



**Condensed Interim
Consolidated Financial Statements**

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

Pulsar Helium Inc.

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

			March 31, 2024	September 30, 2023
	Note			
ASSETS				
Current Assets				
Cash	4	\$	2,344,253	\$ 1,207,846
Receivables			7,946	21,065
Prepaid expenses			94,169	110,035
			2,446,368	1,338,946
Equipment	5		107,525	-
Exploration and evaluation assets	6		356,978	345,978
		\$	2,910,871	\$ 1,684,924
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)				
Current Liabilities				
Trade and other payables	9	\$	2,096,632	\$ 347,664
			2,096,632	347,664
Warrant liability	7		13,150,431	730,670
			15,247,063	1,078,334
Shareholders' Equity (Deficiency)				
Share capital	8		8,375,411	3,345,969
Reserve	8		2,188,469	67,865
Deficit			(22,900,072)	(2,807,244)
			(12,336,192)	606,590
		\$	2,910,871	\$ 1,684,924
Nature of operations and going concern	1			
Subsequent event	13			

These condensed interim consolidated financial statements are approved for issue by the Audit Committee of the Board of Directors of the Company on May 28, 2024.

They are signed on the Company's behalf by:

"Thomas Abraham-James", Director

"Neil Herbert", 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 March 31,		Six months ended March 31,	
	Note	2024	2023	2024	2023
Expenses					
Administration		\$ 37,570	\$ 42,186	\$ 67,668	\$ 53,375
Consulting fees	9	208,002	88,239	310,636	120,747
Depreciation	5	1,822	-	1,822	-
Director fees	9	25,208	13,750	45,208	13,750
Exploration and evaluation expenditures	6	3,135,509	196,076	3,538,790	275,268
Foreign exchange		50,188	5,126	69,258	4,959
Marketing and promotion		223,553	364,632	538,186	399,044
Professional fees		72,391	58,866	138,522	111,731
Share-based compensation	8 & 9	2,167,829	-	2,167,829	-
Transfer agent and filing fees		54,180	-	67,634	-
Travel		73,105	59,947	97,122	74,069
		(6,049,357)	(828,822)	(7,042,675)	(1,052,943)
Revaluation of warrant liability	7	(12,864,610)	-	(13,037,216)	-
Loss on settlement of trade and other payables	8	(12,937)	-	(12,937)	-
Loss and comprehensive loss for the period		\$ (18,926,904)	\$ (828,822)	\$ (20,092,828)	\$ (1,052,943)
Basic and diluted loss per common share		\$ (0.23)	\$ (0.02)	\$ (0.24)	\$ (0.02)
Weighted average number of common shares outstanding - basic and diluted		82,131,774	50,079,919	82,131,774	50,039,521

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)

	Six months ended March 31,	
	2024	2023
OPERATING ACTIVITIES		
Loss for the period	\$ (20,092,828)	\$ (1,052,943)
Change in non-cash working capital items:		
Depreciation	1,822	-
Share-based compensation	2,167,829	-
Revaluation of warrant liability	13,037,216	-
Loss on settlement of trade and other payables	12,937	-
Special Warrants issued for marketing and promotion	-	56,131
Change in non-cash working capital items:		
Receivables	13,119	(2,189)
Prepaid expenses	15,866	(80,624)
Trade and other payables	1,838,540	30,378
Net cash used in operating activities	(3,005,499)	(1,049,247)
INVESTING ACTIVITIES		
Purchase of equipment	(109,347)	-
Exploration and evaluation assets	(11,000)	(206,000)
Net cash used in investing activities	(120,347)	(206,000)
FINANCING ACTIVITIES		
Private placement	3,178,307	-
Share issue costs	(96,136)	-
Exercise of warrants	1,180,082	-
Proceeds from Special Warrants	-	2,049,289
Special Warrants issuance costs	-	(29,713)
Deferred financing costs	-	(54,540)
Repayment of related party loan	-	(120,000)
Net cash provided by financing activities	4,262,253	1,845,036
Increase in cash for the period	1,136,407	589,789
Cash, beginning of the period	1,207,846	92,264
Cash, end of the period	\$ 2,344,253	\$ 682,053

