
Penbar Capital Ltd.

**CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS**

THREE MONTHS ENDED SEPTEMBER 30, 2025 and 2024

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements of Penbar Capital Ltd. (the "Company") for the three months ended September 30, 2025, have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors.

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

The accompanying unaudited condensed consolidated interim 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 consolidated interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of the interim condensed consolidated financial statements

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	<u>September 30, 2025</u>	<u>June 30, 2025</u>
	\$	\$
ASSETS		
Current assets		
Cash	19,023	28,916
GST receivable	9,315	4,553
	<u>28,338</u>	<u>33,469</u>
Total Assets	<u>28,338</u>	<u>33,469</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	154,535	118,030
Total Liabilities	154,535	118,030
SHAREHOLDERS' DEFICIENCY		
Share capital (note 7)	228,297	228,297
Reserves (note 7)	55,557	55,557
Deficit	(410,051)	(368,415)
Total Shareholders' Deficit	(126,197)	(84,561)
Total Liabilities and Shareholders' Equity	<u>28,338</u>	<u>33,469</u>

Nature and Continuation of Operations (note 1)
Proposed Qualifying Transaction (note 10)

Approved on behalf of the Board of Directors on October 29, 2025.

"Herrick Lau"
Director

"David Velisek"
Director

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

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Three months ended September 30, 2025	Three months ended September 30, 2024
	\$	\$
Expenses		
Filing fees	-	2,110
General and administrative	152	18
Professional fees	40,137	11,260
Shareholder costs	375	-
Transfer agent fees	972	900
	<hr/>	<hr/>
Loss and comprehensive loss	(41,636)	(14,288)
	<hr/>	<hr/>
Loss per share – basic and diluted	(0.01)	(0.00)
	<hr/>	<hr/>
Weighted-average number of common shares outstanding - basic and diluted	4,000,000	4,000,000
	<hr/>	<hr/>

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

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars)

	Number of Common Shares	Common Shares	Reserves	Deficit	Total
		\$	\$	\$	\$
Balance, June 30, 2024	4,000,000	228,297	55,557	(197,860)	85,994
Loss for the period	-	-	-	(14,288)	(14,288)
Balance, September 30, 2024	4,000,000	228,297	55,557	(136,289)	147,565
Loss for the period	-	-	-	(41,636)	(41,636)
Balance, September 30, 2025	4,000,000	228,297	55,557	(410,051)	(126,197)

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

Penbar Capital Ltd.
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Three months ended September 30, 2025	Three months ended September 30, 2024
	\$	\$
Operating activities		
Loss for the period	(41,636)	(14,288)
Changes in non-cash working capital:		
Decrease in receivables	(4,762)	(1,685)
Increase (decrease) in accounts payable and accrued liabilities	36,505	(1,452)
Net cash used in operating activities	(9,893)	(11,151)
Change in cash during the period	(9,893)	(11,515)
Cash, beginning of the period	28,916	86,391
Cash, end of the period	19,023	75,240

There were no significant non-cash transactions during the periods ended September 30, 2025 and 2024.

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Penbar Capital Ltd. (the “Company”) was incorporated on March 4, 2021 under the laws of British Columbia. The Company completed an initial public offering (“IPO”) of its common shares on January 27, 2022, and on January 31, 2022, the Company began trading its shares on the TSX Venture Exchange (“TSX-V” or the “Exchange”). The Company is classified as a Capital Pool Company (“CPC”), as defined in the Exchange Policy 2.4. The Company has not commenced commercial operations and has no significant assets. The activities of the Company are initially limited to the efforts to identify and evaluate the acquisition of assets and business, which would represent a “Qualifying Transaction” for regulatory purposes. The head office and the records and registered office is located at 2250 - 1055 W Hastings St. Vancouver, British Columbia, V6E 2E9.

On November 24, 2023, the Company incorporated a wholly owned subsidiary, 1451356 B.C. Ltd. under the laws of British Columbia.

On March 5, 2025, the Company incorporated a wholly owned subsidiary, 1001160772 Ontario Ltd. under the laws of Ontario.

