



**FIRST HYDROGEN CORP.**

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Three and Six Months Ended September 30, 2025 and 2024

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

**FIRST HYDROGEN CORP.**

**CONTENTS**

---

|  |        |
|--|--------|
| Notice of No Auditor Review  | 1      |
| Condensed Consolidated Interim Statements of Financial Position              | 2      |
| Condensed Consolidated Interim Statements of Loss and Comprehensive Loss     | 3      |
| Condensed Consolidated Interim Statements of Cash Flows                      | 4      |
| Condensed Consolidated Interim Statements of Changes in Shareholders' Equity | 5      |
| Notes to the Condensed Consolidated Interim Financial Statements             | 6 – 17 |

**NOTICE OF NO AUDITOR REVIEW OF  
INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited 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 financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**FIRST HYDROGEN CORP.**  
**Condensed Consolidated Interim Statements of Financial Position**  
**As at September 30, 2025 and March 31, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

|  | Note   | September 30,<br>2025 | March 31,<br>2025   |
|--|--------|-----------------------|---------------------|
| <b>ASSETS</b>  |        |                       |                     |
| <b>Current Assets</b>                                    |        |                       |                     |
| Cash   |        | \$ 77,221             | \$ 11,507           |
| Other receivables  | 3      | 17,659                | 639,283             |
| Prepaid expenses   |        | 118,504               | 127,436             |
| Inventories  | 4      | 237,422               | 235,772             |
|  |        | <b>450,806</b>        | <b>1,013,998</b>    |
| Deposit on land purchase                                 | 5      | 100,000               | 100,000             |
| Equipment  | 5      | 12,812                | 16,360              |
| Acquired-in-progress Research & Development              | 7      | 644,232               | 693,789             |
| <b>TOTAL ASSETS</b>                                      |        | <b>\$ 1,207,850</b>   | <b>\$ 1,824,147</b> |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)</b> |        |                       |                     |
| <b>Current Liabilities</b>                               |        |                       |                     |
| Accounts payable & accrued liabilities                   | 11, 19 | 3,232,941             | 3,681,043           |
| Accrued interest   |        | 245,781               | 112,951             |
| Current portion of convertible debentures                | 8      | 2,702,615             | 2,462,677           |
| Income taxes payable                                     |        | 25,000                | 25,000              |
| Short-term loans   | 11     | 886,550               | 720,750             |
|  |        | <b>7,092,887</b>      | <b>7,002,421</b>    |
| <b>Non-current Liabilities</b>                           |        |                       |                     |
| CEBA loan  | 9      | 43,219                | 42,154              |
| Convertible debentures                                   | 8      | -                     | 458,633             |
|  |        | <b>7,136,106</b>      | <b>7,503,208</b>    |
| <b>Shareholders' Equity</b>                              |        |                       |                     |
| Share capital  | 10     | 32,768,822            | 31,713,892          |
| Contributed surplus                                      |        | 5,348,987             | 5,086,959           |
| Deficit  |        | (44,046,065)          | (42,479,912)        |
|  |        | <b>(5,928,256)</b>    | <b>(5,679,061)</b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>        |        | <b>\$ 1,207,850</b>   | <b>\$ 1,824,147</b> |

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

Nature of Operations and Ability to Continue as a Going Concern – Note 1  
Subsequent Events – Note 17

**APPROVED BY THE DIRECTORS:**

|                                     |          |                                   |          |
|-------------------------------------|----------|-----------------------------------|----------|
| <u>“Balraj Mann”</u><br>Balraj Mann | Director | <u>“Nancy Zhao”</u><br>Nancy Zhao | Director |
|-------------------------------------|----------|-----------------------------------|----------|

**FIRST HYDROGEN CORP.**  
**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss**  
**For the Three and Six Months Ended September 30, 2025 and 2024**  
**(Unaudited – Expressed in Canadian Dollars)**

