

SLEEPING GIANT CAPITAL CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025
AND 2024

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of Sleeping Giant Capital Corp. (“the Company“ or “Sleeping Giant”) have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company (the “Board”).

The Company’s independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by an entity’s auditors.

December 1st, 2025

STATEMENT OF FINANCIAL POSITION

Cdn\$

As at	Note	September 30, 2025	December 31, 2024
Assets			
Current			
Cash		18,959	104,777
Accounts receivable	9	55,025	33,133
Prepaid expenses and deposits		6,863	14,975
Total current assets		80,847	152,885
Property, plant and equipment	3	945,936	1,035,093
Total assets		1,026,783	1,187,978
Liabilities			
Current			
Accounts payable and accrued liabilities	9	113,313	66,591
Total current liabilities		113,313	66,591
Decommissioning provision	4	466,906	461,793
Total liabilities		580,219	528,384
Equity			
Share capital	5	1,192,714	1,192,714
Contributed surplus		172,761	172,761
Deficit		(918,911)	(705,881)
Total equity		446,564	659,594
Total liabilities and equity		1,026,783	1,187,978

See accompanying notes to the financial statements.

STATEMENT OF LOSS AND COMPREHENSIVE LOSS

Cdn\$, except per share amounts

For the Three and Nine Months Ended September 30,	Note	Three Months Ended		Nine Months Ended	
		2025	2024	2025	2024
Revenues and other income					
Oil and natural gas sales		70,882	68,967	237,728	94,961
Royalties		(9,043)	(2,910)	(26,286)	(6,826)
Oil and natural gas revenues		61,839	66,057	211,442	88,135
Other income		118	3,236	1,413	11,535
		61,957	69,293	212,855	99,670
Expenses					
Production and operating		55,950	48,799	184,423	61,467
Transportation and processing		4,372	165	11,605	679
General and administrative		24,748	36,351	91,819	77,425
Salaries		6,300	6,000	18,900	18,100
Finance costs	7	1,730	3,913	5,113	5,140
Stock based compensation	5	-	-	-	49,950
Depletion and depreciation	3	37,803	12,476	114,025	21,224
		130,903	107,704	425,885	233,985
Loss before income taxes		(68,946)	(38,411)	(213,030)	(134,315)
Net loss and comprehensive loss		(68,946)	(38,411)	(213,030)	(134,315)
Net loss per share – Basic and Diluted		(0.005)	(0.0025)	(0.017)	(0.0134)

See accompanying notes to the financial statements.

STATEMENT OF CHANGES IN EQUITY

Cdn\$

	Note	Share Capital	Contributed Surplus	Deficit	Total Equity
Balance, December 31, 2023		443,314	123,280	(239,330)	327,264
Equity issuance – acquisitions	3, 5	682,500	-	-	682,500
Equity issuance – private placement	5	66,900	-	-	66,900
Stock based compensation	5	-	49,481	-	49,481
Loss and comprehensive loss		-	-	(466,551)	(466,551)
Balance, December 31, 2024		1,192,714	172,761	(705,881)	659,594
Loss and comprehensive loss		-	-	(213,030)	(213,030)
Balance, September 30, 2025		1,192,714	172,761	(918,911)	446,564

See accompanying notes to the financial statements.

STATEMENT OF CASH FLOWS

Cdn\$

For the Three and Nine Months Ended September 30,	Note	Three Months Ended		Nine Months Ended	
		2025	2024	2025	2024
Cash flow from (used in) operating activities					
Net loss		(68,946)	(38,411)	(213,030)	(134,315)
Items not involving cash					
Accretion of decommissioning provision	7	1,730	3,913	5,113	5,140
Stock based compensation	5	-	-	-	49,950
Depletion, depreciation and amortization	3	37,803	12,476	114,025	21,224
Changes in non-cash working capital		(27,354)	67,003	8,074	59,284
		(56,767)	44,981	(85,818)	1,283
Cash flow from (used in) financing activities					
Issuance of common shares	5	-	-	-	66,900
		-	-	-	66,900
Cash flow from (used in) investing activities					
Asset acquisition	3	-	-	-	(77,455)
Property, plant, and equipment additions	3	(24,869)	(88,776)	(24,869)	(88,776)
Changes in non-cash working capital		24,869	-	24,869	35,953
		-	(88,776)	-	(130,278)
Change in cash		(56,797)	(43,795)	(85,818)	(62,095)
Cash, beginning of period		75,756	329,428	104,777	347,728
Cash, end of period		18,959	285,633	18,959	285,633

