PULSAR HELIUM INC

Consolidated Financial Statements

For the year ended September 30, 2025

(Expressed in US dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Pulsar Helium Inc.

Opinion

We have audited the accompanying consolidated financial statements of Pulsar Helium Inc. (the "Company"), which comprise the consolidated statements of financial position as at September 30, 2025 and 2024 and the consolidated statements of loss and comprehensive loss, cash flows, and shareholders' equity (deficiency) for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at September 30, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company's had a working capital deficiency of $1,292,187 and management estimates these funds may not provide the Company with sufficient resources to carry out currently planned operations and exploration through the next twelve months. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matter to be communicated in our auditor's report

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 6 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $675,741 as of September 30, 2025. As more fully described in Notes 2 and 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity.
- Assessing compliance with agreements and expenditure requirements.
- Assessing the Company's rights to explore E&E Assets.
- Obtaining, on a test basis, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Stephen Hawkshaw

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

January 27, 2026

Pulsar Helium Inc.

Consolidated Statements of Financial Position
(Expressed in US dollars)

	Note	September 30, 2025	September 30, 2024 (Restated - Note 3)
ASSETS			
Current Assets			
Cash	*4*	$ 1,128,106	$ 1,230,982
Receivables		13,274	4,552
Prepaid expenses		176,874	110,378
		1,318,254	1,345,912
Property and equipment	*5*	426,420	237,711
Exploration and evaluation assets	*6*	675,741	359,373
		$ 2,420,415	$ 1,942,996
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)			
Current Liabilities			
Trade and other payables	*10*	$ 860,790	$ 1,177,662
Non-cash warrant liability	*8*	1,749,651	3,798,355
		2,610,441	4,976,017
Shareholders' Deficiency			
Share capital	*9*	29,163,459	16,363,734
Special Warrants	*9*	-	1,324,118
Reserves	*9*	3,446,360	2,433,083
Deficit		(32,799,845)	(23,153,956)
		(190,026)	(3,033,021)
		$ 2,420,415	$ 1,942,996
Nature of operations and going concern	*1*		
Subsequent events	*16*		

These consolidated financial statements are approved for issue by the Board of Directors of the Company on January 27, 2026.

They are signed on the Company's behalf by:

"Thomas Abraham-James", Director

"Doris Meyer", Director

Pulsar Helium Inc.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in US dollars)

	Note	Year ended September 30, 2025	2024
Expenses			
Administration		$ 349,897	$ 188,961
Consulting fees	*10*	864,792	599,174
Depreciation	*5*	53,598	26,999
Director fees	*10*	141,217	115,208
Exploration and evaluation expenditures	*6*	7,465,008	5,462,068
Foreign exchange		66,315	121,629
Marketing and promotion		617,056	896,236
Professional fees		235,459	303,627
Regulatory costs		387,980	114,730
Share-based compensation	*9 & 10*	465,988	2,532,820
Travel		347,550	231,409
		(10,994,860)	(10,592,861)
Interest expense and fees on loan facility	*7*	(191,750)	-
Listing fees	*1*	(355,003)	(933,542)
Gain on settlement of trade and other payables	*9*	-	4,130
Revaluation of non-cash warrant liability	*8*	1,895,724	(8,824,439)
Loss and comprehensive loss for the year		$ (9,645,889)	$ (20,346,712)
Basic and diluted loss per common share		$ (0.07)	$ (0.22)
Weighted average number of common shares outstanding - basic and diluted		132,109,433	92,905,554

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

Pulsar Helium Inc.