|   | Note  | Three Months Ended September 30, |                       | Six Months Ended September 30, |                       |
|---|-------|----------------------------------|-----------------------|--------------------------------|-----------------------|
|   |       | 2025                             | 2024                  | 2025                           | 2024                  |
| <b>Expenses</b>                                       |       |                                  |                       |                                |                       |
| Advertising and marketing                             |       | 2,504                            | 62,387                | 29,610                         | 248,910               |
| Amortization  | 5,17  | 26,487                           | 29,289                | 53,105                         | 58,628                |
| Consulting and management fees                        | 11    | 99,500                           | 173,982               | 245,000                        | 381,460               |
| General and administrative                            | 11,14 | 43,139                           | 56,552                | 84,869                         | 109,477               |
| Insurance   |       | 679                              | 6,504                 | 10,726                         | 16,259                |
| Legal and accounting                                  |       | 47,399                           | 27,500                | 103,957                        | 77,500                |
| Research and development                              |       | 11,238                           | 64,657                | 29,139                         | 130,351               |
| Salaries and benefits                                 |       | 10,515                           | 250,702               | 91,252                         | 943,340               |
| Stock-based compensation                              | 10    | (194,581)                        | 570,921               | 570,233                        | 808,810               |
| Travel  |       | -                                | 138                   | -                              | 2,181                 |
|   |       | <b>46,880</b>                    | <b>1,242,632</b>      | <b>1,217,891</b>               | <b>2,776,916</b>      |
| Loss before other items                               |       | <b>(46,880)</b>                  | <b>(1,242,632)</b>    | <b>(1,217,891)</b>             | <b>(2,776,916)</b>    |
| <b>Other income (expense)</b>                         |       |                                  |                       |                                |                       |
| Accretion   | 8     | (87,292)                         | (76,797)              | (180,530)                      | (139,025)             |
| Foreign exchange                                      |       | (934)                            | (11,211)              | (4,275)                        | (9,951)               |
| Interest expense                                      |       | (63,328)                         | (69,916)              | (132,830)                      | (130,077)             |
| Interest income                                       |       | -                                | 19                    | 20                             | 41                    |
|   |       | <b>(151,554)</b>                 | <b>(157,905)</b>      | <b>(317,615)</b>               | <b>(279,012)</b>      |
| <b>Net loss for the period</b>                        |       | <b>\$ (198,434)</b>              | <b>\$ (1,400,537)</b> | <b>\$ (1,535,506)</b>          | <b>\$ (3,055,928)</b> |
| Net loss from discontinued operations                 | 6     | (18,880)                         | (44,642)              | (30,647)                       | (78,733)              |
| <b>Net loss and comprehensive loss for the period</b> |       | <b>\$ (214,314)</b>              | <b>\$ (1,445,179)</b> | <b>(1,566,153)</b>             | <b>\$ (3,134,661)</b> |
| <b>Basic and diluted loss per share</b>               |       | <b>\$ (0.00)</b>                 | <b>\$ (0.02)</b>      | <b>\$ (0.02)</b>               | <b>\$ (0.04)</b>      |
| <b>Weighted average number of shares outstanding</b>  |       | <b>75,134,107</b>                | <b>72,431,815</b>     | <b>74,389,369</b>              | <b>72,368,427</b>     |

The accompanying notes are an integral part of these audited consolidated financial statements

**FIRST HYDROGEN CORP.**  
**Condensed Consolidated Interim Statements of Cash Flows**  
**For the Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

|  | <b>For the Six months ended September 30,</b> |                    |
|--|---|--------------------|
|  | <b>2025</b>                                   | <b>2024</b>        |
| <b>Cash Flows Used in Operating Activities</b>       |   |                    |
| Net loss for the period                              | \$ (1,566,153)                                | \$ (3,134,661)     |
| Items not affecting cash                             |   |                    |
| Stock-based compensation                             | 570,233                                       | 808,810            |
| Accretion  | 180,530                                       | 139,025            |
| Accretion, discontinued operations                   | 1,065   | 1,014              |
| Amortization   | 53,105  | 58,934             |
| Changes in non-cash working capital                  |   |                    |
| Items related to operations:                         |   |                    |
| Interest payable                                     | 132,830                                       | 130,077            |
| Other receivables                                    | 621,624                                       | 35,360             |
| Inventory  | -   | (31,350)           |
| Prepaid expenses                                     | 8,932   | 189,866            |
| Accounts payable and accrued liabilities             | (449,752)                                     | 799,850            |
|  | <b>(447,856)</b>                              | <b>(1,003,075)</b> |
| <b>Cash Flows Provided by Financing Activity</b>     |   |                    |
| Net proceeds, convertible debenture                  | -   | 496,800            |
| Exercise of stock options                            | 347,500                                       | 120,000            |
| Short-term loans                                     | 165,800                                       | 365,000            |
|  | <b>513,300</b>                                | <b>981,800</b>     |
| <b>Increase (decrease) in cash during the period</b> | <b>65,714</b>                                 | <b>(21,275)</b>    |
| <b>Cash, beginning of the period</b>                 | <b>11,507</b>                                 | <b>87,475</b>      |
| <b>Cash, end of the period</b>                       | <b>\$ 77,221</b>                              | <b>\$ 66,200</b>   |

The accompanying notes are an integral part of these audited consolidated financial statements

**FIRST HYDROGEN CORP.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF SHAREHOLDERS' EQUITY**  
**For the Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