See accompanying notes to the financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

1. DESCRIPTION OF BUSINESS

Sleeping Giant Capital Corp (“Sleeping Giant” or “the Company”) is incorporated under the Business Corporations Act (Alberta) and is listed as a Tier 2 Oil and Gas issuer on the TSXV. On May 31, 2024, Sleeping Giant, then classified as a Capital Pool Company as defined in Policy 2.4 of the TSX Venture Exchange (the “Exchange”), completed a qualifying transaction with Harvard Energy Partnership (“Harvard”), whereby Sleeping Giant acquired non-operated working interests in certain oil and gas assets in the Gilby, Niton, Rosebud, Prevo, and Sylvan Lake regions (“the Harvard Acquisition”) on June 1, 2024. These financial statements reflect the historical financial information of Sleeping Giant and also reflects the financial results of the assets acquired through the Harvard Acquisition.

Sleeping Giant’s common shares trade under the symbol “SSX” and is currently a listed oil & gas company seeking a management recapitalization or a reverse takeover transaction with an experienced management team. Sleeping Giant is controlled by insiders and one large shareholder (holding an aggregate of approximately 50% of Sleeping Giant’s shares).

More information regarding Sleeping Giant and its qualifying transaction can be found in Sleeping Giant’s Filing Statement dated May 28, 2024, which is available on Sleeping Giant’s SEDAR+ profile at www.sedarplus.ca.

The address of the Company’s registered office is 4200, Bankers Hall West, 888 - 3 St SW, Calgary, AB T2P 5C5.

2. BASIS OF PREPARATION

Preparation

These financial statements have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board (“IASB®”) as at and for the three and nine months ended September 30, 2025, including the 2024 comparative period.

On December 1, 2025 the Board of Directors of the Company approved and authorized for issue the condensed interim financial statements for the three and nine months ended September 30, 2025.

a) Basis of Measurement

The financial statements have been prepared on a historical cost basis, except for certain financial instruments and share-based payment transactions which are measured at fair value.

b) Functional and Presentation Currency

These financial statements are presented in Canadian dollars, which is the Company’s functional currency.

c) Future Accounting Pronouncements

IFRS 18 Presentation and Disclosure in Financial Statements

Effective January 1, 2027, IFRS 18 will replace IAS 1, carrying forward many of the requirements in IAS 1 unchanged and complementing them with new requirements. IFRS 18 will introduce new requirements to present specific categories and defined subtotals in the statement of profit and loss, provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation. The company is currently assessing the potential impact of this amendment on its financial statements.

Use of Judgments and Estimates

The timely preparation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB (“IFRS”) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue and expenses as well as the disclosure of contingent assets and liabilities as at the date of the statements of financial position. Actual results could differ materially from estimated amounts and affect the results reported in the financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised. Information about significant areas of estimation uncertainty in applying accounting principles that have the most significant effect on the amounts recognized in the financial statements are included in the notes.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

Judgments

Cash Generating Units

Cash generating units (“CGUs”) are defined as the lowest grouping of integrated assets that generate identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The determination of CGUs requires judgment in defining a group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. CGUs are determined by shared infrastructure, commodity type, and similar exposure to market risks and materiality.