Consolidated Statements of Cash Flows

(Expressed in US dollars)

	Year ended September 30, 2025	2024
OPERATING ACTIVITIES		
Loss for the year	$ (9,645,889)	$ (20,346,712)
Change in non-cash working capital items:		
Depreciation	53,598	26,999
Compensation warrants issued for marketing and promotion	72,038	-
Share-based compensation	465,988	2,532,820
Shares issued for listing fees	64,991	-
Warrants issued for listing fees	86,860	-
Gain on settlement of trade and other payables	-	(4,130)
Interest expense and fees on loan facility	191,750	-
Revaluation of non-cash warrant liability	(1,895,724)	8,824,439
Change in non-cash working capital items:		
Receivables	(8,722)	16,513
Prepaid expenses	11,493	(343)
Trade and other payables	(316,872)	994,570
Net cash used in operating activities	(10,920,489)	(7,955,844)
INVESTING ACTIVITIES		
Purchase of property and equipment	(242,307)	(264,710)
Exploration and evaluation assets	(316,368)	(13,395)
Net cash used in investing activities	(558,675)	(278,105)
FINANCING ACTIVITIES		
Private placements	12,473,329	3,178,307
Share issue costs	(1,107,537)	(96,136)
Exercise of warrants	202,246	3,850,796
Proceeds from Special Warrants	-	1,471,245
Special Warrants issuance costs	-	(147,127)
Loan facility proceeds	2,500,000	-
Repayment of loan facility	(2,691,750)	-
Net cash provided by financing activities	11,376,288	8,257,085
Change in cash for the year	(102,876)	23,136
Cash, beginning of the year	1,230,982	1,207,846
Cash, end of the year	$ 1,128,106	$ 1,230,982

Non-cash investing and financing activities (Note 14)

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

Pulsar Helium Inc.

Consolidated Statements of Shareholders' Equity (Deficiency)
(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 placements	38,062,492	12,473,329	-	-	-	12,473,329
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	-	(1,107,537)	-	-	-	(1,107,537)
Share issue costs - warrants	-	(507,758)	-	507,758	-	-
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	790,934	355,226	-	-	-	355,226
Shares issued on release of PSUs	400,000	119,367	-	(119,367)		-
Share-based compensation	-	-	-	465,988	-	465,988
Comprehensive loss for the year	-	-	-	-	(9,645,889)	(9,645,889)
Balance, September 30, 2025	150,310,809	$ 29,163,459	$ -	$ 3,446,360	$ (32,799,845)	$ (190,026)

	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	407,356	160,442	-	-	-	160,442
Exercise of warrants	11,949,174	10,800,043	-	(88,505)	-	10,711,538
Exercise of stock options	120,565	99,737	-	(99,737)	-	-
Special Warrants	-	-	1,471,245	-	-	1,471,245
Special Warrants issuance costs	-	-	(147,127)	-	-	(147,127)
Share-based compensation	-	-	-	2,532,820	-	2,532,820
Comprehensive loss for the year	-	-	-	-	(20,346,712)	(20,346,712)
Balance, September 30, 2024	105,117,383	$ 16,363,734	$ 1,324,118	$ 2,433,083	$ (23,153,956)	$ (3,033,021)

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

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 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.

On August 15, 2023, the Company's common shares commenced trading on the TSX Venture Exchange ("TSX-V") in Canada under the symbol PLSR.

On March 21, 2024, the Company's common shares commenced trading on the OTCQB Venture Market in the United States under the symbol PSRHF.

On October 18, 2024, the Company's common shares commenced trading (the "Admission") on the AIM market of the London Stock Exchange plc ("AIM") under the symbol PLSR. During the year ended September 30, 2025, the Company recorded listing fees associated with Admission of $355,003 (2024 - $933,542).

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

These 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 September 30, 2025, the Company had a working capital deficiency of $1,292,187 (including a non-cash warrant liability of $1,749,651). Subsequent to September 30, 2025, the Company issued 17,490,684 common shares on the exercise of warrants for proceeds of C$6,332,394 and issued 2,200,000 common shares on the exercise of options for proceeds of C$990,000 (Note 16). 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 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 consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board. The policies applied in these consolidated financial statements are based on the IFRS Accounting Standards issued and outstanding as at the date the Board of Directors approved these consolidated financial statements for issue.

Basis of measurement

These 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 consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These 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, and the Portuguese branch operations.

Use of estimates and judgments

The preparation of these 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.

<u>Carrying value and recoverability of exploration and evaluation assets</u>

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

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries and branch operations, from the date control was acquired. Control exists when the Company possesses power over an investee, has exposure to variable returns from the investee and has the ability to use its power over the investee to affect its returns. All inter-company balances and transactions, and any income and expenses arising from inter-company transactions, are eliminated on consolidation.

