



Interim Condensed Consolidated Financial Statements

For the three months ended March 31, 2025 and 2024

(Unaudited)

Condor Energies Inc.

Interim Condensed Consolidated Statements of Financial Position (Unaudited)
Stated in thousands of Canadian dollars

| As at | | March 31, 2025 | December 31, 2024 |
|--|------|----------------|-------------------|
| | Note | | |
| Assets | | | |
| Cash and cash equivalents | | 33,118 | 27,841 |
| Trade and other receivables | 18 | 8,223 | 17,617 |
| Other current assets | 2 | 2,156 | 2,245 |
| Total current assets | | 43,497 | 47,703 |
| Exploration and evaluation assets | 3 | 460 | 399 |
| Property, plant and equipment | 4 | 23,348 | 17,997 |
| Other long-term assets | 5 | 275 | 279 |
| Deferred income tax asset | 16 | 847 | 229 |
| Total assets | | 68,427 | 66,607 |
| Liabilities | | | |
| Accounts payable and accrued liabilities | | 8,962 | 9,844 |
| Current income taxes payable | | 678 | - |
| Current portion of lease liabilities | | 239 | 205 |
| Current portion of loan facility | 6 | 2,167 | 2,182 |
| Convertible debentures | 7 | 7,442 | 7,781 |
| Current portion of provisions | 8 | 1,277 | 1,242 |
| Current portion of other long-term liabilities | 9 | 491 | 472 |
| Total current liabilities | | 21,256 | 21,726 |
| Lease liabilities | | 482 | 422 |
| Loan facility | 6 | 4,448 | 4,777 |
| Provisions | 8 | 13,868 | 14,457 |
| Other long-term liabilities | 9 | 4,959 | 4,165 |
| Total liabilities | | 45,013 | 45,547 |
| Shareholders' Equity (Deficiency) | | | |
| Share capital | 10 | 75,657 | 75,649 |
| Contributed surplus | | 25,987 | 25,297 |
| Accumulated other comprehensive loss | | (83,690) | (83,724) |
| Deficit | | (3,974) | (3,889) |
| Equity attributable to common shareholders | | 13,980 | 13,333 |
| Non-controlling interests | 11 | 9,434 | 7,727 |
| Total shareholders' equity | | 23,414 | 21,060 |
| Total liabilities and shareholders' equity | | 68,427 | 66,607 |

Commitments and contingent liabilities (Note 17); Subsequent events (Note 21)

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

Condor Energies Inc.

Interim Condensed Consolidated Statements of Income (Loss) and Comprehensive Income (Loss) (Unaudited)
 Stated in thousands of Canadian dollars
 (except for per share amounts)

| For the three months ended March 31 | | 2025 | 2024 |
|--|------|---------|---------|
| | Note | | |
| Revenue | | | |
| Natural gas and condensate sales | 18 | 22,270 | 7,373 |
| Royalties | | (4,113) | (1,352) |
| Total revenue | | 18,157 | 6,021 |
| Expenses | | | |
| Production costs | | 9,051 | 2,496 |
| Transportation and selling | | 703 | 293 |
| General and administrative | | 2,492 | 2,100 |
| Depletion and depreciation | 4 | 3,276 | 245 |
| Stock based compensation | 13 | 693 | 125 |
| Total expenses | | 16,215 | (5,259) |
| Finance income | 14 | 1,133 | 376 |
| Finance expense | 14 | (973) | (443) |
| Foreign exchange gain (loss) | 18 | 23 | (118) |
| Unrealized gain on embedded derivative | 7 | 265 | - |
| Net monetary loss | 15 | (13) | (7) |
| Income before income taxes | | 2,377 | 570 |
| Current income tax expense | 16 | (1,364) | (479) |
| Deferred income tax recovery | 16 | 611 | - |
| Net income | | 1,624 | 91 |
| <i>Items that may be reclassified to profit or loss:</i> | | | |
| Foreign currency translation adjustment | | 32 | 125 |
| Comprehensive income | | 1,656 | 216 |
| Net income (loss) attributable to: | | | |
| Common shareholders | | (85) | (1,397) |
| Non-controlling interests | 11 | 1,709 | 1,488 |
| | | 1,624 | 91 |
| Comprehensive income (loss) attributable to: | | | |
| Common shareholders | | (51) | (1,271) |
| Non-controlling interests | 11 | 1,707 | 1,487 |
| | | 1,656 | 216 |
| Net loss per share attributable to common shareholders: | | | |
| Basic and diluted net loss per share | 12 | (0.00) | (0.02) |

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

Condor Energies Inc.

Interim Condensed Consolidated Statements of Cash Flows (Unaudited)
Stated in thousands of Canadian dollars

| For the three months ended March 31 | | 2025 | 2024 |
|---|------|---------|---------|
| | Note | | |
| Operating activities: | | | |
| Net income | | 1,624 | 91 |
| Items not affecting cash: | | | |
| Depletion and depreciation | 4 | 3,276 | 245 |
| Stock based compensation | 13 | 693 | 125 |
| Finance income | 14 | (1,034) | (334) |
| Finance expenses | | 653 | 250 |
| Unrealized foreign exchange loss (gain) | | (231) | 204 |
| Unrealized gain on embedded derivative | 7 | (265) | - |
| Net monetary loss | 15 | 6 | 8 |
| Deferred income tax recovery | 16 | (611) | - |
| Cash flows from operating activities before the following items | | 4,111 | 589 |
| Other long-term assets | 5 | 4 | (2) |
| Decommissioning obligations settled | 8 | (9) | (29) |
| Increase in other long-term liabilities | 9 | 1,886 | 609 |
| Payments of other long-term liabilities | 9 | (181) | - |
| Changes in non-cash working capital | | 9,048 | (3,608) |
| Cash flows from (used in) operating activities | | 14,859 | (2,441) |
| Investing activities: | | | |
| Exploration and evaluation expenditures | 3 | (46) | (20) |
| Property, plant and equipment expenditures | 4 | (9,059) | (109) |
| Changes in non-cash working capital | | 56 | (21) |
| Cash flows used in investing activities | | (9,049) | (150) |
| Financing activities: | | | |
| Repayment of loan facility | 6 | (510) | - |
| Proceeds from convertible debentures | 7 | - | 6,463 |
| Convertible debenture issue costs | 7 | - | (151) |
| Issue of common shares | 10 | 5 | 41 |
| Lease payments | | (75) | (6) |
| Cash flows from (used in) financing activities | | (580) | 6,347 |
| Net change in cash | | 5,230 | 3,756 |
| Effect of foreign exchange on cash | | 47 | (3) |
| Cash and cash equivalents, beginning | | 27,841 | 5,043 |
| Cash and cash equivalents, ending | | 33,118 | 8,796 |

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

Condor Energies Inc.