Indicators of Impairment

At each reporting date, the Company is required to assess whether there are any internal or external indicators that its CGU may be impaired. Sleeping Giant is required to consider information from both external sources (such as negative downturn in forecasted oil and gas commodity prices, significant adverse changes in the technological, market, economic or legal environment in which the entity operates) and internal sources (such as downward revisions in the estimate of proved and probable oil and gas reserves and the related cash flows, significant adverse effect on the financial and operational performance of a CGU, evidence of obsolescence or physical damage to the asset). By their nature, these assumptions are subject to management’s judgment.

Estimates

Reserves

Oil and natural gas reserves are used in the calculation of depletion, impairment and impairment reversals and are depleted on a unit of production basis at a rate calculated by reference to proved and probable reserves determined in accordance with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities which incorporate the estimated future cost of developing and extracting those reserves. Reserve estimates and their resulting cash flows are based on engineering data, probability assessments of reserve recoveries, future prices and costs, future production rates, and the timing and extent of future capital expenditures, all of which are subject to uncertainties and interpretation. Management expects that over time its reserve estimates will be revised, either upward or downward, based on updated information such as the results of future drilling, production costs, testing and production levels and changes to forward petroleum and natural gas prices.

Impairment

The impairment calculation is based on significant assumptions of proved plus probable oil and natural gas reserves, production rates, benchmark commodity prices, future costs, discount rates and other relevant assumptions. By their nature, these assumptions are subject to measurement uncertainty and the impact on the financial statements of future periods could be material.

Decommissioning provision

Decommissioning provision is recognized when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of obligation can be made. A corresponding amount equivalent to the provision is also recognized as part of the cost of the related property, plant and equipment. The amount recognized is the estimated cost of decommissioning, inflated and then discounted to its present value using a risk-free rate. Changes in the estimated timing of decommissioning or decommissioning cost estimates are dealt with prospectively by recording an adjustment to the provision, and a corresponding adjustment to property, plant and equipment.

The decommissioning provision represents the present value of the decommissioning costs related to oil and natural gas properties, which are expected to be incurred over the economic life of the assets. The provisions have been based on the Company’s internal estimates on the cost of decommissioning, the discount rate, the inflation rate and the economic life of the infrastructure. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to take into account any material changes to the assumptions. However, actual decommissioning costs will ultimately depend upon the future market prices for the necessary decommissioning work required, which will reflect market conditions at the relevant time. Furthermore, the timing of the decommissioning is likely to depend on when production activities cease to be economically viable. This in turn will depend on and be directly related to the current and future commodity prices, which are inherently uncertain.

Share-based compensation

All equity-settled, share-based awards issued by the Company are recorded at fair value using the Black-Scholes option-pricing model. In assessing the fair value of equity-based compensation, estimates have to be made regarding the expected volatility in share price, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant date.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of contingencies inherently involves the exercise of significant judgement and estimates of the outcome of future events.

d) Material Accounting Policies

Joint Operations

Sleeping Giant conducts all of its oil and gas operations through jointly controlled operations and the financial statements reflect only the Company's proportionate interest in such activities. Contractual arrangements for the Company's jointly controlled operations govern that the partners have rights to the assets and obligations for the liabilities. It is possible that at some future date allocation adjustments to revenues and expenditures could result from revised billings, audit or litigation with these other participants.

Revenue recognition

The Company's revenues are primarily derived from its interests in the sale of oil and natural gas production. The Company recognizes revenue from its interests in the sales of crude oil and natural gas in the period that its performance obligations are satisfied. Performance obligations are satisfied when the customer obtains control of the product, when the Company has no further obligations to perform related to the sale, when the transaction price has been determined and when collectability is probable. The sales of oil and natural gas are made under contracts which the third-party operators of the wells have negotiated with customers, which typically include variable consideration that is based on pricing tied to local indices and volumes delivered in the current month. The Company receives payment from the sale of oil and natural gas production from one to three months after delivery. At the end of each month when the performance obligation is satisfied, the variable consideration can be reasonably estimated and amounts due from customers are accrued in trade receivables on the balance sheet.