For partially owned subsidiaries, the interest attributable to non-controlling shareholders is reflected in non-controlling interest. Adjustments to non-controlling interest are accounted for as transactions with owners and adjustments that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

Name of subsidiary	Place of incorporation	Ownership interest at September 30, 2025 and 2024	Principal activity
Pulsar Holdings (UK) Ltd. *	UK	100%	Holding company
Pulsar Helium (UK) Ltd. **	UK	100%	Helium exploration company
Keewaydin Resources Inc.	USA	100%	Helium exploration company

* formerly Invenir Ltd. – name changed in March 2025
** formerly Skyfire Ltd. – name changed in March 2025

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of transaction. Foreign currency gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are included in profit and loss. The results and financial position of a subsidiary that has a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities are translated using exchange rates prevailing at the end of each reporting period;
- Income and expenses for each line item in the consolidated statement of loss and comprehensive loss are translated at average exchange rates for the period; and
- All resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Property and equipment

Property and equipment is recorded at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is recognized in operations on a straight-line basis over the estimated useful lives of each part of an item of property and equipment, apart from land which is not depreciated. The depreciation rate for exploration equipment is 20% per annum on a straight-line basis.

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Exploration and evaluation assets and expenditures

Upon acquiring the legal right to explore a property, all direct costs related to the acquisition of mineral property interests are capitalized as exploration and evaluation assets. Exploration and evaluation expenditures incurred prior to the determination of the feasibility of mining operations and a decision to proceed with development are charged to operations as incurred.

Development expenditures incurred subsequent to a development decision, and to increase or to extend the life of existing production, are capitalized and will be amortized on the unit-of-production method upon reaching production. When there is little prospect of further work on a property being carried out by the Company, the remaining deferred costs associated with that property are charged to operations during the period such determination is made.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount.

Restoration, rehabilitation and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for an asset retirement obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with reclamation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Restoration, rehabilitation and environmental obligations (continued)

Subsequently, these capitalized asset retirement costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates (additional asset retirement costs).

The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are changed to profit or loss. The Company has no restoration, rehabilitation or environmental obligations.

Impairment

The Company reviews and evaluates its exploration and evaluation assets for impairment when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Under IFRS 6, “Exploration for and evaluation of mineral resources”, the Company initially assesses where facts and circumstances indicate that the carrying amount of a mineral property may exceed its fair value. Facts and circumstances which indicate that the Company should test for impairment include expiry of the exploration licence where renewal is not expected, substantive expenditure not planned for the foreseeable future, and poor resource results or data which adequately shows that it is not economically viable. When facts and circumstance indicate that the carrying amount exceeds the recoverable amount, the Company will then estimate the recoverable amount and record an impairment.

Where estimates of future net cash flows are not available and where other conditions suggest impairment, management assesses whether the carrying value can be recovered. If impairment is identified, assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets (the cash generating unit “CGU”). The recoverable amount of an asset or CGU is the greater of its fair value less costs to disposal and its value in use. Where the carrying amount of an asset group exceeds its recoverable amount, the asset group is considered impaired and is written down to its recoverable amount. The Company evaluates impairment for potential reversals when events or circumstances warrant such consideration.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Financial instruments

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVTOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVTOCI are classified as FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income/loss.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash is classified as amortized cost.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Trade and other payables and the loan facility are classified as other financial liabilities and carried on the statement of financial position at amortized cost. The Company has derivative liabilities associated with its share purchase warrants (Note 8).

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Derivative financial instruments

The Company issues share purchase warrants exercisable in a currency other than the Company's functional currency and as a result, the Company's warrant liability is considered a derivative financial instrument. Derivative financial instruments are initially recognized at FVTPL. Transaction costs are recognized in profit or loss as incurred.