Since incorporation on March 4, 2021, the Company has had no active business operations. As a CPC, the Company’s principal business objective will be to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction, as defined in Exchange Policy 2.4 subject, in certain cases, to shareholder approval and acceptance by the Exchange. The Company has an accumulated deficit of \$410,051 as at September 30, 2025. The Company’s ability to continue its operations is dependent upon obtaining additional financing sufficient to cover its operating costs. Although management has been successful in raising capital in the past, there is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be obtained on terms advantageous to the Company. These conditions indicate the existence of material uncertainties that may cast significant doubt on the Company’s ability to continue as a going concern. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

These condensed interim consolidated financial statements were authorized by the Board of Directors on October 29, 2025.

2. STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using the same accounting policy information as detailed in the Company’s audited annual consolidated financial statements for the year ended June 30, 2025, and do not include all the information required for full annual financial statements in accordance with IFRS Accounting Standards, as issued by the International Accounting Standards Board (“IASB”). It is suggested that these condensed interim consolidated financial statements be read in conjunction with the annual audited consolidated financial statements.

3. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their fair value. The condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company’s functional currency. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. BASIS OF PRESENTATION *(continued)*

Basis of Consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Companies, 1451356 B.C. Ltd. and 1001160772 Ontario Ltd., the Company's wholly owned subsidiaries. Subsidiaries are all entities (including structured entity) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The subsidiary is fully consolidated from the date on which control is transferred to the group. It is deconsolidated from the date that control ceases. All significant intercompany transactions and balances have been eliminated.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent audited annual consolidated financial statements and are those the Company expects to adopt in its audited annual consolidated financial statements for the year ended June 30, 2026. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the Company's most recent audited annual financial statements.

5. CHANGES IN ACCOUNTING POLICIES

Accounting Pronouncements Not Yet Adopted

IFRS 18, Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date.

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- provide that management's expectations are not a relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- clarify when a liability is considered settled.

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024 and is to be applied retrospectively.

The Company has not yet determined the impact of these amendments on its consolidated financial statements.

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. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

For the period ended September 30, 2025, nil (June 30, 2025 – \$1,575) was due to related parties.

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has identified its directors and certain senior officers as its key management personnel and the compensation costs for key management personnel and companies related to them were recorded at their exchange amounts as agreed upon by transacting parties.

For the period ended September 30, 2025 and 2024 there were no amounts paid to key management personnel.

7. SHARE CAPITAL AND RESERVES

a) Authorized

Unlimited number of common shares without par value.

b) Issued and outstanding

As at September 30, 2025, there were 4,000,000 common shares issued and outstanding (June 30, 2025 – 4,000,000).

As at September 30, 2025, 2,000,000 (June 30, 2025 – 2,000,000) shares are held in escrow pursuant to the policies of the Exchange.

The Company had no share capital transactions for the period ended September 30, 2025 and year ended June 30, 2025.

c) Stock options

During the period ended June 30, 2021, the Company adopted an incentive stock option plan (the "Plan") whereby the Company may issue stock options up to 10% of the issued and outstanding common shares, not to exceed 400,000 while the Company remains a CPC, of the Company to eligible directors, officers, employees or consultants. These options may be granted for a maximum term of ten years from the date of grant and vest as determined by the board of directors. The exercise price will be set by the directors at the time of grant and cannot be less than the discounted market price of the Company's common shares, subject to a minimum exercise price of \$0.05.

Any common shares acquired pursuant to the exercise of options under the Plan prior to completion of the Qualifying Transaction must be deposited in escrow and will be subject to escrow until the final exchange bulletin is issued.

