Grounded Lithium Corp

Management's Discussion and Analysis

For the quarter ended June 30, 2026

Management’s Discussion and Analysis

The following management’s discussion and analysis (“MD&A”) was prepared as of August 18, 2026 and is management’s assessment of the historical financial and operating results of Grounded Lithium Corp. (“Grounded” or the “Company”) and should be read in conjunction with the unaudited condensed interim financial statements of the Company for the period ended June 30, 2026 together with the notes related thereto, as well as the audited financial statements of the Company for the year ended December 31, 2025, together with the notes related thereto along with the management’s discussion and analysis thereon.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards (“IFRS”). Grounded’s management is responsible for the integrity of the information contained in this report and for the consistency between the MD&A and financial statements. In the preparation of these statements, estimates are necessary to make a determination of future values of certain assets and liabilities. Management believes these estimates have been based on careful judgements and have been properly presented. The financial statements have been prepared using policies and procedures established by management and fairly reflect Grounded’s financial position, results of operations and funds flow from operations.

Grounded’s Board of Directors and Audit Committee reviewed and approved the financial statements and MD&A for distribution on August 18, 2026.

All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise.

Nature of Business: Grounded is a company that is engaged in the business of acquiring, exploring and developing mineral properties in Canada with a specific focus on lithium. The development of these assets includes processes to purify and recover lithium metal directly from brine liquids. The Company owns and controls over 77,604 hectares of lithium prone lands with plans to review opportunities to add to the portfolio. Grounded entered into a material contract with Denison Mines Corp. in early 2024, the goal of which sees Grounded’s flagship lithium project funded and operated by this entity assuming performance under the contract. Grounded’s development plan calls for a modular design of plants ranging from 10,000 to 20,000 tonnes per year of capacity which would produce battery grade lithium feedstock. A modular design avoids several risks associated with large projects, namely design and construction, permitting and financing. It is envisioned that the initial project and its associated cash flows can be repeated and largely fund subsequent modules thereby mitigating financing risk. Early in 2026, Grounded diversified its resource base by completing a transaction with various parties which involved certain oil and gas assets. Grounded intends to generate cash flows from these assets to fund the wider lithium operations.

Forward-Looking Statements and Information: *Certain statements included or incorporated by reference in this MD&A constitute forward-looking statements or forward-looking information. Forward-looking statements or information typically contain statements with words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “estimate”, “propose”, or similar words suggesting future outcomes or statements. Forward-looking statements or information in this MD&A include, but are not limited to, capital expenditures, business strategy and objectives, net revenue, future production levels, exploration plans, development plans, acquisition plans and the timing thereof, operating and other costs, royalty rates, timing of tax payment obligations, sources of funding to meet future obligations, future dividend payments and capital structure, including the balance of debt and equity in Grounded’s capital structure.*

Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. In addition to other assumptions identified in this MD&A, assumptions have been made regarding, among other things:

- *the ability of Grounded to fund, advance and develop the project;*
- *Grounded’s ability to operate in a safe and effective manner;*
- *the ability to obtain mining, exploration, environmental and other permits, authorizations and approvals;*
- *results from the a future field pilot plant and laboratories;*
- *demand for lithium, including that such demand is supported by growth in the electric vehicle market;*
- *the impact of increasing competition in the lithium business, and Grounded’s competitive position in the industry;*

- *market position and future financial operating performance of Grounded;*
- *general economic conditions;*
- *estimates of, and changes to, the market prices for lithium;*
- *exploration, development and construction costs for the project;*
- *estimates of mineral resources and mineral reserves, including whether mineral resources will ever be developed into mineral reserves;*
- *reliability of technical data;*
- *anticipated timing and results of exploration, development and construction activities;*
- *Grounded's ability to obtain additional financing on satisfactory terms;*
- *the ability to develop and achieve production at the project;*
- *successful negotiation of definitive commercial agreements;*
- *accuracy of current budget and construction estimates; and*
- *the timing and possible outcome of regulatory and permitting matters.*

Although Grounded believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements and information because Grounded can give no assurance that such expectations will prove to be correct. Forward-looking statements and information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by Grounded and described in the forward-looking statements or information. These risks and uncertainties include but are not limited to:

- *the ability of management to execute its business plan;*
- *the occurrence of unexpected events involved in the industry in which Grounded operates;*
- *risks and uncertainties involving the geology of lithium deposits and oil deposits;*
- *the uncertainty of resource estimates;*
- *the uncertainty of estimates and projections relating to production, costs and expenses;*
- *potential delays or changes in plans with respect to exploration or development projects or capital expenditures;*
- *Grounded's ability to enter into or renew leases;*
- *fluctuations in lithium prices, foreign currency exchange rates and interest rates;*
- *health, safety and environmental risks;*
- *uncertainties as to the availability and cost of financing;*
- *the ability of Grounded to add production and reserves through development and exploration activities;*
- *general economic and business conditions;*
- *the possibility that government policies or laws may change or governmental approvals may be delayed or withheld;*
- *uncertainty in amounts and timing of royalty payments;*
- *the ability of Grounded to obtain equipment, services and supplies in a timely manner to carry out its activities;*
- *the ability to market oil successfully to new customers;*
- *the timely receipt of regulatory approvals;*
- *future oil prices;*
- *the timing and costs of pipeline and storage facility construction and expansion and the ability to secure adequate product transporation;*
- *risks associated with potential future lawsuits and regulatory actions against Grounded; and*
- *other risks and uncertainties described elsewhere in this MD&A or in any of Grounded's other filings and documents that have been distributed to its shareholders.*

The forward-looking statements and information contained in this MD&A are made as of the date hereof and except where required by law, Grounded undertakes no obligation to update or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise. The forward-looking statements and information contained in this MD&A are expressly qualified by this cautionary statement.

Non-IFRS Terms: *This document contains the term "funds flow from operations" which is a non-IFRS term. The Company uses this measure to help evaluate its performance. The Company considers funds flow from operations a key measure as it demonstrates Grounded's ability to generate funds necessary to fund future growth through capital investment. Grounded's determination of funds flow from operations may not be comparable to that reported by other companies.*

nmf – not a meaningful number

Grounded determines funds flow used in operations as cash flow from operating activities before changes in non-cash working capital as follows:

	Three months ended June 30			Six months ended June 30		
($ except where noted)	**2026**	2025	% change	**2026**	2025	% change
Cash flow from (used in) operating	**79,527**	(45,658)	274	**57,201**	(2,595)	nmf
Change in non-cash working capital	**(162,334)**	(25,672)	532	**(166,009)**	(8,549)	nmf
Funds flow (used in) operations	**(82,807)**	(71,330)	(16)	**(108,808)**	(11,144)	nmf

BASIS OF OPERATIONS

Grounded is a resource-based company engaged in the acquisition of, exploration for, and the development of mineral properties in Western Canada, with a specific focus on lithium from brine reservoirs. The Company was incorporated on October 26, 2020 and exists under the laws of the Province of Alberta, with its principal place of business located at Suite 4000, 421 – 7th Ave SW, Calgary, Alberta.

DETAILED FINANCIAL ANALYSIS

SALES VOLUMES

	Three months ended June 30			Six months ended June 30		
	2026	2025	% change	**2026**	2025	% change
Heavy oil (bbls/d)	**2**	-	nmf	**1**	-	nmf
Total (boe/d)	**2**	-	nmf	**1**	-	nmf

Average production increased to 2 boe/day for the three months ended June 30, 2026 and 1 boe/day for the six months ended June 30, 2026.

Under the farm-out agreement dated December 30, 2025, Grounded and the Third Party farmed-out their combined 60% interest to a newly created limited partnership on terms acceptable to Grounded for a 1.5% working interest before payout on the two wells drilled and completed in the first quarter of 2026. After payout, Grounded will receive a 13.5% working interest on the two wells.

PETROLEUM AND NATURAL GAS SALES

	Three months ended June 30			Six months ended June 30		
($ except where noted)	**2026**	2025	% change	**2026**	2025	% change
Heavy oil	**16,268**	-	nmf	**16,268**	-	nmf
Per boe						
Heavy oil	**101.68**	-	nmf	**101.68**	-	nmf

Total production revenue for Company's inaugural quarter of oil and gas operations totalled $16,268 for the three months ended June 30, 2026 and six months ended June 30, 2026.

The Company sells all of its crude oil on a spot basis. The average realized price the Company receives for its crude oil production depends on several factors, including the average benchmark prices for crude oil, the US to Canadian dollar exchange rate and transportation and product quality differentials.

The average benchmark prices for crude oil are impacted by global and regional events that dictate the level of supply and demand for these commodities. The principal benchmark trading exchanges that Grounded compares its oil price to are the West Texas Intermediate ("WTI") oil spot price and the Western Canadian Select ("WCS") spot price. The differential between the WTI spot price can widen due to several factors, including, but not limited to, downtime in North American refineries, rising domestic production, high inventory levels in North America and lack of pipeline infrastructure connecting key consuming oil markets.