|   | Note   | Number of<br>Shares | Common<br>Shares     | Contributed<br>Surplus | Deficit                | Total<br>Shareholders'<br>Equity |
|---|--------|---------------------|----------------------|------------------------|------------------------|----------------------------------|
| Balance, March 31, 2025                 |        | 73,679,895          | \$ 31,713,892        | \$ 5,086,959           | \$ (42,479,912)        | \$ (5,679,061)                   |
| Conversion of debentures                | 10 (f) | 769,212             | 436,930              | (37,705)               | -                      | 399,225                          |
| Stock options exercised                 | 10 (d) | 685,000             | 618,000              | (270,500)              | -                      | 347,500                          |
| Stock-based compensation                | 10 (h) | -                   | -                    | 570,233                | -                      | 570,233                          |
| Net loss for the period                 |        | -                   | -                    | -                      | (1,566,153)            | (1,566,153)                      |
| <b>Balance, September 30, 2025</b>      |        | <b>75,134,107</b>   | <b>\$ 32,768,822</b> | <b>\$ 5,348,987</b>    | <b>\$ (44,046,065)</b> | <b>\$ (5,928,256)</b>            |
| Balance, March 31, 2024                 |        | 72,031,815          | \$ 30,883,383        | \$ 4,397,863           | \$ (37,413,096)        | \$ (2,131,850)                   |
| Stock options exercised                 | 10 (d) | 400,000             | 276,000              | (156,000)              | -                      | 120,000                          |
| Stock-based compensation                | 10 (h) | -                   | -                    | 808,810                | -                      | 808,810                          |
| Convertible debentures – equity portion |        | -                   | -                    | 57,515                 | -                      | 57,515                           |
| Convertible debentures –broker warrants |        | -                   | -                    | 18,739                 | -                      | 18,739                           |
| Net loss for the period                 |        | -                   | -                    | -                      | (3,134,661)            | (3,134,661)                      |
| Balance, September 30, 2024             |        | 72,431,815          | \$ 31,159,383        | \$ 5,126,927           | \$ (40,547,757)        | \$ (4,261,447)                   |

The accompanying notes are an integral part of these audited consolidated financial statements

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

---

Note 1 Nature of Operations

First Hydrogen Corp. (the “Company”) is a publicly listed company incorporated under the Business Corporations Act of British Columbia on June 20, 2007, as “Fitch Street Capital Corp”. On June 13, 2008, the Company was classified and listed as a Capital Pool Company as defined by Policy 2.4 (the “CPC Policy”) of the TSX Venture Exchange (the “Exchange”). On June 12, 2020, the Company changed its name to Pure Extraction Corp., and again on October 7, 2021, to First Hydrogen Corp. The Company’s trading symbol is “FHYD” trading on the Exchange. The address of the Company’s corporate office and principal place of business is Suite 1540 – 1100 Melville Street, Vancouver, British Columbia V6E 4A6.

The Company is a Vancouver Canada and London UK-based company focused on zero-emission vehicles, green hydrogen production, and distribution and supercritical carbon dioxide extractor systems in in UK, EU, and North America.

Going Concern

While the Company’s consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events cast significant doubt on the validity of this assumption. For the six months ended September 30, 2025, the Company reported a net loss of \$1,566,153 (2024 - \$3,134,661) and as at that date had an accumulated deficit of \$44,046,065 (March 31, 2025 - \$42,479,912). As of September 30, 2025, the Company has a working capital deficit of \$6,642,081 (March 31, 2025 - \$5,988,423). The Company expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern is dependent on its ability to generate future profitable operations and/or to obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they become due.

These consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption deemed to be inappropriate. These adjustments could be material. The directors of the Company have approved these consolidated financial statements.

Note 2 Basis of Presentation

**(a) Statement of Compliance**

These condensed unaudited consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the IASB been condensed or omitted and these unaudited condensed interim financial statements should be read in conjunction with the Company’s consolidated audited financial statements for the year ended March 31, 2025.

**(b) Basis of Measurement and Consolidation**

These condensed consolidated interim financial statements have been prepared on a historical cost basis using the accrual basis accounting, except for cash flow information.

These consolidated financial statements include the accounts the Company and its wholly-owned and controlled subsidiaries, First Nuclear Corp. (formerly First Hydrogen Corp.), First Hydrogen Limited (a UK corporation), 1063136 BC Ltd. (formerly Pure Extraction Inc.), Pure Extraction Ltd., NetzeroH2 Inc., ZeronetH2 Inc. First Hydrogen Energy (USA) Inc., First Hydrogen Automotive (USA) Inc., both in the State of Delaware, USA, First Hydrogen (Quebec) Corp. in the province of Quebec, Canada and First Hydrogen GmbH (a German corporation).

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 2 Basis of Presentation *(continued)*

**(b) Basis of Measurement and Consolidation** *(continued)*

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The consolidated financial statements of the subsidiaries are including the consolidated financial statements from the date of the control commences until the date that control ceases. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

**(c) Functional and presentation currency**

The Company's functional currency is the Canadian Dollar ("CAD"). The condensed consolidated interim financial statements are presented in CAD which is the Company's presentation currency, unless otherwise noted.

All amounts in these condensed consolidated interim financial statements are round to the nearest dollar.

**(d) Approval of financial statements**

The condensed consolidated interim financial statements of the Company for the Six-month period ended September 30, 2025 were reviewed and approved by the Board of Directors on November 28, 2025.

**(e) Critical Accounting Estimates, Judgments and Uncertainties**

The Company makes estimates about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

***Critical Accounting Estimates and Assumptions***

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amount of assets and liabilities within the next financial year.