The Company's oil is typically sold at delivery points under contract terms that are common in the industry. The Company's natural gas produced is delivered by the well operators to various purchasers at agreed upon delivery points under a limited number of contract types that are also common in the industry. The terms of these contracts compensate the well operators for the value of the oil and natural gas at specified prices, and then the well operators will remit payment to the Company for its share in the value of the oil and natural gas sold.

Property, plant, and equipment ("PP&E")

All PP&E are stated at cost, less accumulated depletion and depreciation and impairment. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the decommissioning provision and borrowing costs for qualifying assets. Subsequent costs incurred to the determination of technical feasibility and commercial viability are recognized as PP&E when they increase the future economic benefits in the specific asset to which they relate. Such capitalized developed and producing petroleum and natural gas interests generally represent costs incurred in developed proved and/or probable reserves and bringing in or enhancing production from such reserves. The cost of day-to-day servicing petroleum and natural gas properties and equipment is expensed as incurred.

The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. Costs include expenditures on the construction, installation or completion of infrastructure such as well sites, pipelines and facilities including activities such as drilling, completion and tie-in costs, equipment and installation costs, associated geological and human resource costs.

Depletion

Depletion of oil & natural gas reserves are based on estimates of proved producing reserves and the future development costs required to develop those reserves. By their nature, these estimates of reserves, including the estimates of future prices and production costs, required capital expenditures and the related future cash flows are subject to measurement uncertainty, and the impact in the financial statements of future periods could be material. The recoverability of oil and natural gas properties carrying values is assessed at the CGU level.

Impairment of PP&E

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of fair value less costs to sell or value-in-use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is assessed as part of a CGU. If the carrying amount of an

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a after-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into consideration, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded securities or other available fair value indicators.

Impairment charges of continuing operations are recognized in the income statement. An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment charges may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depletion, had no impairment charge been recognized for the asset in prior years.

Business combinations

Management's determination of whether a transaction constitutes a business combination or asset acquisition is determined based on the criteria in IFRS 3 Business Combinations ("IFRS 3").

Business combinations are accounted for using the acquisition method of accounting. Management makes estimates of the acquisition-date fair value of assets acquired and liabilities assumed which includes assessing the estimated fair value of oil and natural gas properties (included in PP&E) derived from estimated recoverable quantities of proved and probable oil and natural gas reserves and the related cash flows being acquired. Transaction costs incurred are expensed.

Management applies the optional concentration test under IFRS 3 and, where appropriate, will apply the asset acquisition accounting method of accounting for these transactions.

Impairment of financial assets

Impairment of financial assets is determined by measuring the assets expected credit loss ("ECL"). The ECL pertaining to accounts receivable is assessed at initial recognition and this provision is re-assessed at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash provided by operating activities of that asset. Financial assets are tested for impairment on an individual basis.

Impairment is recognized in the statements of loss and comprehensive loss. Impairment is reversed if there is an indicator that the impairment reversal can be related objectively to an event occurring after the impairment was recognized. For financial assets measured at amortized cost, the reversal is recognized in the statement of loss and comprehensive loss.

Stock-based compensation

In estimating the fair value of stock options and agents' options using the Black-Scholes option pricing model, the Company uses assumptions related to the risk-free interest rate, expected option life, estimated forfeitures, estimated market price of the Company's shares, and the estimated volatility of the Company's share price.

Decommissioning provision

The Company recognizes a decommissioning provision in the period in which it has a present legal or constructive liability and a reasonable estimate of the amount can be made. On a periodic basis, management reviews these estimates, and changes, if any, are prospectively applied. The decommissioning provision is recorded as a liability, with a corresponding increase to the carrying amount of the related asset. The capitalized amount is depleted on a unit-of-production basis over the life of the associated proved developed reserves. Periodic revisions to the liability specific discount rates, estimated timing of cash flows and/or to the original estimated undiscounted costs can also result in changes to the decommissioning provision. The decommissioning provision is increased each reporting period with the passage of time as an accretion of decommissioning provision expense is reported in finance expenses and changes in the estimated future cash flows are capitalized. Actual costs incurred upon settlement of the provision are recorded against the provision to the extent of the liability recorded and the remaining balance of the actual costs is recorded in the statements of loss and comprehensive loss.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

Net loss per share

Basic per share amounts are calculated by dividing the income attributable to holders of Common Shares by the weighted average number of Common Shares outstanding during the reporting period.