Non-cash investing and financing activities (Note 12)

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	Reserves	Special Warrants	Deficit	Total Shareholders' Equity (Deficiency)
Balance, September 30, 2023	74,140,288	\$ 3,345,969	\$ 67,865	\$ -	\$ (2,807,244)	\$ 606,590
Private placement	18,500,000	2,074,319	-	-	-	2,074,319
Share issue costs	-	(96,136)	-	-	-	(96,136)
IPO issuance costs - warrants	-	(20,640)	20,640	-	-	-
Issuance of shares for trade and other payables	285,715	102,509	-	-	-	102,509
Exercise of warrants	3,736,697	2,969,390	(67,865)	-	-	2,901,525
Share-based compensation	-	-	2,167,829	-	-	2,167,829
Comprehensive loss for the period	-	-	-	-	(20,092,828)	(20,092,828)
Balance, March 31, 2024	96,662,700	\$ 8,375,411	\$ 2,188,469	\$ -	\$ (22,900,072)	\$ (12,336,192)

	Number of Shares	Share Capital	Reserves	Special Warrants	Deficit	Total Shareholders' Equity (Deficiency)
Balance, September 30, 2022	50,000,000	\$ 465,882	\$ -	\$ -	\$ (496,837)	\$ (30,955)
Issuance of shares for trade and other payables	85,628	14,225	-	-	-	14,225
Special Warrants	-	-	-	2,141,784	-	2,141,784
Special Warrants issuance costs	-	-	-	(29,713)	-	(29,713)
Comprehensive loss for the period	-	-	-	-	(1,052,943)	(1,052,943)
Balance, March 31, 2023	50,085,628	\$ 480,107	\$ -	\$ 2,112,071	\$ (1,549,780)	\$ 1,042,398

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 six months ended March 31, 2024

(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 laws of British Columbia, Canada on June 30, 2022. The Company trades on the TSX Venture Exchange (the “Exchange”) under the symbol PLSR and on the OTCQB Venture Market in the United States under the symbol PSRHF. The corporate office and registered and records office of the Company is located at Unit 1 – 15782 Marine Drive, White Rock, BC, Canada, V4B 1E6.

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

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at March 31, 2024, the Company had working capital of \$349,736. Subsequent to March 31, 2024, the Company issued 7,851,608 common shares of the exercise of warrants for proceeds of C\$3,526,767 (Note 13). 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. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

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

2. BASIS OF PRESENTATION

Statement of compliance

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

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements, and therefore should be read in conjunction with the annual consolidated financial statements for the year ended September 30, 2023.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

2. BASIS OF PRESENTATION (continued)

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 asset 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.

Warrant valuation

The fair value of broker and share purchase warrants 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.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended March 31, 2024
(Unaudited – Expressed in US dollars)

2. BASIS OF PRESENTATION (continued)

Use of estimates and judgments (continued)

Determination of functional currency

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company as at and for the year ended September 30, 2023.

New accounting policy

The following amendments to existing standards have been adopted by the Company commencing October 1, 2023:

IAS 1, Presentation of Financial Statements

The amendments changed the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policies are material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of the financial statements make on the basis of those financial statements. The adoption of these amendments did not materially impact these condensed interim consolidated financial statements of the Company.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

New standards, interpretations and amendments not yet effective

A number of new standards, amendments to standards and interpretations are not yet effective as of March 31, 2024 and have not been applied in preparing these condensed interim consolidated financial statements.

Effective for annual periods beginning on or after January 1, 2024:

- 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 Company has not early adopted this revised standard and its adoption is not expected to have a material impact on the Company's consolidated financial statements.