Consolidated Statements of Changes in Shareholders' Equity (Deficiency) (Unaudited)

Stated in thousands of Canadian dollars

(except for number of common shares)

| | Number of Common Shares | Share Capital (Note 10) | Contributed Surplus | Accumulated Other Comprehensive Loss | Deficit | Equity (Deficiency) Attributable to Common Shareholders | Non- Controlling Interests | Total Shareholders' Equity (Deficiency) |
|---|-------------------------------|-------------------------------|------------------------|---|-----------|---|----------------------------------|--|
| As at December 31, 2023 | 56,490,433 | 276,722 | 24,553 | (84,414) | (219,394) | (2,533) | - | (2,533) |
| Exercise of stock options and warrants | 106,668 | 103 | (62) | - | - | 41 | - | 41 |
| Stock based compensation expense | - | - | 125 | - | - | 125 | - | 125 |
| Foreign currency translation adjustment | - | - | - | 126 | - | 126 | (1) | 125 |
| Partial disposition of subsidiary (Note 11) | - | - | - | 3 | 157 | 160 | (160) | - |
| Net income (loss) | - | - | - | - | (1,397) | (1,397) | 1,488 | 91 |
| As at March 31, 2024 | 56,597,101 | 276,825 | 24,616 | (84,285) | (220,634) | (3,478) | 1,327 | (2,151) |
| As at December 31, 2024 | 67,457,117 | 75,649 | 25,297 | (83,724) | (3,889) | 13,333 | 7,727 | 21,060 |
| Exercise of stock options and warrants | 10,000 | 8 | (3) | - | - | 5 | - | 5 |
| Stock based compensation expense | - | - | 693 | - | - | 693 | - | 693 |
| Foreign currency translation adjustment | - | - | - | 34 | - | 34 | (2) | 32 |
| Net income (loss) | - | - | - | - | (85) | (85) | 1,709 | 1,624 |
| As at March 31, 2025 | 67,467,117 | 75,657 | 25,987 | (83,690) | (3,974) | 13,980 | 9,434 | 23,414 |

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

Condor Energies Inc.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2025 and 2024

1. Corporate information:

Reporting entity:

Condor Energies Inc. ("Condor" or the "Company") is a publicly traded company listed on the Toronto Stock Exchange ("TSX") under the symbol "CDR" with activities in the Republic of Uzbekistan ("Uzbekistan"), the Republic of Türkiye ("Türkiye") and the Republic of Kazakhstan ("Kazakhstan"). The Company's registered office is 1810, 500 – 4th Avenue SW, Calgary, Alberta, Canada, T2P 2V6.

The interim condensed consolidated financial statements (the "financial statements") of the Company as at March 31, 2025 and for the three months ended March 31, 2025 and 2024 comprise the Company and its subsidiaries. These financial statements were approved and authorized for issue on May 13, 2025 by the Board of Directors.

Nature of operations:

The Company has a 51% interest in and operates a production enhancement services contract with JSC Uzbekneftegaz ("UNG") to increase the production and overall recovery rates from an integrated cluster of eight conventional natural gas-condensate fields in Uzbekistan (the "PEC Project"). The term of the PEC Project will end in March 2044.

The Company has a 100% interest in and operates the Poyraz Ridge and Destan operating licenses and gas fields in Türkiye. The Poyraz Ridge license is valid until June 2035 and the Destan license is valid until June 2030.

The Company has a 100% interest in and operates the Sayakbay and Kolkuduk exploration licenses in Kazakhstan for mining solid minerals, including lithium. The six-year Sayakbay license is valid until July 2029 and the six-year Kolkuduk license, awarded in February 2025 (Note 3) is valid until February 2031.

Basis of presentation

These financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 'Interim Financial Reporting', as issued by the International Accounting Standards Board. These financial statements do not include all of the information required in annual financial statements prepared in accordance with IFRS Accounting Standards and should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2024.

These financial statements are reported in Canadian dollars ("CAD") which is the functional currency of the Company. The Company's has a subsidiary in Uzbekistan with a United States dollar ("USD") functional currency and a subsidiary in the Netherlands which has a branch in Türkiye with a Turkish Lira ("TRY") functional currency.

The accounting policies used to prepare these financial statements are consistent with the material accounting policies for the year ended December 31, 2024.

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)****For the three months ended March 31, 2025 and 2024***Significant accounting estimates and judgments*

The timely preparation of financial statements requires management to make use of judgments, estimates and assumptions when transactions affecting the current accounting period cannot be finalized until future periods. These estimates will affect assets, liabilities and the disclosure of assets and liabilities at the date of the financial statements, as well as revenues and expenses during the reporting periods. Such estimates are based on informed judgments made by management and actual results could differ from those estimates as future confirming events occur. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying material accounting policies that have the most significant effect on the amounts recognized in the financial statements are outlined in Note 2 of Condor's audited consolidated financial statements as at and for the year ended December 31, 2024.

2. Other current assets:

| As at (\$000's) | March 31, 2025 | December 31, 2024 |
|-----------------------------|-----------------------|--------------------------|
| Prepaid expenses | 1,193 | 1,209 |
| Inventory | 776 | 624 |
| Income taxes receivable | - | 199 |
| Value added tax receivables | 187 | 213 |
| | 2,156 | 2,245 |

3. Exploration and evaluation ("E&E") assets:

| As at (\$000's) | March 31, 2025 | December 31, 2024 |
|---|-----------------------|--------------------------|
| Opening balance | 399 | 283 |
| Capital expenditures | 46 | 96 |
| Transfer from property, plant and equipment | - | 42 |
| Foreign currency translation adjustment | 15 | (22) |
| Closing balance | 460 | 399 |

On February 24, 2025, Condor was awarded a second critical minerals mining license in Kazakhstan for a 100% working interest in the exploration rights within a 6,800-hectare area for a six-year term (the "Kolkuduk" license). E&E assets are comprised of the Sayakbay and Kolkuduk exploration licenses in Kazakhstan for mining solid minerals, including lithium.

