

PureWave Hydrogen Corp.
(formerly Longhorn Exploration Corp.)

Condensed Interim Consolidated Financial Statements

For the Three Months Ended November 30, 2024

(unaudited)

(Expressed in Canadian Dollars)

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NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim consolidated financial statements, they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for review of condensed interim financial statements by an entity's auditor.

PUREWAVE HYDROGEN CORP.

(formerly Longhorn Exploration Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

As at	Note	November 30, 2024	August 31, 2024
ASSETS			
Current assets			
Cash		\$ 113,499	\$ 551,966
Prepaid expenses		153,556	-
Other receivables		16,768	6,995
		283,823	558,961
Prepaid exploration costs		-	47,234
Exploration and evaluation assets	4	3,041,058	1,126,351
TOTAL ASSETS		\$ 3,324,881	\$ 1,732,546
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 190,650	\$ 42,912
		190,650	42,912
EQUITY			
Share capital	5	3,594,626	2,036,243
Reserves		119,800	119,800
Accumulated other comprehensive income		48,492	-
Accumulated deficit		(628,687)	(466,409)
		3,134,231	1,689,634
Total liabilities and shareholders' equity		\$ 3,324,881	\$ 1,732,546

The accompanying notes are integral to these condensed interim consolidated financial statements.

Approved on Behalf of the Board of Directors on January 27, 2025

/s/ Anthony Zelen
Director

/s/ Bruce Nurse
Director

PUREWAVE HYDROGEN CORP.

(formerly Longhorn Exploration Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

		Three months ended November 30,	
	Note	2024	2023
EXPENSES			
Consulting		\$ 20,000	\$ -
Exploration expenditures		-	-
Marketing and advertising		53,361	-
Office and administrative	6	6,771	1,815
Professional fees	6	53,229	6,824
Regulatory and filing		26,357	2,877
Total expenses		159,718	11,516
LOSS FROM OPERATIONS		(159,718)	(11,516)
Foreign exchange loss		(2,560)	-
NET LOSS		(162,278)	(11,516)
Currency translation adjustment		48,492	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(113,786)	(11,516)
Basic and diluted loss per common share		(0.00)	(0.00)
Weighted average number of outstanding shares		23,530,143	8,648,000

The accompanying notes are integral to these condensed interim consolidated financial statements.

PUREWAVE HYDROGEN CORP.

(formerly Longhorn Exploration Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

	Share capital		Reserves	Accumulated Other Comprehensive Income	Deficit	Total
	Number of Class A common shares	Amount				
Balance, August 31, 2023	8,448,000	725,806	119,800	-	(259,849)	585,757
Share issuance for mineral property option amendment	200,000	30,000	-	-	-	30,000
Net loss for the period	-	-	-	-	(11,516)	(11,516)
Balance, November 30, 2023	8,648,000	755,806	119,800	-	(271,365)	604,241
Balance, August 31, 2024	18,673,000	2,036,243	119,800	-	(466,409)	1,689,634
Shares issued for PureWave Colorado (Note 3)	17,200,000	1,575,938	-	-	-	1,575,938
Cancelled shares (Note 3)	(200,000)	(17,555)	-	-	-	(17,555)
Net loss for the period	-	-	-	-	(162,278)	(162,278)
Currency translation adjustment	-	-	-	48,492	-	48,492
Balance, November 30, 2024	35,673,000	3,594,626	119,800	48,492	(628,687)	3,134,231

The accompanying notes are integral to these condensed interim consolidated financial statements.

PUREWAVE HYDROGEN CORP.

(formerly Longhorn Exploration Corp.)

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	For the three months ended November 30,	
	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net loss for the period	\$ (162,278)	\$ (11,516)
	(162,278)	(11,516)
Change in cash on working capital items:		
Prepaid expenses	(98,809)	-
Goods and services tax receivable	(9,773)	(545)
Accounts payable and accrued liabilities	(44,956)	7,542
Net cash used in operating activities	(315,816)	(4,519)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation assets	(163,566)	(10,000)
Cash assumed on acquisition of PureWave Colorado (Note 3)	3,219	-
Net cash used by investing activities	(160,347)	(10,000)
Effect of change in foreign currency	37,696	-
Change in cash, during the period	(438,467)	(14,519)
Cash, beginning of period	551,966	160,353
Cash, end of period	\$ 113,499	\$ 145,834
SUPPLEMENTAL CASH FLOW INFORMATION		
For the three months ended November 30, 2024		
Accounts payable and accrued liabilities related to exploration and evaluation assets	7,340	-
Shares issued for exploration and evaluation assets	1,575,938	-

The accompanying notes are integral to these condensed interim consolidated financial statements.