Diluted per share amounts are calculated similar to basic per share amounts except that the weighted average Common Shares outstanding are increased to include additional Common Shares from the assumed exercise of dilutive share options. The number of additional outstanding Common Shares is calculated by assuming that the outstanding in-the-money share options were exercised and that the proceeds from such exercises were used to acquire Common Shares at the average market price during the reporting period.

3. PROPERTY, PLANT AND EQUIPMENT

On May 31, 2024, the Company acquired non-operated working interests in certain oil and gas assets from Harvard for total net consideration of \$563,682. This amount was paid for through the issuance of 4,550,000 common shares of the Company and includes \$118,819 of net cash received due to purchase price adjustments from Harvard. In connection with the Transaction, the Company recognized \$448,611 in decommissioning obligations and recognized \$197,545 in listing expenses.

The Company applied the optional concentration test under IFRS 3, which resulted in the acquisition being accounted for as an asset acquisition.

Given that the properties acquired are in close proximity to each other, with similar working interests, cost structure and marketing arrangements, the Company has identified that the acquired assets are a single CGU.

At September 30, 2025, the Company evaluated its single CGU for indicators of impairment and determined that no indicators were present.

	Oil and natural gas properties	Total
Cost		
Balance, December 31, 2024	-	-
Acquisition	1,105,762	1,105,762
Additions	24,869	24,869
Change in asset retirement obligation	-	-
Balance, September 30, 2025	1,130,630	1,130,630
Accumulated Depletion and Depreciation		
Balance, December 31, 2024	70,669	70,669
Depletion and depreciation	114,025	114,025
Balance, September 30, 2025	184,694	184,694
Net book value, December 31, 2024	1,035,093	1,035,093
Net book value, September 30, 2025	945,936	945,936

4. DECOMMISSIONING PROVISION

As at	September 30, 2025	December 31, 2024
Balance, beginning of period	461,793	-
Acquisition	-	448,611
Change in estimates	-	8,934
Accretion	5,113	4,248
Balance, end of period	466,906	461,793
Current portion	-	-
Long-term portion	466,906	461,793

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

As at September 30, 2025, the uninflated and undiscounted estimated cash flows required to settle the obligation were \$794,572 (2024 – \$838,270), which have been inflated at a rate of 1.82% (2024 – 1.80%) and discounted using the Bank of Canada’s long-term bond rate of 3.33% (2024 – 3.39%). The expected timing of payment of the cash flows required for settling the obligations are substantially expected to be incurred between 2026 and 2073.

5. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares and unlimited number of preferred shares (issuable in series) and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. A summary of the issued and outstanding common shares is presented below:

Issued and outstanding share capital continuity	Common Shares (# Shares)	Share Capital (C\$)
Balance, December 31, 2024	12,795,999	1,192,714
Equity issuance – acquisitions	-	-
Equity issuance – private placement	-	-
Balance, September 30, 2025	12,795,999	1,192,714

On January 28, 2021, the directors, officers and other non-arm’s length parties of the Company subscribed for 2,800,000 common shares at a price of \$0.05 per common share for gross proceeds of \$140,000.