There were no indicators of impairment for E&E assets as at March 31, 2025.

Condor Energies Inc.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2025 and 2024

4. Property, plant and equipment:

| (\$000's) | Oil and gas properties | Other equipment | Total |
|---|------------------------|-----------------|----------|
| Cost | | | |
| As at December 31, 2023 | 13,126 | 1,652 | 14,778 |
| Capital expenditures | 7,967 | 831 | 8,798 |
| Change in decommissioning costs | 11,304 | - | 11,304 |
| Transfer to E&E assets | - | (63) | (63) |
| Foreign currency translation adjustment | 756 | (23) | 733 |
| As at December 31, 2024 | 33,153 | 2,397 | 35,550 |
| Capital expenditures | 8,987 | 218 | 9,205 |
| Change in decommissioning costs | (720) | - | (720) |
| Foreign currency translation adjustment | (201) | 31 | (170) |
| As at March 31, 2025 | 41,219 | 2,646 | 43,865 |
| Accumulated depletion, depreciation and impairment | | | |
| As at December 31, 2023 | (13,126) | (1,014) | (14,140) |
| Depletion and depreciation | (3,412) | (194) | (3,606) |
| Transfer to E&E assets | - | 21 | 21 |
| Foreign currency translation adjustment | 74 | 98 | 172 |
| As at December 31, 2024 | (16,464) | (1,089) | (17,553) |
| Depletion and depreciation | (3,050) | (92) | (3,142) |
| Foreign currency translation adjustment | 195 | (17) | 178 |
| As at March 31, 2025 | (19,319) | (1,198) | (20,517) |
| Net book value | | | |
| As at December 31, 2024 | 16,689 | 1,308 | 17,997 |
| As at March 31, 2025 | 21,900 | 1,448 | 23,348 |

Changes in decommissioning costs are from new oil and gas assets, updated cost estimates, changes to estimated lives of operations and revisions to discount rates and inflation rates related to oil and gas properties. Changes in decommissioning costs in Uzbekistan in the amount of \$0.7 million (December 31, 2024 – \$11.3 million) have been capitalized to oil and gas properties. Changes in decommissioning costs in Türkiye and Kazakhstan relating to oil and gas properties with a net book value of \$Nil are recognized immediately as depletion and depreciation expense. For the three months ended March 31, 2025, the amount expensed was \$0.1 million in Türkiye (March 31, 2024 – \$0.1 million) and \$Nil in Kazakhstan (March 31, 2024 – \$0.03 million).

Total depletion and depreciation expense for property, plant and equipment, including changes in decommissioning costs for properties with a net book value of \$Nil, for the three months ended March 31, 2025 is \$3.3 million (March 31, 2024 – \$0.2 million).

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)****For the three months ended March 31, 2025 and 2024**

As at March 31, 2025, other equipment includes field equipment and capital inventory of \$0.4 million (December 31, 2024 – \$0.4 million) which are not subject to depreciation, and right-of-use assets related to Canadian and Uzbekistan office space with a cost of \$0.8 million (December 31, 2024 – \$0.7 million), accumulated depreciation of \$0.1 million (December 31, 2024 - \$0.1 million) and a carrying amount of \$0.7 million (December 31, 2024 - \$0.6 million).

There were no indicators of impairment for property, plant and equipment as at March 31, 2025.

5. Other long-term assets:

Other long term assets are comprised of non-current bank deposits for decommissioning obligations in Kazakhstan, Turkiye and Canada in the aggregate amount of \$0.3 million as of March 31, 2025 (December 31, 2024 – \$0.3 million) and are substantially all denominated in USD and invested in special interest bearing accounts.

6. Loan facility:

The Company has a USD denominated term loan facility (“Loan Facility”) with a group of third-party lenders. The Loan Facility is unsecured, non-revolving and bears interest at 9.0% per annum to be paid quarterly in arrears.

Principal payments of USD \$0.355 million are due on each of June 30, 2025, September 30, 2025, December 31, 2025, and March 31, 2026, USD \$0.865 million is due on June 30, 2026 and USD \$2.905 million is due on September 30, 2026.

Financing costs for the Loan Facility were recorded as a reduction against the liability and are amortized over the term of the Loan Facility using the effective interest method. The effective interest expense on the Loan Facility for the three months ended March 31, 2025 was \$0.4 million (March 31, 2024 – \$0.4 million) and the balance of unamortized financing costs as at March 31, 2025 was \$1.0 million (December 31, 2024 – \$1.1 million).

As of March 31, 2025, the current portion of the Loan Facility of \$2.2 million (December 31, 2024 – \$2.2 million) is comprised of \$0.1 million of accrued interest payable (December 31, 2024 – \$0.1 million) and \$2.1 million of principal (December 31, 2024 – \$2.1 million), and the non-current portion of \$4.4 million (December 31, 2024 – \$4.8 million) is comprised of \$5.4 million of principal (December 31, 2024 – \$5.9 million) less \$1.0 million of unamortized financing costs (December 31, 2024 – \$1.1 million). As of March 31, 2025, the Company is in compliance with all non-financial covenants and the Loan Facility has no associated financial covenants.

| (\$000's) | March 31, 2025 | December 31, 2024 |
|---|-----------------------|--------------------------|
| Beginning balance | 6,959 | 6,023 |
| Accretion expense | 354 | 1,478 |
| Interest paid | (180) | (726) |
| Principal repayments | (510) | (488) |
| Foreign currency translation adjustment | (8) | 672 |
| Ending balance | 6,615 | 6,959 |
| Less: current portion | (2,167) | (2,182) |
| Ending non-current portion | 4,448 | 4,777 |

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)****For the three months ended March 31, 2025 and 2024****7. Convertible debentures:**

On March 22, 2024, the Company issued convertible debentures (the “Debentures”) convertible into 2,950,336 common shares for gross proceeds of USD \$4.8 million (CAD \$6.5 million) less debt issue costs of CAD \$0.2 million for net proceeds of CAD \$6.3 million. The Debentures are unsecured, bear interest at 9.0% per annum payable in cash semi-annually in arrears, mature on March 21, 2027, and the principal amount is convertible at any time at the option of the holder on or before the maturity date at a conversion price of USD \$1.61676 per common share. The Company can force conversion of all the Debentures if the 20-day volume weighted average trading price of the Company’s common shares on the TSX exceeds CAD \$3.00. The proceeds are available for general corporate purposes. As of March 31, 2025, the Company is in compliance with all non-financial covenants and the Debentures have no associated financial covenants.