PUREWAVE HYDROGEN CORP.

(formerly Longhorn Exploration Corp.)

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2024**

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS

PurWave Hydrogen Corp. (formerly Longhorn Exploration Corp.) (the “Company”) was incorporated under the Business Corporations Act (British Columbia) on April 27, 2021, and is primarily engaging in mineral and natural hydrogen exploration activities in British Columbia, Canada, and Kansas, USA. On May 9, 2022, the Company completed its initial public offering (“IPO”) and then commenced trading on the TSX Venture Exchange (“TSXV”) on May 12, 2022 under the trading symbol “LEX”. The head office and the principal address of the Company are located at 228 – 1122 Mainland Street, Vancouver, BC V6B 5L1, Canada.

On November 4, 2024, the Company completed the acquisition (“the Acquisition”) of PureWave Hydrogen Corp (“PureWave Colorado”) through the acquisition of 17,200,000 common shares of PureWave Colorado. As consideration for the Acquisition, the Company also issued 17,200,000 of its common shares to the previous owners of PureWave Colorado and immediately following the closing of the Acquisition, all the issued and outstanding shares of PureWave Colorado are owned and controlled by the Company, and PureWave Colorado became a wholly owned subsidiary. Following the Acquisition, the Company changed its name from Longhorn Exploration Corp (“Longhorn”) to PureWave Hydrogen Corp.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at November 30, 2024, the Company had an accumulated deficit of \$628,687 (August 31, 2024 - \$466,409 deficit), working capital of \$93,173 (August 31, 2024 - \$516,049), had not advanced its resource properties to commercial production, and is not able to finance day to day activities through operations. The Company’s continuation as a going concern is dependent upon the successful exercise of its resource property option agreement, results from its resource property exploration activities and its ability to attain profitable operations and generate funds from and/or raise equity capital or borrowings sufficient to meet current and future obligations and ongoing operating losses. These uncertainties may cast a significant doubt on the ability of the Company to continue operations as a going concern. Management intends to finance operating costs over the next twelve months with current working capital, loans from directors and companies controlled by directors and/or additional private placement of common shares. These financial statements do not include any adjustments that might result from this uncertainty. Such adjustments could be material.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events pose potential economic global challenges such as the risk of higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

2. BASIS OF PRESENTATION**(a) Statement of Compliance**

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with IAS 34 “Interim Financial Reporting”, as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB have been condensed or omitted and these unaudited condensed interim consolidated financial statements should be read in conjunction with the Company’s audited financial statements for the year ended August 31, 2024.

PUREWAVE HYDROGEN CORP.

(formerly Longhorn Exploration Corp.)

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2024**

(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (continued)**(a) Statement of Compliance (continued)**

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on January, 27, 2025.

(b) Basis of measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars which is the functional currency of the Company. All amounts are rounded to the nearest dollar. The condensed interim consolidated financial statements of the Company have been prepared on an accrual basis, except for cash flow information.

(c) Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its subsidiary. Subsidiaries are fully consolidated from the date the Company obtains control and continue to be consolidated until the date that control ceases. Control is achieved when the Company has the ability or right to cause variable returns from or is exposed to variable returns from its involvement with an entity and can affect those returns through its ability to direct the entity's activities. Details of controlled entities are as follows:

Entity	Country of Incorporation	Functional Currency	Percentage Owned
			November 30, 2024
PureWave Colorado	United States of America	United States Dollars	100%

(d) Material accounting policies

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at August 31, 2024. Other than the accounting policies included in this section, the accounting policies adopted are consistent with those of the previous financial year.

The preparation of the Company's condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Other than the judgements included in this section, the significant estimates and critical judgements applied in preparing these condensed interim financial statements were the same as those applied to the audited financial statements as at and for the year ended August 31, 2024.

PUREWAVE HYDROGEN CORP.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2024**

(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION (continued)**(e) Business combinations**

At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets, is acquired. More specifically, consideration is given to the extent to which significant processes are acquired.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized.