Share capital

The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Share purchase warrants

The Company accounts for share purchase warrants issued as part of a unit offering financing using the relative fair value method. Under this method, the value of share purchase warrants issued is measured at fair value at the issue date using the Black-Scholes Option-Pricing Model and recorded as share capital if and when the share purchase warrants are exercised.

Share-based compensation

Stock options

The Company has a shareholder approved stock option plan that allows Company directors, employees, and consultants to acquire shares of the Company. The fair value of stock options granted is recognized as a share-based compensation expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the stock options is reclassified from share-based reserve to share capital.

The fair value is measured at grant date and each tranche is recognized over the period during which the stock options vest. The fair value of the stock options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the stock options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

Share-based payment arrangements in which the Company receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions.

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

Share-based compensation (continued)

Restricted Share Units, Performance Share Units, and Deferred Share Units

The Company also has a shareholder approved equity incentive plan which governs the granting of any restricted share unit (“RSU”), performance share unit (“PSU”) or deferred share unit (“DSU”) to directors, officers, employees and consultants of the Company.

RSUs, PSUs, and DSUs are equity settled share-based payments. The Company can award performance and non-performance based RSUs. RSUs, PSUs, and DSUs are measured at their intrinsic fair value on the date of grant based on the closing price of the Company's shares on the date prior to the grant and is recognised as share-based compensation expense over the vesting period on one year minimum to three years maximum with the responding credit to reserves. The amount recognised for services as consideration for the RSUs, PSUs, and DSUs granted is based on the number of equity instruments that eventually vest. For performance based RSUs, an estimate is made of when the performance obligations are expected to be satisfied, and the expense is calculated over that period. Upon release of RSUs, PSUs and DSUs, the related share reserve is transferred to share capital.

Loss per share

The Company presents basic and diluted earnings (loss) per share (“EPS”) data for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted EPS is calculated by dividing the profit or loss by the weighted average number of common shares outstanding assuming that the proceeds to be received on the exercise of dilutive stock options and warrants, if any, are used to repurchase common shares at the average market price during the period.

Income taxes

The Company’s income tax is comprised of current and deferred tax. The Company follows the liability method of accounting for income taxes. Under this method, current income taxes are recognised as the estimated income taxes payable for the current period using tax rates enacted, or substantially enacted, at the end of the reporting period. Deferred income tax assets are recognised for unused tax losses to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred income tax assets are recognised to the extent that the realization of the related tax benefit through future taxable profits is probable.

Deferred tax assets and liabilities are recognised in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are evaluated and where the Company considers that these are unlikely to be realised, the associated deferred tax asset is not recognised.

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 was applied retrospectively and the non-cash warrant liability reported in the prior year has been restated and reclassified as a current liability.

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of September 30, 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.

(Expressed in US dollars)

4. CASH

	September 30, 2025	September 30, 2024
US dollar denominated deposits held in the USA	$ 368,416	$ -
US dollar denominated deposits held in Canada	131,379	899,939
Canadian dollar denominated deposits held in Canada	24,426	320,911
British Pound denominated deposits held in Canada	552,551	-
Euro denominated deposits held in Portugal	47,897	7,080
British Pound denominated deposits held in Greenland	2,685	2,595
Danish Krone denominated deposits held in Greenland	752	457
Total	$ 1,128,106	$ 1,230,982

5. PROPERTY AND EQUIPMENT

	Land	Exploration Equipment		
	USA	USA	Greenland	Total
Cost				
As at September 30, 2023	$ -	$ -	$ -	$ -
Additions	-	155,363	109,347	264,710
As at September 30, 2024	-	155,363	109,347	264,710
Additions	242,307	-	-	242,307
As at September 30, 2025	$ 242,307	$ 155,363	$ 109,347	$ 507,017
Accumulated depreciation				
As at September 30, 2023	$ -	$ -	$ -	$ -
Depreciation	-	14,242	12,757	26,999
As at September 30, 2024	-	14,242	12,757	26,999
Depreciation	-	31,073	22,525	53,598
As at September 30, 2025	$ -	$ 45,315	$ 35,282	$ 80,597
Carrying amounts				
As at September 30, 2024	$ -	$ 141,121	$ 96,590	$ 237,711
As at September 30, 2025	$ 242,307	$ 110,048	$ 74,065	$ 426,420

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

(Expressed in US dollars)

6. EXPLORATION AND EVALUATION ASSETS

	Topaz Project USA	Tunu Project Greenland	Total
As at September 30, 2023	$ 334,311	$ 11,667	$ 345,978
Additions	11,000	2,395	13,395
As at September 30, 2024	345,311	14,062	359,373
Additions	316,368	-	316,368
As at September 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, 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 subsequent to September 30, 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.

