



**Condensed Interim  
Consolidated Financial Statements**

**For the nine months ended June 30, 2024**

**(Unaudited – Expressed in US dollars)**

**Pulsar Helium Inc.**

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

			June 30, 2024	September 30, 2023
	Note			
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash	4	\$	1,596,584	\$ 1,207,846
Receivables			4,667	21,065
Prepaid expenses			94,605	110,035
			1,695,856	1,338,946
<b>Equipment</b>	5		251,009	-
<b>Exploration and evaluation assets</b>	6		356,978	345,978
		\$	2,303,843	\$ 1,684,924
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)</b>				
<b>Current Liabilities</b>				
Trade and other payables	9	\$	736,508	\$ 347,664
			736,508	347,664
<b>Warrant liability</b>	7		7,451,512	730,670
			8,188,020	1,078,334
<b>Shareholders' Equity (Deficiency)</b>				
Share capital	8		16,017,747	3,345,969
Reserves	8		2,349,327	67,865
Deficit			(24,251,251)	(2,807,244)
			(5,884,177)	606,590
		\$	2,303,843	\$ 1,684,924
<b>Nature of operations and going concern</b>	1			
<b>Subsequent events</b>	13			

These condensed interim consolidated financial statements are approved for issue by the Audit Committee of the Board of Directors of the Company on August 29, 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 June 30,		Nine months ended June 30,	
	Note	2024	2023	2024	2023
<b>Expenses</b>					
Administration		\$ 38,391	\$ 26,792	\$ 106,059	\$ 80,167
Consulting fees	9	127,154	88,305	437,790	209,052
Depreciation	5	11,878	-	13,700	-
Director fees	9	31,250	13,750	76,458	27,500
Exploration and evaluation expenditures	6	1,295,432	145,841	4,834,222	421,109
Foreign exchange		41,072	6,446	110,330	11,405
Marketing and promotion		138,804	194,084	676,990	593,128
Professional fees		51,526	214,198	190,048	325,929
Share-based compensation	8 & 9	181,498	-	2,349,327	-
Transfer agent and filing fees		19,757	22,838	87,391	22,838
Travel		80,280	28,996	177,402	103,065
		(2,017,042)	(741,250)	(9,059,717)	(1,794,193)
<b>Revaluation of warrant liability</b>	7	665,863	-	(12,371,353)	-
<b>Loss on settlement of trade and other payables</b>	8	-	-	(12,937)	-
<b>Loss and comprehensive loss for the period</b>		\$ (1,351,179)	\$ (741,250)	\$ (21,444,007)	\$ (1,794,193)
<b>Basic and diluted loss per common share</b>		\$ (0.01)	\$ (0.01)	\$ (0.24)	\$ (0.03)
<b>Weighted average number of common shares outstanding - basic and diluted</b>		102,389,777	59,539,304	88,859,797	53,206,115

*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)

	<b>Nine months ended June 30,</b>	
	<b>2024</b>	<b>2023</b>
<b>OPERATING ACTIVITIES</b>		
Loss for the period	\$ (21,444,007)	\$ (1,794,193)
Change in non-cash working capital items:		
Depreciation	13,700	-
Share-based compensation	2,349,327	-
Revaluation of warrant liability	12,371,353	-
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	16,398	(5,488)
Prepaid expenses	15,430	(18,464)
Trade and other payables	478,416	140,396
Net cash used in operating activities	(6,186,446)	(1,621,618)
<b>INVESTING ACTIVITIES</b>		
Purchase of equipment	(264,709)	-
Exploration and evaluation assets	(11,000)	(206,000)
Net cash used in investing activities	(275,709)	(206,000)
<b>FINANCING ACTIVITIES</b>		
Private placement	3,178,307	-
Share issue costs	(96,136)	-
Exercise of warrants	3,768,722	-
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	6,850,893	1,845,036
<b>Increase in cash for the period</b>	<b>388,738</b>	<b>17,418</b>
<b>Cash, beginning of the period</b>	<b>1,207,846</b>	<b>92,264</b>
<b>Cash, end of the period</b>	<b>\$ 1,596,584</b>	<b>\$ 109,682</b>
<b>Non-cash investing and financing activities (Note 12)</b>		

*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)

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

	<b>Number of Shares</b>	<b>Share Capital</b>	<b>Reserves</b>	<b>Special Warrants</b>	<b>Deficit</b>	<b>Total Shareholders' Equity (Deficiency)</b>
<b>Balance, September 30, 2022</b>	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)
Conversion of Special Warrants	13,258,802	2,112,071	-	(2,112,071)	-	-
Comprehensive loss for the period	-	-	-	-	(1,794,193)	(1,794,193)
<b>Balance, June 30, 2023</b>	63,344,430	\$ 2,592,178	\$ -	\$ -	\$ (2,291,030)	\$ 301,148

*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 nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

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## **1. NATURE OF OPERATIONS AND GOING CONCERN**

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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 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 June 30, 2024, the Company had working capital of \$959,348. However, management estimates that its working capital may not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. 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**

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### **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 nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

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### **2. BASIS OF PRESENTATION (continued)**

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#### **Basis of measurement**

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

#### **Functional and presentation currency**

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

#### **Use of estimates and judgments**

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

#### Carrying value and recoverability of exploration and evaluation assets

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

#### 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 nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

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### **2. BASIS OF PRESENTATION (continued)**

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#### **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**

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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, except as noted below.