(f) Control

At the time of acquisition, the Company assesses whether it has control over the acquiree. Control exists when the Company has power over an entity, when the Company is exposed, or has rights, to variable returns from the entity and when the Company has the ability to affect those returns through its power over the entity. Where control exists, the Company consolidates the results of the acquired entity.

In the acquisition of PureWave Colorado, it was determined that control resides with PureWave Hydrogen Corp (formerly Longhorn) as PureWave Hydrogen Corp became the sole shareholder of the PureWave Colorado.

(g) Determination of functional currency

In accordance with IAS 21 "The Effects of Changes in Foreign Exchange Rates", management determined that the functional currency of PureWave Colorado as the United States dollar ("US dollar") as this is the currency of the primary economic environment of its operations.

3. ACQUISITION OF A SUBSIDIARY

On November 4, 2024, the Company completed the Acquisition of PureWave Colorado a Colorado incorporated company, that holds five (5) natural hydrogen lease agreements in Kansas, USA. The Company acquired PureWave Colorado to access to new and potentially valuable exploration assets. As consideration for the Acquisition, the Company issued 17,200,000 of its common shares "Consideration shares" to the previous owners of PureWave Colorado. The Consideration Shares are subject to a three-year escrow period.

Prior to the Acquisition on June 19, 2024, the Company and PureWave Colorado had entered into an option agreement whereby the Company was granted the exclusive right and option to acquire PureWave Colorado's rights and obligations under four lease agreements with private landowners in Kansas, USA. As part of the consideration the Company had issued 200,000 of its common shares to PureWave Colorado. Following the closing of the Acquisition, these common shares were cancelled.

Immediately following the closing of the Acquisition, all of the issued and outstanding shares of PureWave Colorado are owned and controlled by the Company, and PureWave Colorado became a wholly owned subsidiary. Following the Acquisition, the Company changed its name from Longhorn Exploration Corp ("Longhorn") to PureWave Hydrogen Corp.

PureWave Colorado does not meet the definition of a business as defined under IFRS 3 "Business Combinations". Hence, the Transaction was accounted for as an asset acquisition.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Expressed in Canadian Dollars)

3. ACQUISITION OF A SUBSIDIARY (continued)

The following table summarizes the estimated fair values of consideration paid which is the value of the net assets acquired, as at the acquisition date.

Consideration:		
Consideration shares net of discount	\$	1,558,384
Transaction costs		49,245
Total consideration	\$	1,607,629
Fair value of net assets acquired:		
Exploration and evaluation assets		1,788,040
Prepays		7,420
Cash and cash equivalents		3,219
Accounts payable and accrued liabilities		(191,050)
Total net assets	\$	1,607,629

The fair value of the consideration shares was determined using the share price on the issue date, which was adjusted by a discount of \$2,724,061 as a result of the shares having a hold period. The discount was estimated based on the Black-Scholes Option Pricing Model using the following weighted average assumptions: expected dividend yield – 0%, expected volatility – 152%, risk-free interest rate – 2.98% and an expected remaining life ranging from 0.5 to 3 years.

4. EXPLORATION AND EVALUATION ASSETS

Exploration and evaluation assets comprise the following accumulated expenditures:

	Lily Rock	Fame Property	Total
	\$	\$	\$
Balance at August 31, 2022 and 2023	-	449,286	449,286
Acquisition costs	77,555	435,000	512,555
Landman costs	33,918	-	33,918
Lease payments	498	-	498
Management and administration	66,201	-	66,201
Mapping, survey and reports	33,893	30,000	63,893
Balance at August 31, 2024	212,065	914,286	1,126,351
Acquisition costs (Refer to Note 3)	1,788,040	-	1,788,040
Landman costs	28,810	-	28,810
Lease payments	16,262	-	16,262
Management and administration	38,915	-	38,915
Mapping, survey and reports	74,008	13,792	87,800
Effect of movement in exchange rates	(45,120)	-	(45,120)
Balance at November 30, 2024	2,112,980	928,078	3,041,058

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Lily Rock Project

On April 30, 2024, the Company through its subsidiary PureWave Colorado was assigned four lease agreements from a private company owned by a director (the "Lease Agreements") which allow for prospecting, exploring, drilling and production of any substance including hydrogen gas from the underlying properties covering approximately 519.7 net acres (593.94 gross acres) of land located in the USA. The lease obligation is a one-time bonus payment of \$10 per gross acre.