The fair value of the liability component of the Debentures of USD \$4.1 million (CAD \$5.5 million) was determined on March 22, 2024 by discounting the expected future cash flows of the interest and principal amounts at the Company’s estimated incremental borrowing rate of 16%. Financing costs allocated to the liability component of \$0.14 million were recorded as a reduction against the liability and are amortized over the three-year term using the effective interest method. The liability component is accreted over the three-year term to the principal amount on the maturity date with a corresponding non-cash accretion charge recognized in finance expense.

As the Debentures are denominated in a currency other than the Company’s functional currency, the conversion feature is accounted for as an embedded derivative liability and its fair value is reevaluated and estimated at each reporting period date with changes in fair value recognized in earnings.

The effective interest expense on the liability component of the Debentures for the three months ended March 31, 2025 was \$0.2 million (March 31, 2024 – \$0.02 million) and the balance of unamortized financing costs as at March 31, 2025 was \$0.1 million (December 31, 2024 – \$0.1 million). As at March 31, 2025, the liability component includes accrued interest payable of \$0.02 million (December 31, 2024 – \$0.2 million).

The estimated fair value of the embedded derivative liability on March 31, 2025 was \$1.4 million (December 31, 2024 – \$1.7 million) with the change in fair value of \$0.3 million recognized as unrealized gain on embedded derivative for the three months ended March 31, 2025 (March 31, 2024 – \$Nil). The fair value of the embedded derivative liability as at March 31, 2025 was estimated using the Black-Scholes option pricing model assuming: a 1.3 year expected life; a 2.5% risk free interest rate; an 80% expected volatility, which is based on historical share price volatility of the Company; no expected dividends; a March 31, 2025 share price of \$1.76; and an exercise price of \$2.32.

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

| (\$000's) | March 31, 2025 | December 31, 2024 |
|--|-----------------------|--------------------------|
| Liability component | | |
| Beginning balance | 6,128 | 5,353 |
| Accretion expense | 239 | 714 |
| Interest paid | (308) | (292) |
| Foreign currency translation adjustment | (5) | 353 |
| Ending liability component balance | 6,054 | 6,128 |
| Embedded derivative component | | |
| Beginning balance | 1,653 | 966 |
| Unrealized (gain) loss on derivative revaluation | (265) | 687 |
| Ending embedded derivative component balance | 1,388 | 1,653 |
| Total Debentures | 7,442 | 7,781 |

8. Provisions:

| As at (\$000's) | March 31, 2025 | December 31, 2024 |
|---|-----------------------|--------------------------|
| Beginning non-current portion | 14,457 | 1,834 |
| Increase in liabilities | - | 12,425 |
| Changes in estimates | (586) | (793) |
| Accretion expense | 164 | 464 |
| Foreign currency translation adjustment | (167) | 527 |
| Ending non-current portion | 13,868 | 14,457 |
| Beginning current portion | 1,242 | 635 |
| Settlements | (9) | (1,171) |
| Changes in estimates | - | 1,839 |
| Foreign currency translation adjustment | 44 | (61) |
| Ending current portion | 1,277 | 1,242 |

Provisions are comprised of decommissioning obligations which are estimated based on the expected costs to abandon existing wells, gathering lines and facilities and for site restoration along with the estimated timing of future payments. As at March 31, 2025, the estimated total uninflated and undiscounted cash flows required to settle the current and non-current liabilities are \$20.3 million (December 31, 2024 – \$20.2 million), which are expected to be incurred between 2025 and 2043.

The net present value of the non-current decommissioning obligations is calculated with an inflation rate of 2.4% (December 31, 2024 – 2.8%) and using risk-free discount rates of 4.0% to 4.6% (December 31, 2024 – 4.3% to 4.7%).

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

9. Other long-term liabilities:

| (\$000's) | PEC Project | CNG | Total |
|---|-------------|-------|-------|
| Balance as at December 31, 2024 | 2,821 | 1,816 | 4,637 |
| Increase in liabilities | 852 | - | 852 |
| Accretion | 123 | 69 | 192 |
| Payments on other long-term liabilities | - | (181) | (181) |
| Foreign currency translation adjustment | (49) | (1) | (50) |
| Balance as at March 31, 2025 | 3,747 | 1,703 | 5,450 |
| Less: current portion | - | (491) | (491) |
| Non-current portion | 3,747 | 1,212 | 4,959 |

In accordance with the terms of the PEC Project, certain of the Company's payment obligations are deferred. The total undiscounted cash outflows required to settle these obligations are \$7.8 million and are due between March 2029 and March 2030. These liabilities are recognized at fair value by discounting the expected future payments at the Company's estimated incremental borrowing rate of 16% and are accreted over the deferral period to the principal amount on the due date with a corresponding non-cash accretion charge recognized in finance expense. The difference between fair value and undiscounted payment obligations is recorded as non-cash finance income.

The non-cash accretion expense for the three months March 31, 2025 was \$0.1 million (March 31, 2024 – \$Nil), and non-cash finance income for the three months ended March 31, 2025 was \$1.0 million (March 31, 2024 – \$0.3 million).

Condor Natural Gas B.V. ("CNG"), a Company subsidiary, entered into a Termination and Settlement Agreement (the "Agreement") effective August 1, 2024 with third-party advisors (the "Advisors") who assisted Condor in pursuing investment opportunities in Uzbekistan.

The CNG termination payment is payable in monthly instalments of USD \$0.04 million until March 2028 and was recognized at fair value by discounting the expected future payments at the Company's estimated incremental borrowing rate of 16%. The liability is accreted over the payment period with a corresponding non-cash accretion charged to finance expense. The non-cash accretion expense on the Agreement liabilities for the three months ended March 31, 2025 was \$0.07 million (March 31, 2024 – \$Nil). As at March 31, 2025, the total undiscounted cash flows required to settle the liability are USD \$1.5 million (CAD \$2.1 million).