4. CASH

	March 31, 2024	September 30, 2023
US dollar denominated deposits held in Canada	\$ 296,086	\$ 180,594
Canadian dollar denominated deposits held in Canada	2,039,842	1,022,818
Euro denominated deposits held in Portugal	5,122	-
British Pound denominated deposits held in Greenland	2,419	2,390
Danish Krone denominated deposits held in Greenland	784	2,044
Total	\$ 2,344,253	\$ 1,207,846

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended March 31, 2024
(Unaudited – Expressed in US dollars)

5. EQUIPMENT

	Exploration Equipment		Total
Cost			
At September 30, 2023	\$	-	\$ -
Additions		109,347	109,347
At March 31, 2024	\$	109,347	\$ 109,347
Accumulated depreciation			
At September 30, 2023	\$	-	\$ -
Depreciation		1,822	1,822
At March 31, 2024	\$	1,822	\$ 1,822
Carrying amounts			
At September 30, 2023	\$	-	\$ -
At March 31, 2024	\$	107,525	\$ 107,525

6. EXPLORATION AND EVALUATION ASSETS

	Topaz Project		Tunu Project	Total
	USA		Greenland	
As at September 30, 2023	\$	334,311	\$ 11,667	\$ 345,978
Additions		11,000	-	11,000
As at March 31, 2024	\$	345,311	\$ 11,667	\$ 356,978

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% of the gross sales price of the product sold.

The Company maintains the Topaz Option on the remaining 2,092 acres until October 2024, after which the option will expire unless the Company exercises the option and converts some or all of the lease at a cost of \$150 per acre.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

6. EXPLORATION AND EVALUATION ASSETS (continued)

In October 2023, the Company entered into a mineral lease agreement with a private mineral rights holder to expand the area of the Topaz project. In consideration, the Company paid \$11,000. The lease is for an initial term of 20 years (extendable up to a maximum of 40 years, subject to conditions) and a retained production royalty of 3%.

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

Tunu Project, Greenland

In October 2021, the Company was granted two exploration licences in Greenland known as the Tunu helium project. The Tunu project consists of a mineral exploration licence, effective from November 22, 2021 until December 31, 2024, and a mineral prospecting licence for areas in East Greenland, effective from November 22, 2021 until December 31, 2026.

Exploration expenditures

During the three and six months ended March 31, 2024 and 2023, the Company incurred the following exploration and evaluation expenditures.

	Three months ended March 31,		Six months ended March 31,	
	2024	2023	2024	2023
<i>Topaz Project</i>				
Consulting fees	\$ 77,666	\$ 161,940	\$ 143,166	\$ 203,527
Drilling and completions	2,988,660	6,724	3,186,155	12,967
Geology and geophysics	51,592	-	172,854	-
Regulatory and permitting	17,591	20,185	36,615	43,733
	3,135,509	188,849	3,538,790	260,227
<i>Tunu Project</i>				
Consulting fees	-	7,227	-	15,041
	-	7,227	-	15,041
	\$ 3,135,509	\$ 196,076	\$ 3,538,790	\$ 275,268

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

7. WARRANT LIABILITY

	March 31, 2024	September 30, 2023
Balance, beginning of period	\$ 730,670	\$ -
Issuance of warrants	1,103,988	1,020,818
Exercise of warrants	(1,721,443)	-
Revaluation	13,037,216	(290,148)
Balance, end of period	\$ 13,150,431	\$ 730,670

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 warrant liability was revalued as at March 31, 2024 using the Black-Scholes option pricing model with the following assumptions: a stock price of C\$0.96; a risk-free interest rate of 4.29%; an expected volatility of 100%; an expected life of 1.38 to 1.80 years; a forfeiture rate of zero; and an expected dividend of zero.

8. SHARE CAPITAL AND RESERVE

Authorized

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

Issued and outstanding

During the six months ended March 31, 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 transferable common share purchase warrant exercisable into one common share at an exercise price of C\$0.36 for a period of 2 years.

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; 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.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

8. SHARE CAPITAL AND RESERVE (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 \$12,937.
- During the six months ended March 31, 2024, the Company issued 3,736,697 common shares on the exercise of warrants for gross proceeds of \$1,180,082. The Company recorded an allocation on exercise of broker warrants of \$67,865 from reserves and an allocation on exercise of the initial public offering warrants of \$1,721,443 from warrant liability (Note 7).

During the six months ended March 31, 2023, the Company completed the following:

- In January 2023, the Company issued 85,628 common shares valued at \$14,225 to settle trade and other payables of \$14,225.