On August 20, 2024, the Company also through PureWave Colorado was assigned an additional lease agreement from a private company owned by a director covering approximately 235.26 gross acres of land located in Kansas, USA. The lease obligation is a one-time bonus payment \$25 per gross acre. The additional lease agreement is for an initial term of five (5) years and will continue in force so long as drilling operations persist thereafter or if and for so long as there is production from the properties. The private landowners (lessors) are entitled to a 12.5% royalty from any production from the properties.

Fame Project

On May 10, 2021, (as amended February 14, 2022, April 28, 2022, November 14, 2023 and further amended on April 4, 2024), the Company entered into a purchase option agreement ("Option Agreement" or "Option") with Chris Dyakowski ("Optionor"), whereby the Company was granted exclusive rights to acquire 100% of the Optionor's 11 mining claims located in the Chilcotin, British Columbia, Canada.

In order to exercise the option, the Company must meet the following commitments:

- a. Pay to the Optionor an aggregate of \$175,000 as follows:
 - i. \$20,000 within 60 days after execution of the Option Agreement (paid);
 - ii. \$20,000 within 10 days of listing on a Canadian stock exchange (paid);
 - iii. \$10,000 on or before the 18-month anniversary of listing on a Canadian stock exchange (paid November 20, 2023); and
 - iv. \$125,000 on or before the 36-month anniversary of listing on a Canadian stock exchange.
- b. Issue to the Optionor an aggregate of 2,600,000 common shares of the Company as follows:
 - i. 400,000 shares within 10 days of listing on a Canadian stock exchange (issued);
 - ii. 200,000 shares on or before the 18-month anniversary of listing on a Canadian stock exchange (issued November 15, 2023);
 - iii. 1,000,000 shares on or before the 24-month anniversary of listing on a Canadian stock exchange (issued July 22, 2024); and
 - iv. 1,000,000 shares on or before the 36-month anniversary of listing on a Canadian stock exchange.
- c. Incur no less than \$1,200,000 of exploration expenditures as follows:
 - i. \$200,000 on or before the 12-month anniversary of listing on a Canadian stock exchange (incurred); and
 - ii. an additional \$1,000,000 on or before the 40-month anniversary of listing on a Canadian stock exchange.

If the Company exercises the Option and acquires 100% rights, title and interest in the claims, the Optionor will be entitled to 2.0% net smelter royalty (one-half of which may be repurchased for \$500,000).

PUREWAVE HYDROGEN CORP.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED NOVEMBER 30, 2024**

(Expressed in Canadian Dollars)

5. SHARE CAPITAL**Authorized:**

Unlimited number of fully paid Class A common shares without par value and with voting rights ("Common shares").

Unlimited number of Class B preferred shares (none outstanding). As at November 30, 2024, 16,340,000 common shares are held in escrow (August 31, 2024 - 555,000) with the remaining common shares to be released as per the following schedule:

Release date	Securities to be released	Percentage
November 5, 2024	860,000	5%
May 5, 2025	860,000	5%
November 5, 2025	1,720,000	10%
May 5, 2026	1,720,000	10%
November 5, 2026	2,580,000	15%
May 5, 2027	2,580,000	15%
November 5, 2027	6,880,000	40%
Total	17,200,000	100%

Issued:***For the three months ended November 30, 2024***

On November 4, 2024, the Company issued 17,200,000 shares in connection with the acquisition of PureWave Colorado at a value \$1,575,938.

During the three months ended November 30, 2024, 200,000 common shares that had been issued relating to the option agreement between the Company and PureWave Colorado (refer to Note 3). The common shares had a value of \$17,555.

For the three months ended November 30, 2023

On November 15, 2023, the Company issued 200,000 shares at a value of \$30,000 as part of the acquisition payments for the Fame project agreement (Note 4).

