

VORTEX ENERGY CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024

(In Canadian dollars, unless noted)
(Unaudited)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of Vortex Energy Corp. (the "Company") have been prepared by and are the responsibility of management. These condensed consolidated interim financial statements for the three and six months ended December 31, 2025, have not been reviewed or audited by the Company's independent auditors. All amounts are stated in Canadian Dollars unless otherwise stated.

VORTEX ENERGY CORP.

Condensed Consolidated Interim Statements of Financial Position

As at December 31, 2025 and June 30, 2025

In Canadian Dollars, unless noted (unaudited)

As at	Notes	December 31, 2025	June 30, 2025
		\$	\$
ASSETS			
Cash		918,519	1,411,797
Accounts receivable		49,838	23,113
Prepaid expenses	4	3,952	292,131
TOTAL CURRENT ASSETS		972,309	1,727,041
Exploration and evaluation assets	5	10,043,453	9,978,399
TOTAL ASSETS		11,015,762	11,705,440
LIABILITIES			
Accounts payable and accrued liabilities	8	92,763	181,727
TOTAL LIABILITIES		92,763	181,727
SHAREHOLDERS' EQUITY			
Share capital	7	22,113,075	20,848,434
Reserves	7	2,163,742	2,972,014
Deficit		(13,353,818)	(12,296,735)
TOTAL SHAREHOLDERS' EQUITY		10,922,999	11,523,713
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		11,015,762	11,705,440

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

Going concern (Note 2)

Approved on behalf of the Board of Directors:

"Paul Sparkes" Director

"Eli Dusenbury" Director

VORTEX ENERGY CORP.

Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss

For the Three and Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

For the Three and Six Months Ended,	Notes	Three Months Ended		Six Months Ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		\$	\$	\$	\$
OPERATING EXPENSES					
Advertising and marketing		8,863	21,928	700,025	39,791
Amortization	6	-	-	-	14,160
Consulting fees		39,000	39,000	78,000	88,000
Filing fees		39,983	43,202	50,928	50,575
Management fees	8	90,000	90,000	180,000	180,000
Office and miscellaneous		7,141	(1,552)	17,237	(9,885)
Professional fees		17,070	12,036	30,893	61,370
Share-based compensation	7	-	10,763	-	150,722
TOTAL OPERATING EXPENSES		(202,057)	(215,377)	(1,057,083)	(574,733)
NET AND COMPREHENSIVE LOSS		(202,057)	(215,377)	(1,057,083)	(574,733)
Loss per share, basic and diluted		(0.01)	(0.03)	(0.07)	(0.07)
Weighted average number of common shares outstanding – Basic and diluted		14,983,117	8,248,650	14,581,133	8,197,867

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

VORTEX ENERGY CORP.

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity

For the Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

	Notes	Common Shares	Share Capital	Reserves	Deficit	Total Equity
		(#)	\$	\$	\$	\$
Balances, June 30, 2024		8,147,053	18,808,002	2,572,739	(10,519,531)	10,861,210
Shares issued – Fire Eye	7	50,000	50,000	-	-	50,000
Exercise of restricted share units	7	69,000	318,800	(318,800)	-	-
Share-based compensation	7	-	-	150,722	-	150,722
Loss and comprehensive loss for the period		-	-	-	(574,733)	(574,733)
Balances, December 31, 2024		8,266,053	19,176,802	2,404,661	(11,094,264)	10,487,199
Balances, June 30, 2025		13,361,127	20,848,434	2,972,014	(12,296,735)	11,523,713
Exercise of restricted share units	7	585,625	797,875	(797,875)	-	-
Exercise of options	7	25,625	10,397	(10,397)	-	-
Exercise of warrants	7	1,061,324	456,369	-	-	456,369
Loss and comprehensive loss for the period		-	-	-	(1,057,083)	(1,057,083)
Balances, December 31, 2025		15,033,701	22,113,075	2,163,742	(13,353,818)	10,922,999

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

VORTEX ENERGY CORP.