(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 years ended September 30, 2025 and 2024, the Company incurred the following exploration and evaluation expenditures.

	Year ended September 30, 2025	2024
Topaz Project		
Consulting fees	$ 1,391,405	$ 560,247
Drilling and completions	4,843,191	3,978,380
Geology and geophysics	828,379	734,975
Regulatory and permitting	268,590	109,791
Grants	-	(20,000)
	7,331,565	5,363,393
Tunu Project		
Consulting fees	65,217	71,909
Geology and geophysics	62,247	-
Regulatory and permitting	5,979	26,766
	133,443	98,675
	$ 7,465,008	$ 5,462,068

(Expressed in US dollars)

7. LOAN FACILITY

	September 30, 2025	September 30, 2024
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.

(Expressed in US dollars)

8. NON-CASH WARRANT LIABILITY

	September 30, 2025	September 30, 2024
Balance, beginning of year	$ 3,798,355	$ 730,670
Issuance of warrants	-	1,103,988
Exercise of warrants	(152,980)	(6,860,742)
Revaluation	(1,895,724)	8,824,439
Balance, end of year	$ 1,749,651	$ 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 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.

The warrant liability was revalued as at September 30, 2024 using the Black-Scholes option pricing model with the following assumptions: a stock price of C$0.52; a risk-free interest rate of 2.91%; an expected volatility of 100%; an expected life of 1.30 years; an exchange rate of 1.3499; 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 year ended September 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).

  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 year ended September 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 year ended September 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 and other share issue costs of $55,210.

- On April 24, 2025, the Company issued 400,000 common shares valued at $119,367 on the settlement of 400,000 PSUs.

9. SHARE CAPITAL AND RESERVES (continued)

Issued and outstanding (continued)

- 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 $5,034,846 (£3,720,100).

  The Company paid an advisory fee of $27,064 (£20,000), cash finder's fee of $262,831 (£194,226), and other cash share issue costs of $125,245.

  The Company also issued 844,460 broker warrants valued at $102,578 recorded as share issue costs. The broker warrants entitle the broker to purchase one common share at a price of £0.23 until August 29, 2026. 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 2.62%; an expected volatility of 100%; an expected life of 1 year; a forfeiture rate of zero; and an expected dividend of zero.

  In addition, the Company issued 72,000 broker warrants at a value of $9,551 recorded as share issue costs. The broker warrants entitle the broker to purchase one common share exercisable at a price of C$0.43 until August 29, 2026. 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 2.62%; an expected volatility of 100%; an expected life of 1 year; a forfeiture rate of zero; and an expected dividend of zero.

- During the year ended September 30, 2025, the Company issued 790,934 common shares on the exercise of warrants for gross proceeds of $202,246. The Company recorded an allocation on exercise of warrants of $152,980 from non-cash warrant liability (Note 8).

During the year ended September 30, 2024, the Company completed the following:

- In January 2024, the Company completed a private placement through the issuance of 18,500,000 units at a price of C$0.23 per unit for gross proceeds of $3,178,307 (C$4,255,000). Each unit consisted of one common share and one share purchase warrant exercisable into one common share at an exercise price of C$0.36 until January 17, 2026.

  The share purchase warrants are considered derivatives and accordingly were fair valued at $1,103,988 using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 4.22%; an expected volatility of 100%; an expected life of 2 years; an exchange rate of 1.3522; a forfeiture rate of zero; and an expected dividend of zero.

  The Company paid cash finder's fees of $20,128 and other share issue costs of $76,008.