***Critical Accounting Judgments***

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Note 3 Other Receivables

|                         | <b>September 30, 2025</b> |               | March 31, 2025 |         |
|-------------------------|---------------------------|---------------|----------------|---------|
| HST/GST receivable      | \$                        | <b>15,486</b> | \$             | 4,872   |
| Value-Added Tax ("VAT") |                           | <b>2,173</b>  |                | 11,725  |
| R&D tax credit (a)      |                           | -             |                | 622,686 |
|                         | \$                        | <b>17,659</b> | \$             | 639,283 |

Note 4 Inventories

The inventory consists of spare parts for the Company's hydrogen-powered-fuel-cell vehicles:

|                 | <b>September 30, 2025</b> |                | March 31, 2025 |         |
|-----------------|---------------------------|----------------|----------------|---------|
| Parts inventory | \$                        | <b>237,422</b> | \$             | 235,772 |

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 5 Property and Equipment

|                                 | Equipment |               |
|---------------------------------|-----------|---------------|
| <b>Cost</b>                     |           |               |
| Balance, March 31, 2025         | \$        | 47,041        |
| Additions (dispositions)        |           | -             |
| Balance, September 30, 2025     |           | 47,041        |
| <b>Accumulated amortization</b> |           |               |
| Balance, March 31, 2025         |           | 30,681        |
| Amortization, current period    | \$        | 3,548         |
| Balance, September 30, 2025     |           | 34,229        |
| <b>Carrying amounts</b>         |           |               |
| As at March 31, 2025            | \$        | 16,360        |
| <b>As at September 30, 2025</b> | <b>\$</b> | <b>12,812</b> |

Deposit on land purchase

Pursuant to a Promise to Purchase dated May 25, 2023, the Company, through First Hydrogene (Québec) S.A., a wholly owned subsidiary, paid a non-refundable deposit of \$100,000 on two plots of land for a total purchase price of \$2,442,591 to the City of Shawinigan. The Company's plan is to produce up to 35MW of green hydrogen in a production facility and vehicle assembly factory on these two plots of land.

Note 6 Discontinued operations

On June 12, 2020, the Company completed its Qualifying Transaction (the "Transaction") with Pure Extraction Inc. and Pure Extraction Ltd. (collectively, "Pure Extraction"). The Company acquired all of the issued and outstanding Pure Extraction shares from the shareholders of Pure Extraction for the following consideration. During the year ended March 31, 2024, the Company decided to exit the CO<sub>2</sub> extraction equipment business and effectively closed the operation. No further write-downs were required.

Net loss from discontinued operations for the six months ended September 30, 2025 and 2024 is comprised of the following:

|                                       | 2025 |                | 2024 |                |
|---------------------------------------|------|----------------|------|----------------|
| <b>Expenses</b>                       |      |                |      |                |
| Advertising and marketing             | \$   | 721            | \$   | 682            |
| Consulting and management fees        |      | 10,000         |      | 39,000         |
| General and administrative            |      | 18,861         |      | 35,935         |
| Research and development              |      | -              |      | 2,102          |
|                                       |      | <b>29,582</b>  |      | <b>77,719</b>  |
| <b>Other income (expense)</b>         |      |                |      |                |
| Finance cost                          |      | (1,065)        |      | (1,014)        |
|                                       |      | <b>(1,065)</b> |      | <b>(1,014)</b> |
| Net loss from discontinued operations | \$   | <b>30,647</b>  | \$   | <b>78,733</b>  |

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 6 Discontinued operations (continued)

Net loss from discontinued operations for the six months ended September 30, 2025 and 2024 is comprised of the following:

|                                      | 2025        | 2024        |
|--------------------------------------|-------------|-------------|
| Cash used in operating activities    | \$ (17,174) | \$ (12,021) |
| Cash used in discontinued operations | \$ -        | \$ -        |

Note 7 Acquired-in-progress Research & Development

On June 11, 2021, the Company entered into definitive agreements with AVL Powertrain UK Limited and Ballard Power Systems Inc. The definitive agreements, with the Company's wholly owned subsidiaries 1300492 BC Ltd. and First Hydrogen Limited will assist in the design and development of a fuel-cell powered vehicle that the Company will own the commercial rights for the vehicle design. The Company currently does not own any patents.

The Company was assigned two non-binding letters of intent from Nova Light Capital Limited ("Nova Light"), an arm's length company, which have been ratified into the definitive agreements. Nova Light was issued 3,000,000 shares of the Company for the assignment of the two non-binding letters of intent. These shares are subject to a voluntary escrow and pooling agreement released over a 36-month period. Finder's fees of 249,590 shares of the Company were issued to an arm's length party.

The Company has recorded the fair value of the shares at a price of \$0.305 per share.

|                                    |           |                |
|------------------------------------|-----------|----------------|
| Cost                               |           |                |
| Balance, March 31, 2024            | \$        | 792,901        |
| Depreciation                       |           | (99,112)       |
| Balance, March 31, 2025            | \$        | 693,789        |
| Depreciation                       |           | (49,557)       |
| <b>Balance, September 30, 2025</b> | <b>\$</b> | <b>644,232</b> |

Note 8 Convertible Debentures

On July 9, 2024, the Company closed its private placement (the "Offering") of convertible debenture units (each a "Debenture") for gross proceeds of \$540,000 (the "Principal"). Each Debenture consists of \$1,000 in principal and is convertible into 1,851.85 common shares and 1,851.85 share purchase warrants, with each share purchase warrant exercisable to acquire one common share at an exercise of \$0.80 per warrant for a period of two years from the closing date of the Offering. The Debentures will mature on the second anniversary of the date of issuance (July 9, 2026) and bear interest at a rate of 8.00% per annum, commencing on the date of issuance. The Debenture Units are unsecured. On initial recognition, the Company bifurcated \$57,515 to equity and \$482,485 to the carrying value of the debentures.