#### **Equipment**

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 equipment. The depreciation rate for exploration equipment is 20% per annum on a straight-line basis.

An item of 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.

#### **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 nine months ended June 30, 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 June 30, 2024 and have not been applied in preparing these condensed interim consolidated 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 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.

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.

### 4. CASH

	June 30, 2024	September 30, 2023
US dollar denominated deposits held in Canada	\$ 427,604	\$ 180,594
Canadian dollar denominated deposits held in Canada	1,128,631	1,022,818
Euro denominated deposits held in Portugal	37,455	-
British Pound denominated deposits held in Greenland	2,413	2,390
Danish Krone denominated deposits held in Greenland	481	2,044
Total	\$ 1,596,584	\$ 1,207,846

## Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

### 5. EQUIPMENT

		Exploration Equipment
<b>Cost</b>		
At September 30, 2023	\$	-
Additions		264,709
At June 30, 2024	\$	264,709
<b>Accumulated depreciation</b>		
At September 30, 2023	\$	-
Depreciation		13,700
At June 30, 2024	\$	13,700
<b>Carrying amounts</b>		
At September 30, 2023	\$	-
At June 30, 2024	\$	251,009

### 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 June 30, 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 nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

### 6. EXPLORATION AND EVALUATION ASSETS (continued)

#### *Topaz Project, USA (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 nine months ended June 30, 2024 and 2023, the Company incurred the following exploration and evaluation expenditures.

	Three months ended June 30,		Nine months ended June 30,	
	2024	2023	2024	2023
<i>Topaz Project</i>				
Consulting fees	\$ 162,257	\$ 103,788	\$ 305,423	\$ 307,315
Drilling and completions	756,811	10,500	3,942,966	23,467
Geology and geophysics	317,722	-	490,576	-
Regulatory and permitting	34,352	20,125	70,967	63,858
	1,271,142	134,413	4,809,932	394,640
<i>Tunu Project</i>				
Consulting fees	24,290	11,428	24,290	26,469
	24,290	11,428	24,290	26,469
	\$ 1,295,432	\$ 145,841	\$ 4,834,222	\$ 421,109

## Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

### 7. WARRANT LIABILITY

	June 30, 2024	September 30, 2023
Balance, beginning of period	\$ 730,670	\$ -
Issuance of warrants	1,103,988	1,020,818
Exercise of warrants	(6,754,499)	-
Revaluation	12,371,353	(290,148)
Balance, end of period	\$ 7,451,512	\$ 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 June 30, 2024 using the Black-Scholes option pricing model with the following assumptions: a stock price of C\$0.81; a risk-free interest rate of 3.99%; an expected volatility of 100%; an expected life of 1.55 years; an exchange rate of 1.3687; a forfeiture rate of zero; and an expected dividend of zero.

### 8. SHARE CAPITAL AND RESERVES

#### Authorized

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

#### Issued and outstanding

During the nine months ended June 30, 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; 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.

## Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

### 8. 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 \$12,937.
- During the nine months ended June 30, 2024, the Company issued 11,638,305 common shares on the exercise of warrants for gross proceeds of \$3,768,722. The Company recorded an allocation on exercise of broker warrants of \$88,505 from reserves and an allocation on exercise of warrants of \$6,754,499 from warrant liability (Note 7).

During the nine months ended June 30, 2023, the Company completed the following:

- 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.

	Number of Special Warrants	Special Warrants
<b>Balance, September 30, 2022</b>	-	\$ -
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)
Conversion of Special Warrants	(13,258,802)	(2,112,071)
<b>Balance, June 30, 2023</b>	-	\$ -

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

#### Escrow shares

As at June 30, 2024, the Company had 46,426,026 common shares held in escrow, to be released in stages from February 15, 2025 to February 15, 2027.

## Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

### 8. SHARE CAPITAL AND RESERVES (continued)

#### Warrants

The continuity of share purchase warrants for the nine months ended June 30, 2024 is as follows:

Expiry date	Exercise price CAD\$	Balance, September 30, 2023	Granted	Exercised	Expired	Balance, June 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	(121,739)	-	18,378,261
		11,357,330	18,659,236	(11,638,305)	-	18,378,261
Weighted average exercise price - CAD\$		\$ 0.44	\$ 0.36	\$ 0.44	\$ -	\$ 0.36

As at June 30, 2024, the weighted average remaining contractual life of the share purchase warrants outstanding was 1.55 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 exchange rate of 1.3522; an expected volatility of 100%; an expected life of 2 years.

#### 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.

## Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements  
For the nine months ended June 30, 2024  
(Unaudited – Expressed in US dollars)

### 8. SHARE CAPITAL AND RESERVES (continued)

#### Share-based compensation (continued)

##### Stock options

The continuity of stock options for the nine months ended June 30, 2024 is as follows:

Expiry date	Exercise price CAD\$	Balance, September 30, 2023	Granted	Exercised	Expired	Balance, June 30, 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 June 30, 2024, all stock options were exercisable with a weighted average remaining contractual life of 4.59 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 nine months ended June 30, 2024. The fair value of the 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.