9. SHARE CAPITAL AND RESERVES (continued)

Issued and outstanding (continued)

- In February 2024, the Company issued 285,715 common shares valued at $102,509 to settle director fees of $89,572 and accordingly recorded a loss on settlement of trade and other payables of $12,937.

- In August 2024, the Company issued 121,641 common shares valued at $57,933 to settle director fees of $75,000 and accordingly recorded a gain on settlement of trade and other payables of $17,067.

- In September 2024, the Company issued 120,565 common shares on the cashless exercise of 450,000 stock options for no proceeds. The Company recorded an allocation on exercise of stock options of $99,737 from reserves.

- During the year ended September 30, 2024, the Company issued 11,949,174 common shares on the exercise of warrants for gross proceeds of $3,850,796. The Company recorded an allocation on exercise of broker warrants of $88,505 from reserves and an allocation on exercise of share purchase warrants of $6,860,742 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.

Escrow shares

As at September 30, 2025, the Company had 27,855,615 common shares held in escrow, of which 9,285,205 will be released on each of February 15, 2026, August 15, 2026, and February 15, 2027.

9. SHARE CAPITAL AND RESERVES (continued)

Warrants

The continuity of warrants exercisable in Canadian dollars for the year ended September 30, 2025 is as follows:

Expiry date	Exercise price C$	Balance, September 30, 2024	Granted	Exercised	Expired	Balance, September 30, 2025
January 17, 2026	$ 0.36	18,067,392	-	(790,934)	-	17,276,458
August 29, 2026	$ 0.43	-	72,000	-	-	72,000
January 10, 2027	$ 0.57	-	282,335	-	-	282,335
		18,067,392	354,335	(790,934)	-	17,630,793
Weighted average exercise price - C$		$ 0.36	$ 0.54	$ 0.36	$ -	$ 0.36

* fully exercised subsequent to September 30, 2025 (Note 16)

As at September 30, 2025, the weighted average remaining contractual life of the warrants outstanding and exercisable in Canadian dollars was 0.32 years.

Compensation warrants

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 “Trigger”), 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 (the “Acceleration Notice”), 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.

In January 2026, the Trigger was met and accordingly the Company provided the Acceleration Notice.

9. SHARE CAPITAL AND RESERVES (continued)

Warrants (continued)

The continuity of warrants exercisable in Canadian dollars for the year ended September 30, 2024 is as follows:

Expiry date	Exercise price C$	Balance, September 30, 2023	Granted	Exercised	Expired	Balance, September 30, 2024
August 15, 2025	$ 0.45	10,795,858	-	(10,795,858)	-	-
August 15, 2025	$ 0.30	561,472	-	(561,472)	-	-
August 15, 2025	$ 0.45	-	159,236	(159,236)	-	-
January 17, 2026	$ 0.36	-	18,500,000	(432,608)	-	18,067,392
		11,357,330	18,659,236	(11,949,174)	-	18,067,392
Weighted average exercise price - C$		$ 0.44	$ 0.36	$ 0.44	$ -	$ 0.36

In January 2024, the Company issued 159,236 broker warrants exercisable at a price of C$0.45 until August 15, 2025 in relation to the Company’s initial public offering on the TSX-V completed in August 2023. The broker warrants were valued at $20,640 using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 4.22%; an exchange rate of 1.3522; an expected volatility of 100%; an expected life of 2 years.

The continuity of warrants exercisable in British Pounds for the year ended September 30, 2025 is as follows:

Expiry date	Exercise price - £	Balance, September 30, 2024	Granted	Exercised	Expired	Balance, September 30, 2025
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 September 30, 2025, the weighted average remaining contractual life of the warrants outstanding and exercisable in British Pounds was 2.65 years.

(Expressed in US dollars)

9. 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 year ended September 30, 2025 is as follows:

Expiry date	Exercise price C$	Balance, September 30, 2024	Granted	Exercised	Expired	Balance, September 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 September 30, 2025, all stock options were exercisable with a weighted average remaining contractual life of 3.34 years.