Condensed Consolidated Interim Statements of Cash Flows

For the Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

	December 31, 2025	December 31, 2024
OPERATING ACTIVITIES		
Net loss	(1,057,083)	(574,733)
Amortization (Note 6)	-	14,160
Share-based compensation (Note 7)	-	150,722
Changes in non-cash working capital items:		
Accounts receivable	(26,725)	14,902
Prepaid expenses (Note 4)	288,179	7,000
Accounts payable and accrued liabilities	(88,964)	(731,269)
Cash used in operating activities	(884,593)	(1,119,217)
INVESTING ACTIVITIES		
Exploration and evaluation assets (Note 5)	(65,054)	(857,354)
Cash used in investing activities	(65,054)	(857,354)
FINANCING ACTIVITIES		
Proceeds from warrant exercises (Note 7)	456,369	-
Cash received from financing activities	456,369	-
Net change in cash	(493,278)	(1,976,571)
Cash, beginning of period	1,411,797	3,183,968
Cash, end of period	918,519	1,207,397

Supplemental cash flow information – Note 11

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

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Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

1. NATURE OF OPERATIONS

a. Corporate information

Vortex Energy Corp. (the "Company") was incorporated under the laws of British Columbia on July 13, 2021.

The Company's registered office and principal place of business is 1930 – 1177 West Hastings Street, British Columbia V6C 4T5.

The Company was incorporated with the intention of pursuing a strategic acquisition in the green energy and/or mineral exploration sector. On December 28, 2022, the Company's common shares were approved for listing and trading on the Canadian Securities Exchange, under the symbol "VRTX".

These condensed consolidated interim financial statements were approved for issuance by the Board of Directors on February 27, 2026.

2. GOING CONCERN

The Company has incurred losses since inception and has no current source of operating revenue and is accordingly dependent upon the receipt of equity and/or related party debt financing on terms which are acceptable.

These condensed consolidated interim 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. The Company does not generate cash flow from operations to fund its exploration activities and has therefore relied upon the issuance of securities for financing. The Company intends to continue relying upon the issuance of securities to finance its future operations and exploration activities to the extent such instruments are issuable under terms acceptable to the Company. While the Company has been successful in raising funds in the past, it is uncertain whether it will be able to raise sufficient funds in the future.

These conditions create a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. If the Company is unable to secure additional financing, repay liabilities as they come due, negotiate suitable joint venture agreements, and/or continue as a going concern, then material adjustments may be required to the carrying value of assets and liabilities and the consolidated statement of financial position classifications used. These condensed consolidated interim financial statements do not include any adjustments that may arise should the Company be unable to continue as a going concern. These adjustments could be material.

3. BASIS OF PRESENTATION

a) Basis of preparation

These condensed consolidated interim financial statements have been prepared using International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using accounting policies consistent with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee. These financial statements are condensed as they do not include all of the information required by IFRS for annual financial statements and therefore should be read in conjunction with the Company's audited consolidated financial statements for the year ended June 30, 2025.

In these condensed consolidated interim financial statements, unless otherwise indicated, all amounts are expressed in Canadian dollars, which is the Company's and its subsidiaries' functional and presentation currency.

b) Basis of consolidation

These condensed consolidated interim financial statements include the operations of the Company and its wholly owned subsidiaries as follows:

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- Blue Ocean Salt Corp. incorporated in British Columbia, Canada
- VRTX Energy (Alberta) Corp. incorporated in Alberta, Canada

Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. All significant intercompany transactions and balances have been eliminated.

c) Foreign currencies

Items included in the condensed financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates and then translated into the functional currency.

Monetary assets and liabilities are translated into Canadian dollars using the exchange rate in effect at the date of the statement of financial position.

Non-monetary assets and liabilities that are measured at historical cost are translated into Canadian dollars using the exchange rate in effect at the date of the initial transaction and are not subsequently restated. Non-monetary assets and liabilities that are measured at fair value or a revalued amount are translated into Canadian dollars by using the exchange rate in effect at the date the value is determined, and the related translation differences are recognized in profit or loss, or other comprehensive loss, consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

d) Significant accounting judgements and estimates

The timely preparation of these condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of assets, liabilities and expenses, and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis.

As at December 31, 2025, the Company has identified the following as material estimates:

i. Share-based compensation

Management determines fair value for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgement used in applying valuation techniques. These assumptions and judgements include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Similar calculations are made to value warrants. Such judgements and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

In the preparation of these condensed consolidated interim financial statements, management has made judgements, aside from those that involve estimates, in the process of applying the accounting policies.