On June 15, 2021, the Company issued 5,000,000 common shares at \$0.10 per share for aggregate gross proceeds of \$500,000 pursuant to a prospectus dated May 20, 2021 (the “Offering”). The Company entered into an agreement with Richardson Wealth Limited (the “Agent”) to raise the gross proceeds of \$500,000 in connection with the Company’s IPO. The Company paid a commission of 10% of gross proceeds to the Agent amounting to \$50,000 and a corporate finance fee of \$15,000. In addition, the Agent was granted non-transferable options to purchase an aggregate of 500,000 Common Shares at \$0.10 per share, valid for five years following the closing of the Offering. The Company reimbursed the Agent for legal fees and other reasonable expenses incurred pursuant to the Offering, in respect of the Offering the Company incurred costs of \$13,753, in combination with the above costs for a total issuance cost of \$78,753.

On May 31, 2024, the Company issued 4,550,000 common shares to Harvard in connection with the Harvard Acquisition. The value of the share consideration in the in the purchase and sale agreement with Harvard was \$0.15 per share.

Concurrently with the Harvard Acquisition, the Company closed a non-brokered private placement of 445,999 common shares at \$0.15 per share, for total gross proceeds of \$66,900.

Stock options

The Company has established a stock option plan for its directors, officers and consultants under which the Company may grant options from time to time to acquire a maximum of 5% of the issued and outstanding common shares. The exercise price of each option granted under the plan shall be determined by the Board of Directors.

Options may be granted for a maximum term of ten years from the date of the grant. They are non-transferable and are exercisable as determined by the Directors when the option is granted. Options expire one year after the death of a director or officer and in the event of termination of employment or holding office as director or officer of the Company, subject to the expiry date of the option. The number of common shares issued to any individual director or senior officer in a 12-month period cannot exceed 5% of the issued and outstanding common shares, on a non-diluted basis, as at the date of grant of the stock option.

On June 15, 2021, the Company entered into stock option agreements, granting stock options to officers and directors to acquire up to an aggregate of 780,000 common shares of the Company, at an exercise price of \$0.10 per share any time prior to June 15, 2031.

On May 31, 2024 a total of 499,497 stock options were granted after the completion of the Harvard Acquisition.

No stock options were granted during the three and nine months ended September 30, 2025 (2024 – 499,497).

Agent options

On June 15, 2021, the Company granted stock options to the Agents in relation to the Offering. The options are equal to 10% of the aggregated number of common shares sold in the Offering at a price of \$0.10 per share expiring 5 years from the date of the grant. Not

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

more than 50% of the Common Shares received on the exercise of the agents' options may be sold prior to the completion of a qualifying transaction.

No additional agent options were granted during the three and nine months ended September 30, 2025 (2024 – Nil).

A summary of all outstanding stock options is as follows:

For the Three and Nine Months Ended September 30,	Three Months Ended				Nine Months Ended			
	2025		2024		2025		2024	
	# Options	Exercise Price	# Options	Exercise Price	# Options	Exercise Price	# Options	Exercise Price
Balance, beginning of period	1,779,597	\$0.12	1,280,000	\$0.10	1,779,597	\$0.12	1,280,000	\$0.10
Granted during the period	-	-	499,597	\$0.15	-	-	499,597	\$0.15
Balance, end of period	1,779,597	\$0.12	1,779,597	\$0.12	1,779,597	\$0.12	1,779,597	\$0.12

6. OIL AND NATURAL GAS SALES

For the Three and Nine Months Ended September 30,	Three Months Ended		Nine Months Ended	
	2025	2024	2025	2024
Oil	48,405	52,602	137,083	70,912
Natural gas	8,404	2,328	44,377	4,374
Natural gas liquids	14,073	14,037	56,268	19,675
Oil and natural gas sales¹	70,882	68,967	237,728	94,961

Note 1: Oil and natural gas sales for the three and nine months ended September 30, 2024 reflects the revenue from the Harvard Assets beginning on June 3, 2024.