The continuity of stock options for the year ended September 30, 2024 is as follows:

Expiry date	Exercise price C$	Balance, September 30, 2023	Granted	Exercised	Expired	Balance, September 30, 2024
February 1, 2029	$ 0.45	-	9,250,000	(450,000)	-	8,800,000
		-	9,250,000	(450,000)	-	8,800,000
Weighted average exercise price - C$		$ -	$ 0.45	$ 0.45	$ -	$ 0.45

In February 2024, the Company granted 9,250,000 stock options to directors, officers, and consultants of the Company at a fair value of $2,050,154 or C$0.30 per option, all of which was recorded as share-based compensation for the year ended September 30, 2024. 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$0.40, a risk-free interest rate of 3.34%; an expected volatility of 100%; an expected life of 5 years; an exchange rate of 1.3404, a forfeiture rate of zero; and an expected dividend of zero.

(Expressed in US dollars)

9. SHARE CAPITAL AND RESERVES (continued)

Share-based compensation (continued)

Performance Share Units ("PSUs")

The continuity of PSUs for the year ended September 30, 2025 is as follows:

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

The continuity of PSUs for the year ended September 30, 2024 is as follows:

Award date	Balance, September 30, 2023	Granted	Released	Forfeited	Balance, September 30, 2024
February 1, 2024	-	4,000,000	-	-	4,000,000
	-	4,000,000	-	-	4,000,000

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 year ended September 30, 2025, $465,988 (2024 - $482,666) 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 individuals' PSUs were settled and the other two key individuals elected and the Company agreed to defer the settlement of their PSUs.

(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 years ended September 30, 2025 and 2024 were as follows:

	Year ended September 30, 2025	2024
Consulting fees		
Chief Executive Officer	$ 226,759	$ 243,414
Vice President Engineering	83,335	-
Golden Oak *	165,100	150,760
Executive Chair	125,200	75,000
	600,394	469,174
Director fees	141,217	115,208
Share-based compensation	326,191	1,745,267
	$ 1,067,802	$ 2,329,649

* 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

		September 30, 2025	September 30, 2024
Chief Executive Officer	Expenses	$ -	$ 100
Vice President Engineering	Expenses	640	-
Golden Oak	Expenses	2,702	679
Executive Chair	Fees	-	31,250
Directors	Director Fees	-	38,750
Total		$ 3,342	$ 70,779

(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: FVTPL; FVTOCI; or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

		September 30, 2025	September 30, 2024
Cash	Amortized cost	$ 1,128,106	$ 1,230,982
Trade and other payables	Amortized cost	(860,790)	(1,177,662)
Non-cash warrant liability	FVTPL	(1,749,651)	(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 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 exposures and the impact on the Company's financial instruments are summarized as follows:

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets, including cash and receivables. The Company limits the exposure to credit risk in its cash by only investing its cash with high credit quality financial institutions in business and savings accounts and guaranteed investment certificates which are available on demand by the Company for its programs.

Liquidity Risk

Liquidity risk is the risk that the Company will not have the resources to meet its obligations as they fall due. The Company manages this risk by closely monitoring cash forecasts and managing resources to ensure that there is sufficient capital in order to meet short-term business requirements. The Company's cash is primarily on deposit in Canadian business accounts or guaranteed investment certificates which are available on demand.

Interest Rate Risk

The Company is exposed to interest rate risk to the extent that its cash balances bear variable rates of interest. The interest rate risk on cash is not considered significant.

Foreign Currency Risk

The Company's functional and presentation currency is the US dollar. Foreign currency risk arises from transactions denominated in currencies denominated in currencies other than US dollars, as some costs are denominated in Canadian dollars (C$), Great British Pounds (£), and the Euro. As at September 30, 2025, the Company holds 56% (2024 – 27%) of its cash in foreign currencies. The effect of a 10% change in the foreign exchange rate on balances in foreign currencies at September 30, 2025 would be $62,000.

13. MANAGEMENT OF CAPITAL

Capital is comprised of the Company's shareholders' equity (deficiency). The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the acquisition of exploration and evaluation assets and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. The Company is not subject to externally imposed capital requirements.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares expenditure forecasts that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing exploration efforts, the Company does not pay out dividends.