10. Share capital:

The Company has authorized an unlimited number of common shares without nominal or par value and an unlimited number of first and second preferred shares without nominal or par value and all issued shares are fully paid. As of March 31, 2025, the number of common shares issued is 67,467,117 (December 31, 2024 – 67,457,117).

During the three months ended March 31, 2025, 10,000 stock options were exercised for proceeds of \$0.01 million. During the three months ended March 31, 2024, 40,000 stock options were exercised for proceeds of \$0.01 million and 66,668 common share purchase warrants were exercised for proceeds of \$0.03 million.

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

As of March 31, 2025, there are 2,754,497 common share purchase warrants as follows:

- 2,533,334 warrants each at an exercise price of \$0.48 per common share and exercisable into one common share of Condor, of which 255,000 expire on June 30, 2026 and 2,278,334 expire on July 14, 2026; and
- 221,163 warrants each at an exercise price of \$2.20 per common share and exercisable into one common share of Condor which expire on December 9, 2026.

Reduction of share capital

On June 20, 2024, Condor's shareholders resolved by special resolution that the Company's share capital be reduced, without payment of or reduction to the Company's stated capital or paid-up capital, by the amount of the deficit on December 31, 2023 of \$219.4 million.

11. Non-controlling interests:**a. Condor Natural Gas B.V.**

On January 9, 2024, the Company entered into a share purchase agreement ("SPA") with a third party to sell 49% of the shares of Condor Natural Gas B.V. ("CNG"). CNG is the sole shareholder of the Uzbekistan subsidiary which is conducting the production enhancement services under the PEC Project. On March 1, 2024, the SPA was completed, the consideration received, and the assets, liabilities and accumulated other comprehensive loss ("AOCL") transferred to the NCI is outlined in the table below:

| (\$000's) | |
|---|-------|
| Consideration received | - |
| Carrying amount of net assets and AOCL transferred to NCI | (160) |
| Increase in equity attributable to Common shareholders | 160 |

The increase in equity attributable to Common shareholders of the Company was comprised of a reduction in deficit of \$0.16 million and a reduction in AOCL of less than \$0.01 million.

The following table summarizes the financial information relating to CNG and its wholly-owned Uzbekistan subsidiary, before any intra-group eliminations. The NCI is allocated 49% of the comprehensive income of CNG commencing March 1, 2024.

| As at (\$000's) | March 31, 2025 | December 31, 2024 |
|--------------------------------|-----------------------|--------------------------|
| Current assets | 26,116 | 33,333 |
| Non-current assets | 23,443 | 17,674 |
| Current liabilities | (10,113) | (9,192) |
| Non-current liabilities | (19,996) | (25,892) |
| Net assets | 19,450 | 15,923 |
| Net assets attributable to NCI | 9,530 | 7,802 |

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

| Three months ended (\$000's) | March 31, 2025 | March 31, 2024 |
|--|-----------------------|-----------------------|
| Revenue | 22,262 | 7,212 |
| Expenses | (19,771) | (4,844) |
| Finance income | 1,039 | 334 |
| Net income | 3,530 | 2,702 |
| Other comprehensive loss | (4) | (4) |
| Total comprehensive income | 3,526 | 2,698 |
| Net income allocated to NCI | 1,730 | 1,488 |
| Other comprehensive loss allocated to NCI | (2) | (1) |
| Cash flows from (used in) operating activities | 17,169 | (569) |
| Cash flows used in investing activities | (8,936) | (116) |
| Cash flows from (used in) financing activities | (5,885) | 982 |
| Effect of foreign exchange on cash | (9) | (1) |
| Increase in cash | 2,339 | 296 |

b. Condor LNG Ltd.

On April 24, 2024, the Company completed a share purchase agreement with a third party to sell 10% of the shares of Condor LNG Ltd. ("CLNG"). CLNG is the sole shareholder of two Kazakhstan subsidiaries which are developing liquefied natural gas facilities in Kazakhstan. The consideration received, and the assets, liabilities and accumulated other comprehensive loss ("AOCL") transferred to the NCI is outlined in the table below:

| (\$000's) | |
|---|------|
| Consideration received | - |
| Carrying amount of net assets and AOCL transferred to NCI | (26) |
| Increase in equity attributable to Common shareholders | 26 |

The increase in equity attributable to Common shareholders of the Company is comprised of a decrease in deficit of \$0.03 million and a decrease in AOCL of less than \$0.01 million.

The following table summarizes the financial information relating to CLNG and its two wholly-owned Kazakhstan subsidiaries, before any intra-group eliminations. The NCI is allocated 10% of the comprehensive income of CLNG commencing April 24, 2024.

| As at (\$000's) | March 31, 2025 | December 31, 2024 |
|--|-----------------------|--------------------------|
| Current assets | 184 | 195 |
| Non-current assets | 4 | 3 |
| Current liabilities | (87) | (81) |
| Non-current liabilities | (1,057) | (871) |
| Net asset deficiency | (956) | (754) |
| Net asset deficiency attributable to NCI | (96) | (75) |

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

| Three months ended (\$000's) | March 31, 2025 | March 31, 2024 |
|---|-----------------------|-----------------------|
| Revenue | - | - |
| Expenses | (205) | - |
| Net loss | (205) | - |
| Other comprehensive income | 3 | - |
| Total comprehensive loss | (202) | - |
| Net loss allocated to NCI | (21) | - |
| Other comprehensive income allocated to NCI | - | - |
| Cash flows used in operating activities | (168) | - |
| Cash flows used in investing activities | (1) | - |
| Cash flows from financing activities | 186 | - |
| Effect of foreign exchange on cash | (1) | - |
| Increase in cash | 16 | - |

12. Net loss per share:

Per share amounts are calculated using a weighted average number of common shares of 67,462,561 for the three months ended March 31, 2025 (March 31, 2024 – 56,572,192 shares). For periods with a net loss, outstanding convertible debentures (Note 7), common share purchase warrants (Note 10) and stock options (Note 13) have been excluded from the respective calculations of diluted weighted average common shares as to include them would have an antidilutive effect.