Warrants

A continuity schedule of warrants is as follows:

	Number of warrants	Weighted average exercise price (\$)
Warrants outstanding, August 31, 2023	219,855	0.20
Expired	(219,855)	0.20
Warrants outstanding, August 31, 2024 and November 30, 2024	-	-

PUREWAVE HYDROGEN CORP.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)**Options**

On April 5, 2024, shareholders of the Company approved the Incentive Stock Option Plan (the "Plan"). The shares issuable under the Plan are as follows:

- the term of any options granted may not exceed 10 years from the date of grant;
- the aggregate number of shares ("Optioned Shares") that may be issuable pursuant to options granted under the Plan will not exceed 10% of the number of issued shares of the Company at the time of the granting of options under the Plan;
- no more than 5% of the issued shares of the Company, calculated at the date the option is granted, may be granted to any one Optionee (as hereinafter defined) in any 12-month period;
- no more than 2% of the issued shares of the Company, calculated at the date the option is granted, may be granted to any one Consultant in any 12-month period; and
- no more than an aggregate of 2% of the issued shares of the Company, calculated at the date the option is granted, may be granted to all Employees and/or Consultants conducting "Investor Relations Activities" (as that term is defined in TSX Venture Exchange Policy 1.1) in any 12-month period.

On January 13, 2023, the Company granted 800,000 options to directors, officers and consultants of the Company. These options had a grant date fair value of \$98,000 calculated using the Black-Scholes model with the following inputs: i) exercise price: \$0.20; ii) share price: \$0.16; iii) term: 3 years; iv) volatility: 141% (based on a comparable company); v) discount rate: 3.28%. As at November 30, 2024, 800,000 options remained outstanding and exercisable, and the weighted average remaining contractual life of the options was 1.17 years.

6. RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. The Company has identified its directors and officers as its key management personnel.

	Three months ended November 30,	
	2024	2023
	\$	\$
Office and administrative	6,750	1,500
Professional fees	4,251	6,000
Total	\$ 11,001	\$7,500

As at November 30, 2024, \$Nil (August 31, 2024 - \$13,125) was owing to a private company owned by the previous Chief Financial Officer of the Company, for expenses incurred on behalf of the Company. Balances owed to related parties are unsecured, do not bear interest, and have no fixed terms of payments.

PUREWAVE HYDROGEN CORP.

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**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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6. RELATED PARTY TRANSACTIONS (continued)

In connection with the Acquisition (Note 3), the Company acquired 9,600,000 common shares of PureWave Colorado from two directors of the Company. These shares were valued at \$879,594 based on the valuation methodology outlined in note 3.

7. FINANCIAL AND CAPITAL RISK MANAGEMENT**Fair value**

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for assets or liabilities that are not based on observable market data.

The fair values of the Company's financial instruments are not materially different from their carrying values due to the short-term maturity nature of the financial instruments. Cash is measured using level 1 hierarchy.

Management of Industry and Financial Risk

The Company is engaged primarily in resource exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. The Company is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. The Company's cash is held in corporate bank accounts available on demand. The Company's accounts payable and accrued liabilities are due within 90 days of November 30, 2024. Liquidity risk has been assessed as being low. The Company is not exposed to significant liquidity risk. The following table outlines the undiscounted contractual maturities of the Company's financial liabilities at November 30, 2024:

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(Expressed in Canadian Dollars)

7. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

	November 30, 2024	August 31, 2024
	\$	\$
Financial assets at fair value through profit & loss ^(a)	113,499	551,966
Other financial liabilities ^(b)	190,650	42,912

(a) Comprises cash

(b) Comprises accounts payable and accrued liabilities

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency Risk

The Company is subject to normal market risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, the Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. The Company is not exposed to significant currency risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Price Risk

The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to raise financing due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. The Company is not exposed to significant price risk.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of components of shareholders' equity. There were no changes in the Company's approach to capital management during the year. The Company is actively looking to acquire an interest in a business or assets, and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavors and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company is not subject to any externally imposed capital requirements.

8. SEGMENTED INFORMATION

As at November 30, 2024, the Company operates in one business segment being the exploration and development of resource properties. The total assets attributable to the geographical locations relate solely to exploration and evaluation assets that are located in North America. Long-term assets by geographic segment, at cost, are as follows:

PUREWAVE HYDROGEN CORP.

(formerly Longhorn Exploration Corp.)

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**FOR THE THREE MONTHS ENDED NOVEMBER 30, 2024**

(Expressed in Canadian Dollars)

8. SEGMENTED INFORMATION (continued)

	Canada	USA	Total
November 30, 2024			
Exploration and evaluation assets	\$ 928,078	\$2,112,980	\$3,041,058
November 30, 2023			
Exploration and evaluation assets	\$1,126,351	\$ -	\$1,126,351