Special Warrants

	Number of Special Warrants	Special Warrants
Balance, September 30, 2022	-	\$ -
Special Warrants - cash	12,373,665	2,049,289
Special Warrants - non-cash	551,110	92,495
Special Warrants to finders'	334,027	55,269
Special Warrants issuance costs	-	(55,269)
Special Warrants issuance costs - cash	-	(29,713)
Balance, March 31, 2023	13,258,802	\$ 2,112,071

In December 2022 and January 2023, the Company completed, in three tranches, a non-brokered private placement through the issuance of 12,373,665 special warrants ("Special Warrants") at a price of C\$0.225 per Special Warrant for gross proceeds of \$2,049,288 (C\$2,784,075). The Company also issued 400,000 Special Warrants to settle prepaid investor relations expenses of \$67,134 (C\$90,000) and 151,110 Special Warrants to settle investor relations expenses and \$25,361 (C\$34,000). The Company paid \$29,713 cash and issued 334,027 Special Warrants valued at \$55,269 in satisfaction of finder's fees on the private placement. In April and May 2023, all of the Special Warrants automatically converted to 13,258,802 common shares of the Company valued at \$2,112,071.

Escrow shares

As at March 31, 2024, the Company had 48,213,013 common shares held in escrow, to be released in stages from May 15, 2024 to February 15, 2027.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended March 31, 2024
(Unaudited – Expressed in US dollars)

8. SHARE CAPITAL AND RESERVE (continued)

Warrants

The continuity of share purchase warrants for the six months ended March 31, 2024 is as follows:

Expiry date	Exercise price CAD\$	Balance, September 30, 2023	Granted	Exercised	Expired	Balance, March 31, 2024	
August 15, 2025	\$ 0.45	10,795,858	-	(3,175,225)	-	7,620,633	*
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	-	-	18,500,000	
		11,357,330	18,659,236	(3,736,697)	-	26,279,869	
Weighted average exercise price - CAD\$		\$ 0.44	\$ 0.36	\$ 0.43	\$ -	\$ 0.39	

* subject to acceleration if, at any time the volume weighted average trading price of the common shares equals or exceeds C\$0.60 for a period of 25 consecutive trading dates on the Exchange. On April 5, 2024, the Company gave notice to the warrant holders that the Company was accelerating the expiry date of the warrants to May 6, 2024. All warrants held at March 31, 2024 were exercised subsequently (Note 13).

As at March 31, 2024, the weighted average remaining contractual life of the share purchase warrants outstanding was 1.67 years.

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 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 expected volatility of 100%; an expected life of 2 years.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

8. SHARE CAPITAL AND RESERVE (continued)

Share-based compensation

In November 2023, the Company's shareholders approved a stock option plan (the "Option Plan"). The Option Plan is a 10% "rolling" stock option plan which governs the granting of stock options to directors, officers, employees and consultants of the Company or a subsidiary 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's shareholders approved 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 or a subsidiary 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 six months ended March 31, 2024 is as follows:

Expiry date	Exercise price CAD\$	Balance, September 30, 2023	Granted	Exercised	Expired	Balance, March 31, 2024
February 1, 2029	\$ 0.45	-	9,250,000	-	-	9,250,000
		-	9,250,000	-	-	9,250,000
Weighted average exercise price - CAD\$		\$ -	\$ 0.45	\$ -	\$ -	\$ 0.45

As at March 31, 2024, all stock options were exercisable with a weighted average remaining contractual life of 4.84 years.

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 six months ended March 31, 2024. The fair value of the options granted was determined using the Black-Scholes option pricing model with the following assumptions: a risk-free interest rate of 3.34%; an expected volatility of 100%; an expected life of 5 years; a forfeiture rate of zero; and an expected dividend of zero.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

8. SHARE CAPITAL AND RESERVE (continued)

Share-based compensation (continued)

Performance Share Units (“PSUs”)

The continuity of PSUs for the six months ended March 31, 2024 is as follows:

Award date	Balance, September 30, 2023	Granted	Released	Forfeited	Balance, March 31, 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, of which \$117,675 was recorded as share-based compensation for the six months ended March 31, 2024.