13. Stock based compensation:

The Company has a stock option plan under which the Board may grant options for the purchase of common shares to directors, officers and employees for up to 10% of the outstanding common shares. The Board establishes the exercise price of options at the date of grant, provided that such price shall not be less than the volume weighted average trading price of the shares on the TSX for the five trading days immediately preceding the date of grant. The options are granted for a term of five years and fully vest after either two or three years from the date of grant. Each outstanding option is exercisable to acquire one common share of the Company.

The number and weighted average exercise prices of share options are as follows:

| | Number of options | Weighted average exercise price |
|-------------------------------------|--------------------------|--|
| Outstanding as at December 31, 2023 | 5,447,000 | \$0.56 |
| Granted | 468,000 | 1.90 |
| Expired | (701,434) | (0.31) |
| Outstanding as at December 31, 2024 | 5,213,566 | 0.71 |
| Granted | 1,215,000 | 1.86 |
| Exercised | (10,000) | (0.53) |
| Outstanding as at March 31, 2025 | 6,418,566 | \$0.93 |

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

Details of the stock options outstanding as at March 31, 2025 are as follows:

| Exercise price | Options outstanding | | Options vested | |
|----------------|---------------------|---------------------------------|----------------|---------------------------------|
| | Number | Average remaining life in years | Number | Average remaining life in years |
| \$0.31 | 936,666 | 3.0 | 936,666 | 3.0 |
| \$0.39 | 1,109,900 | 2.7 | 1,109,900 | 2.7 |
| \$0.42 | 120,000 | 2.0 | 120,000 | 2.0 |
| \$0.48 | 750,000 | 1.9 | 716,667 | 1.8 |
| \$0.51 | 175,000 | 0.6 | 175,000 | 0.6 |
| \$0.53 | 620,000 | 0.4 | 620,000 | 0.4 |
| \$1.23 | 1,024,000 | 3.5 | 682,337 | 3.5 |
| \$1.80 | 225,000 | 4.2 | 75,001 | 4.2 |
| \$1.86 | 1,215,000 | 4.9 | 405,002 | 4.9 |
| \$1.99 | 243,000 | 4.4 | - | - |
| | 6,418,566 | 3.0 | 4,840,573 | 2.6 |

As of March 31, 2025, there are 6,418,566 stock options outstanding (December 31, 2024 – 5,213,566) with a weighted average exercise price of \$0.93 (December 31, 2024 - \$0.71), of which 4,840,573 stock options are exercisable (December 31, 2024 – 4,112,239) with a weighted average exercise price of \$0.67 (December 31, 2024 – \$0.59).

In February 2025, 1,215,000 stock options were granted and the fair value of \$1.23 per option was estimated using the Black-Scholes option pricing model assuming: a 3.0 year expected life; a 2.6% risk free interest rate; an 106% expected volatility, which is based on historical share price volatility of the Company; no expected dividends; a grant date share price of \$1.88; and an exercise price of \$1.86.

14. Finance income and expense

| For the three months ended (\$000's) | March 31, 2025 | March 31, 2024 |
|---|----------------|----------------|
| Finance income: | | |
| Gain on recognition of deferred payments (Note 9) | 1,034 | 334 |
| Bank deposit interest | 99 | 42 |
| | 1,133 | 376 |
| Finance expenses: | | |
| Accretion on loan facility and Debentures (Notes 6 and 7) | 593 | 382 |
| Accretion of provisions (Note 8) | 164 | 58 |
| Accretion of other long-term liabilities (Note 9) | 192 | - |
| Interest on lease liabilities | 24 | 3 |
| | 973 | 443 |

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

15. Net monetary loss:

To measure the impact of inflation in Türkiye on its consolidated financial position and operating results, the Company has elected to use the Turkish consumer price index ("Turkish CPI") as published by the Turkish Statistical Institute "TURKSTAT". The value of the Turkish CPI at March 31, 2025 was 2,955 (March 31, 2024 – 2,139) and the movement in the Turkish CPI for the three months ended March 31, 2025 was 270 (March 31, 2024 – 280), an increase of approximately 10% (March 31, 2024 – 15%). For the three months ended March 31, 2025, the Company recognized a net monetary loss of \$0.01 million to restate transactions into a measuring unit current as of March 31, 2025 (March 31, 2024 – \$0.01 million).

16. Income taxes

Deferred tax assets are reviewed at each reporting date and are recognized for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Income tax expense for the three months ended March 31, 2025 is comprised of current income tax expense of \$1.4 million (March 31, 2024 – \$0.5 million) and deferred income tax recovery of \$0.6 million (March 31, 2024 – \$Nil) related to Uzbekistan.

17. Commitments and contingent liabilities:

There are no work commitments related to the Poyraz Ridge or the Destan operating licenses in Türkiye.

The Sayakbay exploration license in Kazakhstan contains contractual work commitments of \$0.2 million per annum during the first three years and \$0.3 million per annum during the final three years of the six-year term. The Kolkuduk exploration license in Kazakhstan contains contractual work commitments of approximately \$0.05 million per annum during the first three years and \$0.1 million per annum during the final three years of the six-year term. The contractual work commitments may be amended from time to time in accordance with planned exploration activities proposed by the Company and approved by the Government of Kazakhstan and additional contractual work commitment amounts could be significant.

18. Financial risk management:*Credit risk*

Credit risk arises from the possibility that a counterparty to which the Company provides goods or services is unable or unwilling to fulfil their contractual obligations. The maximum exposure to credit risk at year end is as follows:

| Carrying amounts as at (\$000's) | March 31, 2025 | December 31, 2024 |
|---|-----------------------|--------------------------|
| Cash and cash equivalents | 33,118 | 27,841 |
| Trade and other receivables | 8,223 | 17,617 |
| Other long term assets | 275 | 279 |
| | 41,616 | 45,737 |

The Company limits its exposure to credit risk on cash and cash equivalents and bank deposits by depositing and investing in banks with investment grade credit ratings.

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)****For the three months ended March 31, 2025 and 2024**

Credit risk on trade receivables is related mainly to natural gas marketers, and the risk of financial loss if a customer, partner or counterparty to a financial instrument fails to meet its contractual obligations. During the three months ended March 31, 2025 and 2024, sales of natural gas were sold to one customer in each of Uzbekistan and Turkiye, and sales of condensate were sold to one customer in Uzbekistan and therefore all sales transactions are subject to concentration risk. As at March 31, 2025, these three customers represented 99% of outstanding trade and other receivables (December 31, 2024 – 99%).