7. SHARE CAPITAL AND RESERVES *(continued)*

The continuity of stock options issued and outstanding for the period ended September 30, 2025 is as follows:

	Number of Options	Weighted Average Exercise Price (\$)
Balance June 30, 2024, 2025 and September 30, 2025	400,000	0.10

The options outstanding and exercisable at September 30, 2025 are as follows:

Expiry Date	Outstanding Options			Exercisable Options	
	Number	Exercise Price	Remaining Contractual (in years)	Number	Exercise Price
January 27, 2032	400,000	\$0.10	6.33	400,000	\$0.10

d) **Warrants**

On January 27, 2022, the Company issued 200,000 non-transferrable agent's warrants with an exercise price of \$0.10 and expected life of 3 years. The warrants expired on January 27, 2025.

There are no warrants issued and outstanding as of September 30, 2025.

8. MANAGEMENT OF CAPITAL

Capital is composed of the Company's shareholders' equity and any debt that it may issue. As at September 30, 2025, the Company's shareholders' deficiency was \$126,197. The Company's objectives when managing capital are to maintain financial viability and to protect its ability to meet its ongoing liabilities, to continue as a going concern, to maintain creditworthiness, and to maximize returns for shareholders over the long term. Protecting the ability to pay current and future liabilities includes maintaining capital above minimum regulatory levels, current financial strength rating requirements, and internally determined capital guidelines and calculated risk management levels.

The Company's current capital was received from the issuance of common shares. The net proceeds raised to date will only be sufficient to identify and evaluate a limited number of assets and businesses for the purpose of identifying and completing a Qualifying Transaction.

The Company is not subject to any externally imposed capital requirements other than the expenditure restrictions applicable under Policy 2.4, which apply on completion of the IPO. These expenditure restrictions limit the aggregate amount that the Company is permitted to spend on reasonable general and administrative costs of the Company not exceeding in aggregate of \$3,000 per month, and reasonable expenses incurred related to a Qualifying Transaction.

There were no changes in the Company's approach to management of capital during the period ended September 30, 2025.

9. FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Fair Value Measurements

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and
- Level 3 – Inputs that are not based on observable market data.

The Company's financial instruments consist of cash and accounts payable and accrued liabilities classified at amortized cost. The carrying value of the Company's accounts payable and accrued liabilities approximates its fair value due to the short-term to maturity.

Financial risk management

- **Credit Risk**

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits the exposure to credit risk by only investing its cash with high-credit quality financial institutions. Management believes that the credit risk related to its cash is negligible.

- **Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as described in Note 8.

The Company monitors its ability to meet its short-term administrative expenditures by raising additional funds through share issuance when required. The Company does not have investments in any asset backed deposits.

- **Market Risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and equity prices. The Company does not currently hold and does not expect to hold interest-bearing financial instruments other than cash, assets or liabilities denominated in a foreign currency, and marketable securities or other financial instruments subject to fluctuations in equity prices, it currently does not have and is not expected to have exposure to these market risks.

9. FINANCIAL INSTRUMENTS *(continued)*

- **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

- **Currency Risk**

The Company is exposed to currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. The Company is not exposed to significant currency risk. The Company has not entered into any foreign currency contracts to mitigate this risk.

10. PROPOSED QUALIFYING TRANSACTIONS

Emissions EV Technologies Ltd. - Terminated

On November 24, 2023, the Company entered into an amalgamation agreement with Emissions EV Technologies Ltd., Emission EV Operating Corp. and 1451356 B.C. Ltd. Effective October 29, 2024, the Company terminated the proposed amalgamation.

Eastport Ventures Inc. – Definitive Amalgamation Agreement

On March 14, 2025, the Company entered into a definitive amalgamation agreement (the "Definitive Agreement") with Eastport Ventures Inc. ("Eastport"), an arm's length party, pursuant to which the Company intends to acquire (the "Acquisition") all of the issued and outstanding securities of Eastport (the "Eastport Shares") by way of a three-cornered amalgamation.

The three-cornered amalgamation is to be completed under the *Business Corporations Act* (Ontario) by the Company, Eastport, and 1001160772 Ontario Ltd., a wholly-owned subsidiary of the Company, incorporated for the purpose of completing the amalgamation (the "Amalgamation"). The Amalgamation is expected to result in the issuance, to each shareholder of Eastport (each, an "Eastport Shareholder"), 0.7143 of one Post-Consolidation Common Share (as defined below) for each one Eastport Share held by such holder (the "Exchange Ratio") immediately prior to the closing of the Qualifying Transaction (the "Closing").