There have been no changes to the Company's approach to capital management for the years presented.

14. NON-CASH INVESTING AND FINANCING ACTIVITIES

During the year ended September 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 2,528,960 broker warrants valued at $507,758 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 $152,980 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).

(Expressed in US dollars)

14. NON-CASH INVESTING AND FINANCING ACTIVITIES (continued)

During the year ended September 30, 2024, the Company:

- issued 407,356 common shares valued at $160,442 to settle trade and other payables of $164,572 (Note 9);
- recognized a derivative liability through the issuance of 18,500,000 share purchase warrants valued at $1,103,988 as part of the private placement (Note 9);
- issued 159,236 broker warrants valued at $20,640 (Note 9);
- recorded an allocation on exercise of stock options of $99,737 from reserves to share capital (Note 9);
- recorded an allocation on exercise of broker warrants of $88,505 from reserves to share capital (Note 9); and
- recorded an allocation on exercise of share purchase warrants of $6,860,742 from warrant liability to share capital (Note 9).

During the year ended September 30, 2025, the Company paid interest of $123,000 (2024 - $Nil) in cash.

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

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	Year ended September 30, 2025	Year ended September 30, 2024
Loss for the year	$ (9,645,889)	$ (20,346,712)
Expected income tax recovery	$ (2,604,000)	$ (5,453,000)
Impact of different foreign statutory tax rates on earnings of subsidiaries	259,000	3,638,000
Share issue costs	(392,000)	(241,000)
Adjustment to prior year's provision versus statutory tax return	2,000	43,000
Change in unrecognized deductible temporary differences	2,735,000	2,013,000
Total	$ -	$ -

(Expressed in US dollars)

15. INCOME TAXES (continued)

The significant components of the Company's deferred tax assets are as follows:

	September 30, 2025	September 30, 2024
Deferred tax assets		
Exploration and evaluation assets	$ 1,728,000	$ 1,082,000
Organizational and start-up costs	126,000	99,000
Share issue costs	506,000	265,000
Non-capital losses available for future periods	3,310,000	1,447,000
Total unrecognized deferred tax assets	$ 5,670,000	$ 2,893,000

Deferred tax assets have not been recognized in these consolidated financial statements as it is not probable that they will be realized.

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

	September 30, 2025	Expiry Date
Temporary differences		
Exploration and evaluation assets	$ 8,259,000	No expiry date
Organizational and start-up costs	600,000	No expiry date
Share issue costs	1,876,000	2026 to 2049
Non-capital losses available for future periods	13,704,000	See below
Canada	7,260,000	2042 to 2045
USA	5,788,000	No expiry date
Portugal	464,000	No expiry date
UK	192,000	No expiry date

Tax carry-forward balances which give rise to deferred tax assets are subject to review, and potential adjustment, by tax authorities.

16. SUBSEQUENT EVENTS

Subsequent to September 30, 2025, the Company:

- issued 17,490,684 common shares on the exercise of warrants for proceeds of C$6,332,394.
- issued 2,200,000 common shares on the exercise of options for proceeds of C$990,000.
- issued 290,979 common shares on the settlement of 290,979 PSUs.
- forfeited 109,021 PSUs.
- entered into a definitive agreement to acquire 80% of Quantum Hydrogen Inc. (“Quantum”), a Minnesota 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 each over a five-month period commencing upon receipt of TSX-V approval. The number of common shares in each tranche will be determined by the thirty-day volume-weighted average price (“VWAP”) 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 satisfying the first and second monthly tranches of $80,000 each. In January 2026, the Company issued 145,434 common shares satisfying the third monthly tranche of $80,000.
- granted issued 2,000,000 stock options to an officer and a consultant of the Company exercisable at a price of C$0.69 until December 16, 2030.
- issued 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.
- acquired 100% of Hybrid Hydrogen Inc. (“Hybrid”) for total consideration of $105,000 cash. Hybrid holds an exclusive mineral rights option to lease in Michigan’s Upper Peninsula, targeting non-hydrocarbon gases (primarily helium).