The following critical judgements can have an effect on the amounts recognized in the condensed consolidated interim financial statements:

i. Impairment of exploration and evaluation assets

The Company is required to make certain judgements in assessing indicators of impairment of exploration and evaluation assets. Judgement is required to determine if the right to explore will expire in the near future or is not expected to be renewed. Judgement is required to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted.

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Judgement is required to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and the Company will discontinue such activities. Judgement is required to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

e. Upcoming accounting standards and interpretations

The following are the standards, amendments, and interpretations that the Company expects may be applicable at a future date and, if so, intends to adopt when they become effective. Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

Presentation and Disclosure in Financial Statements (IFRS 18)

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in the Financial Statements*. IFRS 18 will replace IAS 1 Presentation of Financial Statements but carries forward many of the requirements from IAS 1. The standard introduces new defined subtotals to be presented in the Company's consolidated statement of net loss and comprehensive loss, disclosure of any management-defined performance measures related to the consolidated statement of net loss and comprehensive loss and requirements for grouping of information. IFRS 18 is effective for annual periods beginning on or after January 1, 2027, with earlier adoption permitted, and will apply retrospectively.

The Company is currently in the process of assessing the impact of IFRS 18 (and applicable amendments to other standards) on the consolidated financial statements and notes to the consolidated financial statements.

Classification and Measurement of Financial Instruments (Amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures)

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments*. The amendments clarify that a financial liability is derecognized on the settlement date and introduce an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date. Other clarifications include guidance on the classification of financial assets with ESG-linked features, nonrecourse loans and contractually linked instruments.

The amendments are effective for annual periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments to the classification of financial assets (for contingent features).

The Company is currently in the process of assessing the impact of the amendments on the consolidated financial statements and notes to the consolidated financial statements.

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4. PREPAID EXPENSES

As at December 31, 2025 and June 30, 2025, the Company's prepaid expenses were as follows:

	December 31, 2025	June 30, 2025
	\$	\$
Marketing and advertising	-	269,364
Insurance	1,942	7,767
Legal	2,010	15,000
Balance	3,952	292,131

5. EXPLORATION AND EVALUATION ASSETS

As at December 31, 2025 and June 30, 2025, the Company's exploration and evaluation assets were as follows:

	Robinsons Property	Fire Eye Property	Total
	\$	\$	\$
Balance, June 30, 2024	8,294,100	278,500	8,572,600
Option agreement – share issuance	-	56,000	56,000
Expenditures	1,166,324	183,475	1,349,799
Balance, June 30, 2025	9,460,424	517,975	9,978,399
Expenditures	65,054	-	65,054
Balance, December 31, 2025	9,525,478	517,975	10,043,453

The following table summarizes the Company's exploration and evaluation expenses by property and type of expense for the six months ended December 31, 2025 and 2024:

December 31, 2025	Robinsons Property	Fire Eye Property	Total
	\$	\$	\$
Geophysics	65,054	-	65,054
Balance, December 31, 2025	65,054	-	65,054

December 31, 2024	Robinsons Property	Fire Eye Property	Total
	\$	\$	\$
Geophysics	91,300	87,995	179,295
Drilling	785,159	-	785,159
Reporting and administration	42,900	-	42,900
Balance, December 31, 2024	919,359	87,995	1,007,354

a) Robinsons River Salt Property

On April 3, 2023, the Company completed the acquisition of 100% of the issued and outstanding share capital of Blue Ocean Salt Corp. ("BOSC") in consideration for an aggregate of 2,060,000 common shares in the capital of the Company (the "Acquisition"). BOSC owns 100% interest in and to the Robinsons River Salt Property ("Robinson Property") located in the Bay St. George region of southwestern Newfoundland consisting of four contiguous mineral licenses and is comprised of 687 claims covering 17,139 hectares.

On August 1, 2023, the Company completed the acquisition of additional mineral licenses contiguous to the northern border of its Robinson Property, in Newfoundland and Labrador from Galloper Gold Corp. ("Galloper").

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The Company paid \$162,800 in cash and issued 75,000 common shares fair valued at \$1,207,500 of the Company to Galloper in connection with the closing of the acquisition.