The Company incurred transaction costs of \$61,939. Transactions costs consisted of the following:

- broker's fees to arm's length third parties consisting of \$43,200 cash;
- issued 80,000 finder's warrants. Each finder's warrant is exercisable at \$0.54 into one common share for a period of two years. The finders' warrants are fair valued at \$18,739 based on Black-Scholes Option Pricing Model valuation using the following assumptions: 3.74% risk-free interest rate, expected life of 2 years, 121% annualized volatility and 0% dividend rate.

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 8 Convertible Debentures (continued)

|  | September 30, 2025 | March 31, 2025 |
|--|--------------------|----------------|
| Opening balance                              | \$ 2,921,310       | \$ 2,192,472   |
| Additions from Principal amounts             | -                  | 540,000        |
| Fair value of Finder’s Warrants (Note 10(i)) | -                  | (18,739)       |
| Equity component                             | -                  | (57,515)       |
| Transaction costs                            | -                  | (43,200)       |
| Conversions to shares                        | (399,225)          | -              |
| Accretion                                    | 180,530            | 308,292        |
|  | \$ 2,702,615       | \$ 2,921,310   |
| Current portion                              | \$ 2,702,615       | \$ 2,462,677   |
| Non-current portion                          | -                  | 458,633        |
|  | \$ 2,702,615       | \$ 2,921,310   |

Note 9 Loan Payable and Government Grants

On April 20, 2020, the Company’s subsidiary Pure Extraction Ltd. obtained a Canada Emergency Business Account (the “CEBA”) loan in the amount of \$40,000 (face value) from the TD Canada Trust bank guaranteed by the Canadian government. This loan was non-interest bearing until December 31, 2023.

After January 11, 2024, the full amount of original loan if not repaid is converted into a 3-year term loan at a fixed annual interest rate of 5% per annum with an interest payment frequency determined by the financial institution and the full principal amount is due on December 31, 2026.

For the six-month period ended September 30, 2025, the accretion expense of \$1,065 (2024 - \$9,304) was recorded on the loan and reported under discontinued operations. At September 30, 2025, the balance of the loan is \$43,219 (March 31, 2025 - \$42,154).

Note 10 Share Capital

**a) Authorized, Issued and Outstanding**

Unlimited number of common voting shares without par value.

A summary of changes in share capital is contained on the statement of changes in shareholders’ equity for the six months ended September 30, 2025 and 2024.

**b) Share Issuance - Private Placement**

Six Months Ended September 30, 2025

No shares were issued under a private placement.

Six Months Ended September 30, 2024

. No shares were issued under a private placement.

**c) Share Issuance – Warrants exercised**

Six Months Ended September 30, 2025

- No warrants were exercised.

Six Months Ended September 30, 2024

- No warrants were exercised.

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

---

Note 10 Share Capital (continued)

**d) Share Issuance – Stock Options exercised**

Six Months Ended September 30, 2025

- 150,000 stock options were exercised at \$0.40 per share, for proceeds of \$60,000.
- 435,000 stock options were exercised at \$0.50 per share, for proceeds of \$217,500.
- 100,000 stock options were exercised at \$0.70 per share, for proceeds of \$70,000.

Six Months Ended September 30, 2024

- 400,000 stock options were exercised at \$0.30 per share, for proceeds of \$120,000.

**e) Share Issuance - Finder's Warrants Exercised**

Six Months Ended September 30, 2025

- No finder's warrants were exercised.

Six Months Ended September 30, 2024

- No finder's warrants were exercised.

**f) Share Issuance – Convertible Debenture Conversion**

Six Months Ended September 30, 2025

- \$415,374 in principal were converted into shares at a price of \$0.54 for 769,212 shares.

Six Months Ended September 30, 2024

No convertible debenture conversions.

**g) Issuance - Share Purchase Warrants**

Six Months Ended September 30, 2025

- No share purchase warrants were issued.
- Share purchase warrants expiring April 29, 2025 (2,245,222), May 26, 2025 (1,255,300), and September 22, 2025 (425,000) expired unexercised.

Six Months Ended September 30, 2024

- No share purchase warrants were issued.
- Share purchase warrants expiring April 29, 2024 were extended to April 29, 2025, and the exercise price of these shares warrants were lowered to \$1.10.