##### Performance Share Units ("PSUs")

The continuity of PSUs for the nine months ended June 30, 2024 is as follows:

Award date	Balance, September 30, 2023	Granted	Released	Forfeited	Balance, June 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 nine months ended June 30, 2024, \$299,173 of the total amount was recorded as share-based compensation on the statement of loss.

## Pulsar Helium Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

### 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 nine months ended June 30, 2024 and 2023 were as follows:

	Three months ended June 30,		Nine months ended June 30,	
	2024	2023	2024	2023
Consulting fees				
Chief Executive Officer	\$ 44,530	\$ 45,000	\$ 184,530	\$ 104,677
Golden Oak *	33,874	30,805	109,510	79,375
Executive Chair	18,750	12,500	43,750	25,000
	97,154	88,305	337,790	209,052
Director fees	31,251	13,750	76,459	27,500
Share-based compensation	127,048	-	1,616,823	-
	\$ 255,453	\$ 102,055	\$ 2,031,072	\$ 236,552

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

#### *Related party balances*

		June 30, 2024	September 30, 2023
Chief Executive Officer	Expenses	\$ -	\$ 2,494
Golden Oak	Expenses	1,309	8,504
Executive Chair	Fees	31,250	37,500
Directors	Director Fees	56,458	44,375
Total		\$ 89,017	\$ 92,873



## **Pulsar Helium Inc.**

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

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### **9. RELATED PARTY TRANSACTIONS (continued)**

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#### *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. Effective June 1, 2024, the annual fee was increased to \$125,000 with \$75,000 payable in cash and \$50,000 payable 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. Effective June 1, 2024, the annual fee was increased to \$35,000 with the chair of any committee being paid an additional \$5,000. It was 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. Effective June 1, 2024, it was agreed that half will be settled in cash and half will be settled through the issuance of common shares of the Company within allowable limits of the Exchange.

### **10. SEGMENTED INFORMATION**

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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 nine months ended June 30, 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:

			June 30, 2024		September 30, 2023
Cash	Amortized cost	\$	1,596,584	\$	1,207,846
Trade and other payables	Amortized cost		(736,508)		(347,664)
Warrant liability	FVTPL		(7,451,512)		(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 nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

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### **12. NON-CASH INVESTING AND FINANCING ACTIVITIES**

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

- issued 285,715 common shares valued at \$102,509 to settle trade and other payables of \$89,572 (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 \$88,505 from reserves to share capital (Note 8); and
- recorded an allocation on exercise of warrants of \$6,754,499 from warrant liability to share capital (Note 8).

During the nine months ended June 30, 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 nine months ended June 30, 2024, the Company paid interest of \$Nil (2023 - \$Nil) in cash.

During the nine months ended June 30, 2024, the Company paid income tax of \$Nil (2023 - \$Nil) in cash.

### **13. SUBSEQUENT EVENTS**

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Subsequent to June 30, 2024, the Company completed the following:

- In July 2024, the Company issued 310,869 common shares on the exercise of warrants for gross proceeds of C\$111,913.
- In August 2024, the Company issued 121,641 common shares and paid \$12,708 cash to settle director fees of \$87,708 accrued to June 30, 2024 (Note 9).

## **Pulsar Helium Inc.**

Notes to the Condensed Interim Consolidated Financial Statements

For the nine months ended June 30, 2024

(Unaudited – Expressed in US dollars)

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### **13. SUBSEQUENT EVENTS (continued)**

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- In August 2024, the Company announced its intention to apply for the admission to trading of the Company's common shares on AIM, a market operated by the London Stock Exchange plc ("AIM") (the "AIM IPO"). The AIM IPO is supplementary to the Company's existing listing on the Exchange. The Company is proposing to raise approximately £5 million in connection with the AIM IPO.

A principal of OAK Securities has agreed to advance the Company £1.125 million by way of a subscription for special warrants (the "Special Warrants") of the Company pursuant to a special warrant subscription agreement between the subscriber and the Company. The investment will be made by no later than August 30, 2024 and will form part of the £5 million that the Company is proposing to raise in connection with the AIM IPO.

The Special Warrants will entitle the subscriber on the exercise thereof to receive, without payment of any further consideration, such number of depositary interests over common shares equivalent to £1.125 million divided by the AIM IPO price, to be priced in the context of the market, subject to admission to trading on AIM of the common shares occurring by October 31, 2024 (or such later date as the subscriber, in its absolute discretion, may notify the Company in writing). If the AIM IPO has not occurred by October 31, 2024 (or such later date as the subscriber, in its absolute discretion, may notify the Company in writing), the Special Warrants will automatically be deemed exercised and entitle the subscriber to receive, without payment of any further consideration, such number of common shares equivalent to 1.2x the amount of the investment (being C\$2,400,000) divided by the market price of the common shares at that time, subject to receipt of Exchange approval.