Prior to the completion of the Transaction, Eastport is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$2,200,000. Each subscription receipt will be issued at a price of \$0.25 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.35 for a period of 24 months following the date of the listing.

As part of the Amalgamation, all convertible securities of Eastport outstanding immediately prior to the Closing are expected to be replaced with or exchanged for equivalent convertible securities of the Company entitling the holders thereof to acquire Post-Consolidation Common Shares in lieu of Eastport Shares, adjusted based on the Exchange Ratio. Eastport is a corporation incorporated pursuant to and existing under Business Corporations Act (*Ontario*). The Company does not expect that the Acquisition

10. PROPOSED QUALIFYING TRANSACTIONS *(continued)*

will be subject to shareholder approval of the Company. Eastport will hold a shareholder meeting or seek written shareholder consent in connection with the Acquisition. The Acquisition is arm's length for the purposes of the Exchange policies. No finder's fees are payable in connection with the Acquisition.

The Amalgamation will result in the reverse takeover of the Company by the Eastport Shareholders and will constitute the Company's Qualifying Transaction. Following the completion of the Qualifying Transaction, the Company, as the issuer resulting therefrom (the "Resulting Issuer"), is expected to carry on the current business of Eastport under the name "Eastport Ventures Inc." or such other name as may be determined by Eastport and approved by the shareholders of the Company and be acceptable to the applicable regulatory authorities, including the Exchange. The business of the Resulting Issuer will be primarily focused on mineral exploration and development of properties in Botswana.

Closing is subject to a number of conditions including but not limited to satisfactory due diligence investigations, receipt of all required shareholder approvals and consents, if required, regulatory and third-party approvals and consents, including that of the Exchange and satisfaction of other customary closing conditions. The Acquisition cannot close until the required approvals are obtained. There can be no assurance that the Acquisition will be completed as proposed or at all.

In connection with the Acquisition, it is anticipated that the Company will, among other things: (i) change its name to "Eastport Ventures Inc." (as outlined above); (ii) reconstitute the existing directors and officers of the Company with nominees mutually agreed upon by the parties; (iii) enter into employment, consulting or other agreements with key members of the Eastport team and management; (iv) enter into such escrow or pooling agreements as required by the Exchange or as agreed by the parties; and (v) effect a consolidation (the "Consolidation") of its outstanding common shares on the basis of not less than three pre-consolidation common shares for every one (the "Consolidation Ratio") post-consolidation common share (each, a "Post-Consolidation Common Share").

On May 26, 2025, the Company entered into an amended and restated amalgamation agreement with Eastport, including the terms of the related financing for subscription receipts of Eastport, in connection with the Company's proposed qualifying transaction.

In connection with the proposed Transaction, Penbar will effect a consolidation of its outstanding common shares on the basis of seven pre-consolidation common shares for every one post-consolidation common share.

In accordance with the terms of the amended and restated amalgamation agreement, each holder of shares of Eastport will exchange the holder's shares for common shares in the capital of the resulting issuer on the basis of 0.2941 fully paid and non-assessable resulting issuer common shares for every one Eastport share held.

Prior to the completion of the Transaction, Eastport is expected to complete a non-brokered private placement financing for minimum gross proceeds of \$3,250,000 and up to a maximum gross proceeds of \$5,000,000. Each subscription receipt will be issued at a price of \$0.18 per subscription receipt. Each subscription receipt will convert into one (1) Eastport unit. Each Eastport unit will consist of one Eastport share and one half of one A warrant and one half of one B warrant. Each whole A warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.25 for a period of 12 months following the date of the listing. Each whole B warrant will entitle the holder thereof to acquire one additional Eastport share at a price of \$0.50 for a period of 24 months following the date of the listing.

On September 26, 2025, the Company received conditional approval from the TSX-V with respect to proposed Qualifying Transaction. The closing of the transaction is pending.