During the six months ended September 30, 2025, warrant transactions were summarized as follows:

|                                      | Number of Warrants | Weighted Average Exercise Price (\$) | Years to Expiry |
|--------------------------------------|--------------------|--------------------------------------|-----------------|
| <b>Balance at March 31, 2024</b>     | <b>3,925,522</b>   | 3.34                                 | 0.55            |
| <b>Balance at March 31, 2025</b>     | <b>3,925,522</b>   | 1.85                                 | 0.12            |
| Expired                              | (2,245,222)        | 1.10                                 | -               |
| Expired                              | (1,255,300)        | 2.85                                 | -               |
| Expired                              | (425,000)          | 2.85                                 | -               |
| <b>Balance at September 30, 2025</b> | <b>-</b>           | <b>-</b>                             | <b>-</b>        |

As at September 30, 2025, there no share purchase warrants outstanding.

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 10 *Share Capital (continued)*

**h) Long-term Incentive Plan (“LTIP”)**

The Company has a LTIP that provides for the issuance of restricted share units (“RSUs”), performance share units (“PSUs”), deferred share units (“DSUs”) and stock options (“Options”) (collectively the “Awards”) to its directors, officers, employees and consultants. The aggregate maximum number of outstanding Awards is 10% of the issued and outstanding common shares at any point in time. The exercise price of each Award equals the market price of the Company’s shares on the date of the grant. The maximum term of the stock options is ten years. The fair value of each Award granted is estimated on the date of grant using the Black-Scholes option pricing model. Stock options granted to consultants engaged in investor activities will vest in stages over a minimum period of twelve months. No RSUs, PSUs or DSUs were outstanding at September 30, 2025 (March 31, 2025 – nil).

During the six months ended September 30, 2025, the Company:

- granted 900,000 incentive stock options with an exercise price of \$0.50 per share for a period of five years.
- granted 400,000 incentive stock options with an exercise price of \$0.70 per share for a period of five years.

During the six months ended September 30, 2024, the Company:

- granted 2,050,000 incentive stock options with an exercise price of \$0.40 per share for a period of five years.

During the six months ended September 30, 2025, the Company recorded the share-based compensation of \$570,233 (2024 - \$808,810) for stock options vested during the period. The fair value of each option granted during the current period was estimated using the Black-Scholes Option Pricing Model based on the assumptions in the table below.

|                         | September 30, 2025 | September 30, 2024 |
|-------------------------|--------------------|--------------------|
| Risk-free interest rate | 2.78% - 2.88%      | 2.75%              |
| Expected life           | 5 years            | 5 years            |
| Volatility              | 88% - 108%         | 95%                |
| Expected dividend yield | Nil                | Nil                |

For the six months ended September 30, 2025, the stock option transactions are summarized as below:

|                                      | Number of Options | Weighted Average Exercise Price (\$) |
|--------------------------------------|-------------------|--------------------------------------|
| Balance at March 31, 2024            | 2,520,000         | 1.89                                 |
| Granted                              | 2,050,000         | 0.40                                 |
| Cancelled                            | (1,605,000)       | 1.66                                 |
| Exercised                            | (700,000)         | 0.34                                 |
| Balance at March 31, 2025            | 2,265,000         | 0.69                                 |
| Granted                              | 1,300,000         | 0.56                                 |
| Cancelled                            | (30,000)          | 3.00                                 |
| Exercised                            | (685,000)         | 0.51                                 |
| <b>Balance at September 30, 2025</b> | <b>2,850,000</b>  | <b>0.65</b>                          |

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 10 *Share Capital (continued)*

**h) Long-term Incentive Plan (“LTIP”) (continued)**

As at September 30, 2025, the following stock options were outstanding and exercisable:

| Expiry Date        | Weighted Average Exercise price | Number of options outstanding | Weighted Average Remaining Years |
|--------------------|---------------------------------|-------------------------------|----------------------------------|
| March 3, 2026      | \$ 0.40                         | 50,000                        | 0.42                             |
| June 11, 2026      | \$ 2.35                         | 120,000                       | 0.70                             |
| November 18, 2026  | \$ 1.70                         | 265,000                       | 1.13                             |
| September 9, 2029  | \$ 0.40                         | 1,650,000                     | 3.95                             |
| May 20, 2030       | \$ 0.50                         | 15,000                        | 4.64                             |
| June 25, 2030      | \$ 0.70                         | 300,000                       | 4.74                             |
| September 26, 2025 | \$0.50                          | 450,000                       | 4.99                             |
|                    | <b>\$ 2.14</b>                  | <b>2,850,000</b>              | <b>3.74</b>                      |

**i) Finder’s fee – cash and warrants**

Six Months Ended September 30, 2025

- No finders’ fees were paid, and no finders’ share purchase warrants were issued.
- 100,424 finders’ share purchase warrants with an exercise price of \$2.85 expired, unexercised.
- 45,764 finders’ share purchase warrants with an exercise price of \$4.50 expired, unexercised.
- 34,000 finders’ share purchase warrants with an exercise price of \$2.85 expired, unexercised.
- 83,362 finders’ share purchase warrants with an exercise price of \$4.50 expired, unexercised.

Six Months Ended September 30, 2024

- The Company incurred a cash fee of \$43,200 and issued 80,000 finders’ warrants at an exercise price of \$0.54 relating to the convertible debentures issued on July 9, 2024 (Note 8).

