all of which was recorded as share-based compensation for the three months ended December 31, 2025. The fair value of the stock options granted was determined using the Black-Scholes option pricing model with the following assumptions: a share price of C\$0.69, a risk-free interest rate of 2.96%; an expected volatility of 100%; an expected life of 5 years; an exchange rate of 1.3748, a forfeiture rate of zero; and an expected dividend of zero.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

10. SHARE CAPITAL AND RESERVES (continued)

Share-based compensation (continued)

Performance Share Units ("PSUs")

The continuity of PSUs for the three months ended December 31, 2025 is as follows:

Award date	Balance,	Granted	Settled	Forfeited	Balance,
	September 30,				December 31,
	2025				2025
February 1, 2024	3,600,000	-	(290,979)	(109,021)	3,200,000
December 16, 2025	-	1,200,000	-	-	1,200,000
	3,600,000	1,200,000	(290,979)	(109,021)	4,400,000

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 three months ended December 31, 2025, \$76,755 (2024 - \$183,493) of the total amount was recorded as share-based compensation on the statement of loss and comprehensive loss. During the three months ended December 31, 2025, 290,979 of the PSUs were settled for common shares of the Company and 109,021 were forfeited as this key individual is no longer with the Company.

In December 2025, the Company awarded 1,200,000 PSUs to an officer and a consultant 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 \$602,269, using a share price of C\$0.69 and an exchange rate of 1.3748. During the three months ended December 31, 2025, \$15,123 of the total amount was recorded as share-based compensation on the statement of loss and comprehensive loss.

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(Unaudited - Expressed in US dollars)

11. 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 months ended December 31, 2025 and 2024 were as follows:

	Three months ended December 31,	
	2025	2024
Consulting fees		
Chief Executive Officer	\$ 175,000	\$ 57,700
Vice President Engineering	50,000	-
Golden Oak *	41,250	41,350
Executive Chair	31,250	31,350
	297,500	130,400
Director fees	30,000	39,150
Share-based compensation	445,128	128,446
	\$ 772,628	\$ 297,996

* 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

	December 31,	September 30,
	2025	2025
Vice President Engineering Fees	\$ 16,667	\$ -
Vice President Engineering Expenses	222	640
Golden Oak Expenses	483	2,702
Total	\$ 17,372	\$ 3,342

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(Unaudited - Expressed in US dollars)

12. 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.

13. 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:

		December 31,	September 30,
		2025	2025
Cash	Amortized cost	\$ 2,413,733	\$ 1,128,106
Trade and other payables	Amortized cost	(795,003)	(860,790)
Non-cash warrant liability	FVTPL	(493,623)	(1,749,651)

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.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Financial Instruments (continued)

The carrying values of cash and trade and other payables 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, 2025.

14. NON-CASH INVESTING AND FINANCING ACTIVITIES

During the three months ended December 31, 2025, the Company:

- issued 292,560 common shares satisfying the first and second monthly tranches of \$80,000 each on the acquisition of Quantum (Note 15);
- recorded an allocation on the settlement of PSUs of \$87,305 from reserves to share capital (Note 10);
- recorded an allocation on exercise of warrants of \$4,543,950 from non-cash warrant liability to share capital (Note 10);
- recorded an allocation on exercise of warrants of \$37,074 from reserves to share capital (Note 10); and
- recorded an allocation on exercise of options of \$177,312 from reserves to share capital (Note 10); and
- recorded an asset retirement obligation related the Topaz project of \$220,455 (Note 9).

During the three months ended December 31, 2024, the Company:

- issued 1,000,000 common shares at a value of \$324,953 for corporate finance fees recorded as share issue costs;
- issued 240,000 common shares at a value of \$77,989 for prepaid regulatory costs;
- issued 1,612,500 broker warrants valued at \$395,629; and
- recorded an allocation on exercise of share purchase warrants of \$106,091 from warrant liability to share capital.

During the three months ended December 31, 2025, the Company paid interest of \$Nil (2024 - \$Nil) in cash.

During the three months ended December 31, 2025, the Company paid income tax of \$Nil (2024 - \$Nil) in cash.

Pulsar Helium Inc.

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For the three months ended December 31, 2025

(Unaudited - Expressed in US dollars)

15. ACQUISITIONS

Acquisition of Quantum

On November 3, 2025, the Company entered into a definitive agreement to acquire 80% of the common shares of Quantum Hydrogen Inc. ("Quantum"), a Texas corporation, which holds exclusive mineral rights for non-hydrocarbon gases in Minnesota that are located in the St. Louis and Itasca Counties to the west of the Company's Topaz project.

In consideration, the Company agreed to issue common shares having an aggregate value of \$400,000, to be issued in five equal monthly tranches of \$80,000. The number of common shares in each tranche will be determined by the thirty-day volume-weighted average price of the Company's common shares prior to each issuance.

The Company was also granted the option to acquire the remaining 20% of Quantum within eighteen months for an additional \$400,000 payable in common shares of the Company, issuable under the same terms and pricing mechanism as set out above.

In December 2025, the Company issued 292,560 common shares valued at \$169,919 to satisfy the first and second monthly tranches of \$80,000 each, which amount was recorded as deferred acquisition costs as at December 31, 2025.

During the three months ended December 31, 2025, the Company incurred transaction costs of \$43,490, which was recorded as deferred acquisition costs as at December 31, 2025.

In January 2026, the Company issued 145,434 common shares satisfying the third monthly tranche of \$80,000, and in February 2026, the Company issued 80,947 common shares satisfying the fourth monthly tranche of \$80,000.

The fifth and final tranche of common shares is due in March 2026 to complete the acquisition of Quantum. Once acquired, these mineral rights will form part of the Topaz project.

Acquisition of Hybrid

On January 5, 2026, the Company completed the acquisition of 100% of the common shares of Hybrid Hydrogen Inc. ("Hybrid") for total consideration of \$105,000 cash (\$25,000 paid in October 2025 and recorded as deferred acquisition costs as at December 31, 2025, with the remainder of \$80,000 paid in January 2026).

Hybrid holds an exclusive mineral rights option to lease in Michigan's Upper Peninsula, targeting non-hydrocarbon gases (primarily helium). The Company now refers to this project as the Falcon helium project.

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16. SUBSEQUENT EVENTS

Subsequent to December 31, 2025, the Company:

- issued 1,480,226 common shares on the exercise of warrants for proceeds of C\$569,049.
- issued 1,400,000 common shares on the exercise of options for proceeds of C\$630,000.