Credit risk is mitigated by management's policies and practices. Natural gas and condensate produced in Uzbekistan are supplied to the domestic market through sales agreements with national companies of Uzbekistan. For natural gas sales in Turkiye, the Company holds a bank guarantee provided by the buyer of its natural gas amounting to two month's estimated gas sales as security on gas sales receivables.

Liquidity risk and capital management

Liquidity risk is the risk the Company will encounter difficulty in meeting financial obligations and commitments and repaying liabilities as they fall due. The Company's objective is to ensure, as far as possible, that it will have sufficient liquidity to meet its obligations when due. The Company requires liquidity mainly to satisfy financial obligations and operating requirements related to activities in Uzbekistan, Kazakhstan and Turkiye. The Company looks to manage liquidity by adjusting its capital structure by issuing new equity or debt, disposing of assets and making adjustments to its capital expenditure program to the extent the capital expenditures are not committed.

Managing the Company's obligations will require using a combination of cash on hand, funds from operating activities, securing funding from debt or equity financing, disposing of assets or making other arrangements. While the Company believes it has sufficient resources to manage these obligations for the next year, there is no assurance over the longer term that the Company will be successful with these initiatives and the outcome of these matters is uncertain.

As at March 31, 2025, the Company had a deficit of \$4.0 million (December 31, 2024 – \$3.9 million). For the three months ended March 31, 2025, the Company reported net income of \$1.6 million (March 31, 2024 – \$0.1 million) and cash from (used in) operating activities of \$14.9 million (March 31, 2024 – (\$2.4) million). The Company's working capital balance has decreased from \$26.0 million as at December 31, 2024 to \$22.2 million as at March 31, 2025.

To manage capital expenditures and operating cashflows, annual budgets are prepared, monitored regularly and updated as required. The Company also utilizes authorizations for expenditures to manage capital spending.

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)****For the three months ended March 31, 2025 and 2024**

The cash flows presented in the tables below are the contractual undiscounted cash flows and accordingly certain amounts differ from the amounts included in the consolidated statements of financial position. The Company's undiscounted contractual obligations are as follows:

| (\$000's) | Less than 1 year | Greater than 1 year | Total |
|--|-----------------------------|--------------------------------|--------------|
| <u>As at March 31, 2025</u> | | | |
| Accounts payable and accrued liabilities | 8,962 | - | 8,962 |
| Lease liabilities | 321 | 536 | 857 |
| Loan facility | 2,167 | 5,420 | 7,587 |
| Convertible debentures | 15 | 6,857 | 6,872 |
| Other long-term liabilities | 719 | 9,169 | 9,888 |
| <u>As at December 31, 2024</u> | | | |
| Accounts payable and accrued liabilities | 9,844 | - | 9,844 |
| Lease liabilities | 282 | 480 | 762 |
| Loan facility | 2,182 | 5,936 | 8,118 |
| Convertible debentures | 171 | 6,864 | 7,035 |
| Other long-term liabilities | 719 | 7,467 | 8,186 |

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and their impact on the future performance of the business. Market risk is comprised of three types of market price changes: foreign currency exchange rates, interest rates and commodity prices. Derivative instruments may be used to reduce exposure to these risks.

Foreign currency exchange risk

The Company is exposed to significant foreign currency risk as the Company's natural gas and condensate sales and a substantial portion of foreign activities are transacted in or referenced to foreign currencies, a portion of the Company's cash and cash equivalents are held in USD and the Company's Loan Facility and Debentures are denominated in USD. Natural gas and condensate sales in Uzbekistan are domestic sales at local market prices and natural gas sales in Turkiye are denominated in TRL. In general, an increase in the value of the Canadian dollar as compared to the USD or the TRL will reduce the prices received by the Company for its natural gas and condensate sales. The Company had no forward exchange rate contracts in place during the three months ended March 31, 2025 or the year ended December 31, 2024.

During the three months ended March 31, 2025, the CAD was consistent at 1.44 per 1.00 USD, the KZT depreciated from 523.5 per 1.00 USD to 503.4, and the TRL depreciated from 35.2 per 1.00 USD to 37.9, which led to a foreign exchange gain of \$0.02 million (March 31, 2024 – loss of (\$0.1) million) related mainly to the USD denominated Loan Facility and Debentures, partially offset by USD cash and cash equivalents held by the Company.

During the three months ended March 31, 2025, the CAD was consistent at 1.44 per 1.00 USD, the KZT depreciated from 363.9 per 1.00 CAD to 353.3, and the TRL depreciated from 24.4 per 1.00 CAD to 26.5, resulting in a \$0.03 million translation gain adjustment through equity (March 31, 2024 – \$0.1 million).

Condor Energies Inc.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2025 and 2024

Interest rate risk

Interest rate risk is the risk that the value of the financial instrument or future cash flows associated with the financial instrument will fluctuate as a result of changes in market interest rates. The Company's Loan Facility and Debentures both bear fixed-rate interest at 9.0% per annum to be paid quarterly in arrears and their value is exposed to interest rate risk from changes in market interest rates. The Company had no risk management contracts that would be affected by interest rates in place during the three months ended March 31, 2025 or the year ended December 31, 2024.

Commodity price risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. The Company is exposed to changes in commodity prices inherent in the oil and natural gas industry. Commodity prices for oil and natural gas are impacted by economic events and factors which are beyond the Company's control. Fluctuations in petroleum and natural gas prices may have a significant effect on the Company's results of operations and cash flows from operating activities, and may also affect the value of the oil and gas properties, the level of spending for exploration and development and the Company's ability to raise capital. The Company had no derivative commodity price contracts in place during the three months ended March 31, 2025 or the year ended December 31, 2024.

Natural gas sales in Uzbekistan are domestic sales at local market prices. Condensate sales prices in Uzbekistan are based on Brent less a discount for processing, transportation and marketing.

Natural gas sales in Turkiye are domestic sales via pipeline at prices published monthly by the state owned pipeline transportation company BOTAS. The benchmark for Condor's gas sales in Turkiye is BOTAS Level 2 wholesale tariffs less a marketing differential.