In addition, subject to the terms of the property purchase agreement with respect to the acquisition, the Company has agreed to:

- (i) issue an additional 1,000,000 common shares to Galloper in the event that the Company completes a drill hole on the acquired mineral license which intersects a core length of at least 300 meters with an average grade of at least 90% Sodium Chloride and;
- (ii) issue an additional 3,000,000 common shares of the Company and pay an additional \$1,000,000 to Galloper if the Company utilizes, on a commercial basis, any salt caverns on the acquired mineral license for underground energy storage.

For the six months ended December 31, 2025, the Company has capitalized \$65,054 (2024 - \$919,359) in costs related to the exploration and evaluation of the Robinson Property, which entirely relate to geophysics, geological work and drilling activities performed on the property.

b) Fire Eye Property

On March 10, 2022 (the “effective date”), the Company entered into a property option agreement for the option to purchase the mineral property referred to as the Fire Eye Property located in Saskatchewan, Canada, upon satisfaction of each of the following obligations:

- i. Total cash consideration of \$230,000 to be paid as follows:
 - a. \$75,000 within five calendar days of the effective date (paid);
 - b. \$75,000 on or before 10 calendar days after the seller (or “Optionor”) has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (paid);
 - c. \$30,000 on or before March 10, 2023; (paid August 2023)
 - d. \$50,000 on or before March 10, 2024 (later amended, see below).
- ii. Issuing the Optionor an aggregate of 40,000 common shares, as follows:
 - a. 10,000 common shares on or before 10 calendar days after the Optionor has delivered a technical report for the property which complies with the requirements of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (issued);
 - b. 15,000 common shares on or before one calendar year after the Listing Date (December 28, 2023) (issued); and
 - c. 15,000 common shares on or before two calendar years after the Listing Date (December 28, 2024) (issued January 14, 2025).
- iii. Incurring an aggregate expenditure amount of \$360,000 on the property, as follows (the below was amended, as mentioned in the paragraph below):
 - a. \$110,000 of expenditures on or before one calendar year after the Listing Date (December 28, 2023) (amended); and
 - b. \$250,000 of expenditures on or before one calendar year after the Listing Date (December 28, 2024) (amended).

On October 1, 2024, the property option agreement was amended to adjust the aggregate expenditure amount of \$360,000 on the property, as follows:

- a. \$110,000 of expenditures on or before three calendar years after the Effective Date (March 10, 2025) (met); and
- b. \$250,000 of expenditures on or before four calendar years after the Effective Date (March 10, 2026).

On October 1, 2024, the optionor agreed to receive a number of Company shares equivalent to \$50,000, in lieu of a cash payment. (issued)

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Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

For the six months ended December 31, 2025, the Company has capitalized \$nil (2024 - \$87,995) in costs related to the exploration and evaluation of the Fire Eye Property.

6. INTANGIBLE ASSETS

As a result of the Acquisition of BOSC, the Company acquired a licensing agreement with AmmPower Corp. ("AmmPower"). The license is for North America, the United Kingdom and the European Union to buy, use, sell, modify, create derivative works of, distribute and sublicense membrane separator technology for the efficient purification of hydrogen from ammonia.

The license is for an initial term of two years and could be extended for another eighteen years (for a total of 20 years).

The licencing fees were as follows:

- the Company has committed to deliver, or cause the delivery, to AmmPower on or before the expiration of the initial term of August 10, 2024, 69,000 common shares in the capital of the Company, such common shares being subject to a two (2) year voluntary resale restriction period, such that the common shares shall be released as follows: (i) one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is six (6) months following delivery; (ii) one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is twelve (12) months following delivery; (iii) one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is eighteen (18) months following delivery; and (iv) the remaining one-fourth (1/4) of the common shares shall be released from voluntary restriction on the date that is twenty-four (24) months following delivery.

On August 10, 2024, the Company opted to not renew the license and did not issue the common shares required by the licensing fee above. In lieu of the common share issuance, the Company paid \$15,000 to AmmPower, which was recognized in office and miscellaneous expenses on the consolidated statement of net loss and comprehensive loss. Subsequently, the license was terminated.

During the six months ended December 31, 2025, the Company recognized \$nil related to the amortization of the licensing agreement (2024 – \$14,160). The carrying amount at December 31, 2025 was \$nil (2024 – \$nil).

7. EQUITY

a) Authorized Share Capital

Unlimited number of common shares without par value.