7. FINANCE COSTS

For the Three and Nine Months Ended September 30,	Three Months Ended		Nine Months Ended	
	2025	2024	2025	2024
Accretion of decommissioning provision (note 4)	1,730	3,913	5,113	5,140
Finance costs	1,730	3,913	5,113	5,140

8. NET LOSS PER SHARE

In calculating the basic net loss per share for three and nine months ended September 30, 2025, the weighted average number of shares used in the calculation is shown in the table below:

For the Three and Nine Months Ended September 30,	Three Months Ended		Nine Months Ended	
	2025	2024	2025	2024
Net loss	(68,946)	(38,411)	(213,030)	(134,315)
Weighted average number of shares outstanding	12,795,999	12,795,999	12,795,999	9,996,044
Net loss per share	(0.005)	(0.003)	(0.017)	(0.013)

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

At September 30, 2025, the Company's financial instruments include accounts receivable, accounts payable and accrued liabilities.

The estimated fair values of the financial instruments have been determined based on the Company's assessment of available market

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

All amounts are expressed in Cdn\$ unless otherwise noted

information. The carrying value of the financial instruments approximates the fair value. These estimates may not necessarily be indicative of the amounts that could be realized or settled in a market transaction.

The Company's activities expose it to a variety of financial risks that arise as a result of its working interests in various oil and gas assets. These risks include market risk, credit risk, and liquidity risk.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This will arise principally from outstanding receivables related to oil and natural gas customers, counterparties related to its joint interest partners.

On entering into any business contract, the extent to which the arrangement exposes the Company to credit risk is considered. The Company's policy to mitigate credit risk associated with these balances is to establish relationships with reputable counterparties, review the financial capacity of its counterparties, and may request prepayment. Receivables from oil and natural gas sales are generally collected on or about the 25th day of the month following production. Joint operations receivables are typically collected within one to three months of the invoice being issued.

The Company's maximum exposure to credit risk as at September 30, 2025 is in respect of accounts receivable, net of expected credit losses provision. As at September 30, 2025, no account receivable balances were past due and are all of considered collectable (2024 - \$Nil).

Liquidity risk

Liquidity risk is the risk that Sleeping Giant will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk through actively managing its capital, which it defines as cash, debt and equity. Capital management strategies include continuously monitoring forecasted and actual cash provided by (used in) operating, financing and investing activities and opportunities to issue additional equity. Sleeping Giant actively monitors its credit and working capital to ensure that it has sufficient available funds to meet its financial requirements at a reasonable cost. Management believes that funds generated from these sources currently will be adequate to settle the Company's financial liabilities. After examining the economic factors that are causing the liquidity risk facing the Company, the judgment applied to these factors, and the various initiatives that the Company has and will undertake to strengthen its financial position, the Company believes it will have sufficient liquidity to support its ongoing operations and meet its financial obligations as they come due for at least the next twelve months. A significant decline in commodity prices would hamper the Company's ability to manage its working capital and potentially require the Company to seek other sources of funding. If required, Sleeping Giant will also consider short-term financing or issuing equity in order to meet its future liabilities. Any of these events could affect Sleeping Giant's ability to fund ongoing operations.

10. RELATED PARTY TRANSACTIONS

The Company engaged a law firm, of which an officer is a partner of, to provide legal and advisory services. An amount of \$5,138 for the nine months ended September 30, 2025 (2024 - \$113,187) related to these legal fees were incurred by the Company.

Key management personnel are those persons, including all directors and officers, having authority and responsibility for planning, directing and controlling the activities of the Company. Director and officer compensation total was \$18,900 for the nine months ended September 30, 2025 (2024 - \$18,100).

11. SUBSEQUENT EVENTS

On November 26, 2025, the Company announced a non-brokered private placement of up to 350 secured convertible debenture units at \$1,000 per unit for gross proceeds of up to \$350,000. Each unit consists of one \$1,000 principal amount 12% secured convertible debenture and 20,000 common share purchase warrants exercisable at \$0.05 per share for five years.

The debentures mature 12 months from issuance and are automatically convertible into common shares at \$0.05 per share upon maturity or immediately prior to a change of control or similar transaction. As of the date these financial statements were authorized for issue, the Company had received commitments for \$180,000 of the offering. The offering is expected to close on or about December 14, 2025, subject to regulatory approval.