Fair Value of Financial Assets and Liabilities

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods outlined below. The Company's fair value measurements are classified as one of the following levels of the fair value hierarchy. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability:

Level 1 – Inputs represent unadjusted quoted prices in active markets for identical assets and liabilities as of the reporting date. An active market is characterized by a high volume of transactions that provides pricing information on an ongoing basis.

Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. These valuations are based on inputs that can be observed or corroborated in the marketplace, such as market interest rates or forward prices for commodities.

Level 3 – Inputs for the asset or liability are not based on observable market data.

The fair value of the Company's cash and cash equivalents, trade and other receivables, and accounts payable and accrued liabilities balances approximate their carrying value at March 31, 2025 and December 31, 2024, due to their short term to maturity. The Loan Facility is classified as Level 2 within the fair value hierarchy, and the fair value of the non-current principal amount of \$4.4 million as at March 31, 2025 is estimated as \$5.1 million (December 31, 2024 – \$5.4 million). The embedded derivative liability of the convertible debentures is classified as Level 2 within the fair value hierarchy, and its fair value is determined at each period end.

Condor Energies Inc.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2025 and 2024

19. Supplementary cash flow information:

For the three months ended March 31, 2025, the Company received interest income of \$0.1 million (March 31, 2024 – \$0.04 million), paid aggregate interest expense of \$0.3 million (March 31, 2024 – \$0.2 million) on the loan facility (note 6) and Debentures (Note 7) and paid income tax of \$0.5 million (March 31, 2024 – \$Nil).

20. Segmented information:

The Company has the following operating and reporting segments related to foreign subsidiaries, and presents the following segmented information:

| (000's) | Corporate | Uzbekistan | Kazakhstan | Turkiye | Total |
|---------------------------------------|------------------|-------------------|-------------------|----------------|--------------|
| <u>As at March 31, 2025</u> | | | | | |
| Exploration and evaluation assets | - | - | 460 | - | 460 |
| Property, plant and equipment | 322 | 22,596 | 424 | 6 | 23,348 |
| Total assets | 16,932 | 49,488 | 1,476 | 531 | 68,427 |
| Total liabilities | 14,935 | 26,469 | 1,526 | 2,083 | 45,013 |
| <u>As at December 31, 2024</u> | | | | | |
| Exploration and evaluation assets | - | - | 399 | - | 399 |
| Property, plant and equipment | 135 | 17,445 | 410 | 7 | 17,997 |
| Total assets | 13,872 | 50,961 | 1,341 | 433 | 66,607 |
| Total liabilities | 16,211 | 25,586 | 1,788 | 1,962 | 45,547 |

Condor Energies Inc.**Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)**

For the three months ended March 31, 2025 and 2024

| (\$000's) | Corporate | Uzbekistan | Kazakhstan | Turkiye | Total |
|--|-----------|------------|------------|---------|---------|
| For the three months ended March 31, 2025 | | | | | |
| E&E expenditures | - | - | 46 | - | 46 |
| PP&E expenditures | 66 | 8,992 | 1 | - | 9,059 |
| Revenue | | | | | |
| Natural gas sales | - | 19,982 | - | 8 | 19,990 |
| Condensate sales | - | 2,280 | - | - | 2,280 |
| Royalties | - | (4,112) | - | (1) | (4,113) |
| Total revenue | - | 18,150 | - | 7 | 18,157 |
| Expenses | | | | | |
| Production costs | - | 8,907 | - | 144 | 9,051 |
| Transportation and selling | - | 702 | - | 1 | 703 |
| General and administrative | 484 | 1,520 | 384 | 104 | 2,492 |
| Depletion and depreciation | 26 | 3,114 | 2 | 134 | 3,276 |
| Stock based compensation | 693 | - | - | - | 693 |
| Finance income | (86) | (1,039) | (1) | (7) | (1,133) |
| Finance expense | 598 | 357 | - | 18 | 973 |
| Foreign exchange loss (gain) | (68) | 45 | 9 | (9) | (23) |
| Gain on embedded derivative | (265) | - | - | - | (265) |
| Net monetary loss | - | - | - | 13 | 13 |
| Income (loss) before taxes | (1,382) | 4,544 | (394) | (391) | 2,377 |
| Income tax expense | - | (753) | - | - | (753) |
| Net income (loss) | (1,382) | 3,791 | (394) | (391) | 1,624 |
| For the three months ended March 31, 2024 | | | | | |
| E&E expenditures | - | - | 20 | - | 20 |
| PP&E expenditures | 7 | 96 | 6 | - | 109 |
| Revenue | | | | | |
| Natural gas sales | - | 6,566 | - | 161 | 6,727 |
| Condensate sales | - | 646 | - | - | 646 |
| Royalties | - | (1,331) | - | (21) | (1,352) |
| Total revenue | - | 5,881 | - | 140 | 6,021 |
| Expenses | | | | | |
| Production costs | - | 2,325 | - | 171 | 2,496 |
| Transportation and selling | - | 231 | - | 62 | 293 |
| General and administrative | 1,366 | 351 | 306 | 77 | 2,100 |
| Depletion and depreciation | 17 | 69 | 31 | 128 | 245 |
| Stock based compensation | 125 | - | - | - | 125 |
| Finance income | (39) | (334) | (1) | (2) | (376) |
| Finance expense | 385 | 40 | - | 18 | 443 |
| Foreign exchange loss (gain) | 113 | 4 | 12 | (11) | 118 |
| Net monetary loss | - | - | - | 7 | 7 |
| Income (loss) before taxes | (1,967) | 3,195 | (348) | (310) | 570 |
| Current income tax expense | - | (479) | - | - | (479) |
| Net income (loss) | (1,967) | 2,716 | (348) | (310) | 91 |

Condor Energies Inc.

Notes to the Interim Condensed Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2025 and 2024

21. Subsequent events:

- a) On April 15, 2025, the Company acquired a natural gas allocation and land use rights for the construction of a modular LNG production facility in Kazakhstan for total consideration of USD \$0.5 million (CAD \$0.7 million).
- b) On April 23, 2025, the Company granted 90,000 stock options with an exercise price of \$1.53 per common share.