During the six months ended September 30, 2025, finder’s warrants transactions were summarized as follows:

|   | Number of Finder’s warrants outstanding | Weighted Average Price |
|---|---|------------------------|
| Number outstanding at March 31, 2024            | 680,193                                 | \$ 3.51                |
| Issued  | 80,000                                  | \$ 0.54                |
| Expired   | (266,123)                               | \$4.50                 |
| Number outstanding at March 31, 2025            | 494,070                                 | \$2.50                 |
| Expired   | (266,550)                               | \$3.67                 |
| <b>Number outstanding at September 30, 2025</b> | <b>227,520</b>                          | <b>\$1.13</b>          |

As at September 30, 2025, the following stock finder’s warrants were outstanding and exercisable:

| Expiry Date       | Exercise Price | Number of Finder’s warrants outstanding | Weighted Average Remaining Years |
|-------------------|----------------|---|----------------------------------|
| November 23, 2025 | \$ 1.45        | 147,520                                 | 0.40                             |
| July 9, 2026      | \$ 0.54        | 80,000                                  | 1.02                             |
|                   |                | <b>227,520</b>                          | <b>0.37</b>                      |

**j) Escrow Shares**

As at September 30, 2025, no common shares (March 31, 2025 – nil) were subject to a voluntary escrow and pooling agreement release over a 36-month period (see Note 7).

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

---

Note 11 Related Party Transactions

During the six months ended September 30, 2025, the Company recorded \$36,000 (2024 - \$36,000) in rent to a company owned by a director and senior officer. These transactions have been recorded at a fair value, which is the amount of consideration established and agreed to by the related parties.

As of September 30, 2025, the Company has \$693,050 (March 31, 2025 - \$513,050) owing to a company owned by a director and CEO of the Company for management fees and rent. The balance has no set terms of repayment and does not bear interest.

As of September 30, 2025, the Company has \$258,900 (March 31, 2025 - \$216,900) owing to company owned by an officer of the Company for management fees. The balance has no set terms of repayment and does not bear interest.

During the six months ended September 30, 2025, the Company incurred a total of \$6,000 in directors' fees (2024 – \$16,950). As at September 30, 2025, an amount of \$34,950 is due to directors (March 31, 2025 - \$28,950).

As at September 30, 2025, the Company has received, from the CEO and CFO, short-term loans totaling \$838,750 (March 31, 2025 – \$720,750). The balance has no set terms of repayment and does not bear interest.

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity and include executive and non-executive directors. Key management personnel compensation disclosed above comprised the following:

Key Management Compensation

|                          | <b>September 30, 2025</b> |                | September 30, 2024 |                |
|--------------------------|---------------------------|----------------|--------------------|----------------|
| CEO                      | \$                        | <b>180,000</b> | \$                 | 240,000        |
| CFO                      |                           | <b>42,000</b>  |                    | 81,000         |
| Director fees            |                           | <b>6,000</b>   |                    | 18,000         |
| Rent                     |                           | <b>36,000</b>  |                    | 36,000         |
| Stock-based compensation |                           | -              |                    | 234,531        |
|                          | <b>\$</b>                 | <b>264,000</b> | <b>\$</b>          | <b>652,031</b> |

Note 12 Financial Instruments and risk

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

**a) Capital Risk**

The Company's policy is, if permitted by market conditions, to ensure that there are adequate capital resources to support investor and creditor confidence and support future development of the business. The capital structure of the Company consists primarily of cash and equity, comprising share capital and reserves net of accumulated deficit. The Company is not subject to any externally imposed capital requirements.

**b) 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. The Company's cash is exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high creditworthiness. As September 30, 2025, the Company is not exposed to any significant credit risk.

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

---

Note 12 Financial Instruments and risk (continued)

**c) Liquidity Risk**

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. There can be no assurance that the Company will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. The Company may seek additional financing through equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all.

**d) Market Risk**

Market risk incorporates a range of risks. Movements in risk factors, such as market price risk and currency risk, affect the fair values of financial assets and liabilities.

**i) Interest Rate Risk**

The Company's interest rate risk mainly arises from changes in the interest rates on cash. Cash generates interest based on market interest rates. At September 30, 2025, the Company was not subject to significant interest rate risk.

**ii) Foreign Currency Risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in its functional currency. The Company does not manage currency risk through hedging or other currency management tools.

As at September 30, 2025, the Company's exposure to foreign currency risk on its financial instruments is as follows:

|  | <b>September 30, 2025</b> | <b>Canadian dollar equivalent</b> |
|--|---------------------------|-----------------------------------|
| Cash                                     | GBP 2,026                 | 3,789                             |
| Other receivables                        | GBP 693                   | 1,296                             |
| Accounts payable and accrued liabilities | GBP (474,703)             | (887,742)                         |
| <b>Net exposure</b>                      | <b>GBP (471,984)</b>      | <b>(882,657)</b>                  |

A 10% change in the British Pound against the Canadian dollar at September 30, 2025, would impact the Company's net liabilities by approximately \$88,000.

**iii) Price Risk**

The Company is not exposed to price risk with respect to commodity pricing.

The Company provides information about financial instruments that are measured at fair value, grouped into Level 1 to 3 based on the degree to which the inputs used to determine the fair value are observable.