The Company has established an equity incentive plan (the "Plan") dated August 8, 2022, contemplating the grant of equity-based incentive awards, in the form of options, restricted share units ("RSUs") to employees, officers, directors and consultants of the Company.

The Plan is a 20% rolling plan, pursuant to which share awards may be granted by the Company not exceeding 20% of the issued and outstanding common shares at the time of grant.

b) Issued Share Capital

Six months ended December 31, 2025

During the six months ended December 31, 2025, the Company issued 585,625 common shares fair valued at \$797,875 resulting from the exercise of restricted share units. The Company also issued 1,061,324 common shares for total gross proceeds of \$456,369 resulting from warrant exercises, as well as 25,625 common shares related to option exercises.

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Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

Year ended June 30, 2025

On June 12, 2025, the Company issued an aggregate of 1,061,324 units of the Company at a conversion price of \$0.39 per unit. Each unit comprised of one share of the Company and one common share purchase warrant, entitling holders to acquire one common share at an exercise price of \$0.43 for a period of 24 months following the date of issuance.

On May 22, 2025, the Company closed a non-brokered private placement of 4,000,000 common shares fair valued at \$0.25 per common share for aggregate gross proceeds of \$1,000,000.

On January 14, 2025, the Company issued 15,000 common shares fair valued at \$6,000 in relation to the Fire Eye property option agreement (Note 5b).

On October 16, 2024, the Company issued 50,000 common shares fair valued at \$50,000 in relation to the Fire Eye property option agreement (Note 5b).

During the year ended June 30, 2025, the Company issued 87,750 common shares fair valued at \$547,551 resulting from the exercise of restricted share units.

c) Escrowed shares

As of December 31, 2025, included in shares outstanding, there were nil (June 30, 2025 – 347,272) common shares escrowed in connection with the listing on the Canadian Securities Exchange.

d) Options

A summary of the Company's options as at December 31, 2025 and June 30, 2025, is as follows:

	December 31, 2025	June 30, 2025
Opening balance	695,000	250,000
Granted	-	500,000
Exercised	(50,000)	-
Expired	-	(55,000)
Closing balance	645,000	695,000

A further breakdown of the options outstanding as of December 31, 2025 are as follows:

	Issued	Exercised	Forfeited	Remaining	Exercisable	Exercise Price	Expiry Date	Remaining Life
Granted – March 17, 2023	100,000	-	-	100,000	100,000	\$2.25	March 17, 2026	0.21
Granted – April 26, 2023	60,000	-	-	60,000	60,000	\$6.50	April 26, 2026	0.32
Granted – June 13, 2023	35,000	-	-	35,000	35,000	\$9.80	June 13, 2026	0.45
Granted – June 4, 2025	500,000	(50,000)	-	450,000	450,000	\$0.39		1.42
Balance, December 31, 2025	695,000	-	-	695,000	695,000	\$1.66		1.10

During the six months ended December 31, 2025, the Company recognized \$nil in share-based compensation in connection with the granting and vesting of options (2024 – \$44,617).

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Notes to the Condensed Consolidated Interim Financial Statements

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e) Restricted Share Units

A summary of the Company's restricted share units ("RSUs") as at December 31, 2025 and June 30, 2025 is as follows:

	December 31, 2025	June 30, 2025
Opening balance	1,598,125	226,875
Granted	-	1,475,000
Exercised	(585,625)	(87,750)
Cancelled	-	(16,000)
Closing balance	1,012,500	1,598,125

A further breakdown of the RSUs outstanding as at December 31, 2025 are as follows:

	Issued	Exercised	Cancelled	Remaining	Exercisable
Granted - December 28, 2022	170,000	(165,000)	-	5,000	5,000
Granted - September 1, 2023	167,500	(125,250)	(34,750)	7,500	7,500
Granted - June 4, 2025	1,475,000	(475,000)	-	1,000,000	1,000,000
Balance, December 31, 2025	2,135,000	(612,750)	(34,750)	1,012,500	1,012,500

During the six months ended December 31, 2025, the Company had a total of 585,625 RSUs exercised. The weighted average share price at the time of exercises was \$1.36 per share.