9. RELATED PARTY TRANSACTIONS AND BALANCES

Compensation of key management personnel

Key management includes members of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel during the three and six months ended March 31, 2024 and 2023 were as follows:

	Three months ended March 31,		Six months ended March 31,	
	2024	2023	2024	2023
Consulting fees				
Chief Executive Officer	\$ 95,000	\$ 45,000	\$ 140,000	\$ 59,446
Golden Oak *	45,502	30,491	75,636	48,801
Executive Chair	12,500	12,500	25,000	12,500
	153,002	87,991	240,636	120,747
Director fees	25,208	13,750	45,208	13,750
Share-based compensation	1,489,775	-	1,489,775	-
	\$ 1,667,985	\$ 101,741	\$ 1,775,619	\$ 134,497

* 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.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements
For the six months ended March 31, 2024
(Unaudited – Expressed in US dollars)

9. RELATED PARTY TRANSACTIONS (continued)

Related party balances

		March 31, 2024	September 30, 2023
Chief Executive Officer	Expenses	\$ 8,004	\$ 2,494
Golden Oak	Expenses	14,148	8,504
Executive Chair	Fees	12,500	37,500
Executive Chair	Expenses	977	-
Directors	Director Fees	25,208	44,375
Total		\$ 60,837	\$ 92,873

Director agreements

The Company entered into a consulting agreement with the Executive Chair of the Company whereby the Company agreed to pay the Executive Chair an annual fee of \$50,000 payable quarterly through the issuance of common shares of the Company within allowable limits of the Exchange. The Company also entered into director services agreements with the independent directors of the Company whereby the Company agreed to pay the independent directors an annual fee of \$25,000 with the chair of any committee being paid an additional \$5,000. It is agreed that the fees will be settled by the issuance of common shares to the maximum allowable under Exchange policies, with the balance, if any, to be paid in cash.

10. 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 are located in the USA and Greenland.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

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

		March 31, 2024	September 30, 2023
Cash	Amortized cost	\$ 2,344,253	\$ 1,207,846
Trade and other payables	Amortized cost	(2,096,632)	(347,664)
Warrant liability	FVTPL	(13,150,431)	(730,670)

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.

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 warrant liability is recorded at fair value using Level 3 of the fair value hierarchy. The carrying value of the 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, 2023.

Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended March 31, 2024

(Unaudited – Expressed in US dollars)

12. NON-CASH INVESTING AND FINANCING ACTIVITIES

During the six months ended March 31, 2024, the Company:

- issued 285,715 common shares valued at \$102,509 to settle trade and other payables of \$89,572 (Note 8);
- recognized a derivative liability through the issuance of 18,500,000 warrants valued at \$1,103,988 as part of the private placement (Note 8);
- issued 159,236 broker warrants valued at \$20,640 (Note 8);
- recorded an allocation on exercise of warrants of \$67,865 from reserves to share capital (Note 8); and
- recorded an allocation on exercise of warrants of \$1,721,443 from warrant liability to share capital (Note 8).

During the six months ended March 31, 2023, the Company:

- issued 85,628 common shares valued at \$14,225 to settle trade and other payables of \$14,225 (Note 8);
- issued 334,027 Special Warrants valued at \$55,269 in satisfaction of finder's fees on the private placement (Note 8); and
- issued 400,000 Special Warrants to settle prepaid marketing and promotion of \$67,134 and 151,110 Special Warrants to settle investor relations expenses of \$25,361 (Note 8).

During the six months ended March 31, 2024, the Company paid interest of \$Nil (2023 - \$Nil) in cash.

During the six months ended March 31, 2024, the Company paid income tax of \$Nil (2023 - \$Nil) in cash.

13. SUBSEQUENT EVENT

In April and May 2024, the Company issued 7,779,869 common shares on the exercise of warrants exercisable at C\$0.45 for gross proceeds of C\$3,500,941. In May 2024, the Company issued 71,739 common shares on the exercise of warrants exercisable at C\$0.36 for gross proceeds of C\$25,826.