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

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 12 Financial Instruments and risk (continued)

iii) Price Risk (continued)

The following table presents the financial instruments recorded at fair value in the statement of financial position, classified using the fair value hierarchy:

|                              | Level 1   | Level 2      | Level 3 | Total – September 30,<br>2025 |
|------------------------------|-----------|--------------|---------|-------------------------------|
| <b>Financial Assets</b>      |           |              |         |                               |
| Cash                         | \$ 77,221 | \$ -         | \$ -    | \$ 77,221                     |
| Receivables                  | -         | 17,659       | -       | 17,659                        |
| Prepaid                      | -         | 118,504      | -       | 118,504                       |
| Inventories                  | -         | 237,422      | -       | 237,422                       |
| Deposit on land              | 100,000   | -            | -       | 100,000                       |
| Equipment                    | -         | 12,812       | -       | 12,812                        |
| Intangible                   | -         | 644,232      | -       | 644,232                       |
| <b>Financial Liabilities</b> |           |              |         |                               |
| Accounts pay.                | \$ -      | \$ 3,232,941 | \$ -    | \$ 3,232,941                  |
| Accrued int.                 | -         | 245,781      | -       | 245,781                       |
| Current portion              | -         | 2,702,615    | -       | 2,702,615                     |
| Income taxes                 | -         | 25,000       | -       | 25,000                        |
| Short -term loans            | -         | 886,550      | -       | 886,550                       |

Note 13 Capital Risk Management

The Company's objectives when managing capital are: to safeguard the Company's ability to continue as a going concern; to maintain optimal capital structure, while ensuring the Company's strategic objectives are met and to provide an appropriate return to shareholders relative to the risk of the Company's underlying assets.

The capital structure of the Company consists of equity attributable to common shareholders, comprised of issued capital, stock options and deficit.

The Company maintains and adjusts its capital structure based on changes in economic conditions and the Company's planned requirements. The Company may adjust its capital structure by issuing new equity, selling and/or acquiring assets, and controlling its capital expenditures program.

Management reviews its capital management approach on an ongoing basis. The Company is not subject to any externally imposed capital requirements.

Note 14 General and administrative

|                                    | For the Three Months ended<br>September 30, |           | For the Six Months ended<br>September 30, |            |
|------------------------------------|---|-----------|---|------------|
|                                    | 2025  | 2024      | 2025                                      | 2024       |
| Office and administration          | \$ 5,069                                    | \$ 6,424  | \$ 11,071                                 | \$ 9,842   |
| Computer and internet              | 5,308                                       | 12,198    | 9,850                                     | 29,616     |
| Rent                               | 20,701                                      | 18,030    | 42,083                                    | 38,361     |
| Transfer agent and regulatory fees | 12,061                                      | 19,900    | 21,865                                    | 31,658     |
|                                    | \$ 43,139                                   | \$ 56,552 | \$ 84,869                                 | \$ 109,477 |

**FIRST HYDROGEN CORP.**  
**Notes to Condensed Consolidated Interim Financial Statements**  
**For the Three and Six Months Ended September 30, 2025**  
**(Unaudited – Expressed in Canadian Dollars)**

Note 15 Segmented information

|        | Assets              |              | Expenditures             |              |
|--------|---------------------|--------------|--------------------------|--------------|
|        | As at September 30, |              | For the Six Months Ended |              |
|        | 2025                | 2024         | 2025                     | 2024         |
| U.K.   | \$ 280,343          | \$ 917,195   | \$ 167,483               | \$ 1,277,810 |
| Canada | 927,507             | 961,266      | 1,398,670                | 1,856,851    |
|        | \$ 1,207,850        | \$ 1,878,461 | \$ 1,566,153             | \$ 3,134,661 |

Note 16 Supplemental Cash Flow

|  | September 30, 2025 | September 30, 2024 |
|--|--------------------|--------------------|
| Share issued from convertible debenture conversion | \$ 415,374         | \$ -               |

Note 17 Subsequent Events

- a) The Company issued 129,560 common shares to settle interest payments due in the amount of \$62,141
- b) The Company issued 100,000 common shares from the conversion of \$54,000 of debentures.
- c) The Company issued 100,000 common shares from the exercise of incentive stock options at a price of \$0.70 per share.
- d) The Company and certain debentures holders agreed to extend the maturity date of convertible debentures in the principal amount of \$2,204,425, from November 22, 2025 to November 22, 2028, subject to acceptance of the TSX Venture Exchange.
- e) The Company proposed to settle up to \$206,930.25 in accrued and owing interest (the "Settlement Amount") into 470,296 common shares (the "Shares") of the Company (the "Debt Settlement"). The Shares shall be issued at a deemed price of C\$0.44 per Share. The Settlement Amount is payable to debenture holders (the "Debenture Holders") referenced above and 9.0% unsecured convertible debentures of the Company, the full principal balance of which was converted into shares on September 24, 2025, and October 14, 2025, these debentures were issued to the Debenture Holders on November 22, 2023. The proposal is subject to TSX Venture Exchange approval.