During the six months ended December 31, 2025, the Company recognized \$nil in share-based compensation expense related to the granting and vesting of RSUs (2024 – \$106,105). As the RSUs are equity settled, a corresponding amount was credited to reserves.

f) Warrants

A summary of the Company's common share purchase warrants as at December 31, 2025 and June 30, 2025 is as follows:

	December 31, 2025	June 30, 2025
Opening balance	2,256,751	1,949,137
Granted	-	1,061,324
Exercised	(1,061,324)	-
Expired	(810,052)	(753,710)
Closing balance	385,375	2,256,751

A further breakdown of the warrants outstanding as of December 31, 2025 are as follows:

	Issued	Exercised	Expired	Remaining	Exercise Price	Expiry Date	Remaining Life
Granted – January 9, 2024	375,000	-	-	375,000	\$5.00	January 9, 2026	0.02
Granted – March 25, 2024	10,375	-	-	10,375	\$4.00	March 25, 2026	0.23
Balance, December 31, 2025	385,375	-	-	385,375	\$2.21		0.03

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8. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company. The Company has determined that key management personnel consists of the directors and corporate officers.

The aggregate value of transactions relating to key management personnel during the six months ended December 31, 2025 were as follows:

Equity incentives granted and fees paid to the following for the services rendered	Equity Incentive Fair Value	Fees
	\$	\$
The CEO and Director pursuant to officer services provided	-	90,000
The CFO pursuant to officer services provided	-	60,000
A Director of the Company pursuant to director services provided	-	15,000
A Director of the Company pursuant to director services provided	-	15,000
Total	-	180,000

For the six months ended December 31, 2024, the Company incurred \$180,000 in management fees for CEO, CFO, and director services provided included in "Management Fees" and \$37,933 in share-based compensation.

At December 31, 2025, \$23,625 (June 30, 2025 - \$33,503) due to companies controlled by the corporate officers and directors of the Company is included in accounts payable and accrued liabilities. The amounts payable are non-interest bearing, is unsecured, and have no specific terms of repayment.

9. MANAGEMENT OF CAPITAL

The Company defines the capital that it manages as its shareholders' equity, which was \$10,922,999 at December 31, 2025 (June 30, 2025 - \$11,523,713).

The Company's objective when managing capital is to maintain corporate and administrative functions necessary to support the Company's operations.

The Company manages its capital structure in a manner that provides sufficient funding for operational and capital expenditure activities. Funds are intended to be secured, when necessary, through debt funding or equity capital raised by means of private placements. There can be no assurances that the Company will be able to obtain debt or equity capital in the case of working capital deficits. The Company does not pay dividends and has no long-term debt or bank credit facility. The Company is not subject to externally imposed capital requirements. There has been no change to management's approach during the year to date.

10. RISK MANAGEMENT

a) Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below. The Company has not changed its risk management processes from the prior year.

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Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

(i) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Management's assessment of the Company's exposure to credit risk on its \$918,519 in cash (June 30, 2025 - \$1,411,797) is low as the Company's cash is held with major Canadian financial institutions.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. As at December 31, 2025, the Company's working capital surplus is \$879,546 (June 30, 2025 - \$1,545,314) and it does not have any long-term monetary liabilities.

The Company may seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2025, the Company had cash of \$918,519 and total liabilities of \$92,763.

(iii) 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 currency risk, interest rate risk and other price risk.

Management believes the Company is not exposed to significant currency risk, interest rate risk or to other price risk.

b) Fair values

The carrying values of accounts payable and accrued liabilities approximate their fair values due to their short-term to maturity.

Financial instruments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are not observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company's cash is considered to be Level 1 within the fair value hierarchy.

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For the Three and Six Months Ended December 31, 2025 and 2024

In Canadian Dollars, unless noted (unaudited)

11. SUPPLEMENTAL CASH FLOW INFORMATION

The Company incurred the following non-cash transactions relating to investing and financing activities. These were excluded from the statement of cash flows:

For the Six Months Ended	December 31, 2025	December 31, 2024
	\$	\$
Accounts payable for exploration and evaluation assets	-	838,272
Amortization of long-term prepaid expenses - drilling deposit	-	150,000
Shares issued in accordance with the Fire Eye property option agreement	-	50,000
Share issued upon conversion of restricted share units for \$nil proceeds	797,875	318,800
Shares issued upon conversion of share purchase options for \$nil proceeds	10,397	-
Interest received	11,559	30,165
Interest paid	1,162	-

No taxes were paid or received in cash during the six months ended December 31, 2025 (2024 - \$nil)