The Company currently has no plans to enter into any financial instruments to mitigate commodity risk exposure.

The following table summarizes the Company's benchmark and realized petroleum and natural gas prices during the period:

	Three months ended June 30			Six months ended June 30		
($ except where noted)	**2026**	2025	% change	**2026**	2025	% change
Average Benchmark Prices						
WTI crude oil *(US$/bbl)*[(1)]	**92.79**	63.71	46	**82.37**	67.55	22
WCS differential *(US$/bbl)*	**(14.61)**	(10.27)	42	**(14.39)**	(11.41)	26
US$/Cdn$ exchange rate	**0.72**	0.72	-	**0.72**	0.71	1
WCS (Cdn$/bbl)	**108.58**	73.93	47	**94.43**	79.15	19
Average Realized Prices						
Heavy oil *($/bbl)*	**101.68**	-	nmf	**101.68**	-	nmf
Average realized price *($/boe)*	**101.68**	-	nmf	**101.68**	-	nmf
Oil Price Differentials						
Heavy oil differential to WCS *($/bbl)*[(3)]	**(6.90)**	-	nmf	**7.25**	-	nmf

(1) WTI represents posting price of West Texas Intermediate crude oil.
(2) WCS represents the benchmark Western Canadian heavy crude oil price.

Grounded's average realized heavy oil price was $101.68 per bbl for the three months ended June 30, 2026 and for the six months ended June 30, 2026.

ROYALTY EXPENSES

	Three months ended June 30			Six months ended June 30		
($ except where noted)	**2026**	2025	% change	**2026**	2025	% change
Crown royalties	**4,859**	-	nmf	**4,859**	-	nmf
Freehold and overriding royalties	**524**	-	nmf	**524**	-	nmf
Total royalty expenses	**5,383**	-	nmf	**5,383**	-	nmf
Per boe	**33.66**	-	nmf	**33.66**	-	nmf
Average royalty rates *(% of revenue)*						
Crown royalties	**29.9**	-	nmf	**29.9**	-	nmf
Freehold and overriding royalties	**3.2**	-	nmf	**3.2**	-	nmf
Total royalty expenses	**33.1**	**-**	**nmf**	**33.1**	**-**	**nmf**

The Company's royalties are owed to the provincial government of Saskatchewan and mineral rights owners. The terms of the provincial government royalty regimes and mineral rights owner agreements impact the Company's overall corporate royalty rate.

Total royalty expenses for the Company's inaugural oil & gas operations totalled $5,383 for the three months ended June 30, 2026 and for the six months ended June 30, 2026. The combined royalty rate was 33.1 percent for the three months ended June 30, 2026 and for the six months ended June 30, 2026.

PRODUCTION AND OPERATING EXPENSES

	Three months ended June 30			Six months ended June 30		
($ except where noted)	**2026**	2025	% change	**2026**	2025	% change
Production and operating expenses	**2,861**	-	nmf	**2,861**	-	nmf
Transportation costs	**289**	-	nmf	**289**	-	nmf
Total	**3,150**	-	nmf	**3,150**	-	nmf
Per boe	**19.69**	-	nmf	**19.69**	-	nmf

Production and operating expenses include all expenses associated with the production of crude oil. The material components of operating expenses are labour, equipment maintenance, minor workovers, third party processing fees, fuel and power.

Operating expenses for the Company's inaugural quarter of oil and gas operations totalled $3,150 for the three months ended June 30, 2026 and six months ended June 30, 2026. On a boe basis, operating expenses were to $19.69 per boe for the three months ended June 30, 2026 and six months ended June 30, 2026.

Production and operating expenses also include transportation costs. Transportation costs generally include third-party pipeline tariffs and trucking costs incurred to deliver the products to the purchasers at main delivery points.

OPERATING NETBACK

	Three months ended June 30			Six months ended June 30		
($/boe)	**2026**	2025	% change	**2026**	2025	% change
Petroleum and natural gas sales	**101.68**	-	nmf	**101.68**	-	nmf
Royalty expenses	**(33.66)**	-	nmf	**(33.66)**	-	nmf
Production and operating costs	**(19.69)**	-	nmf	**(19.69)**	-	nmf
Operating netback	**48.33**	-	nmf	**48.33**	-	nmf

Operating netback is used by the Company to measure the contribution to the Company's earnings of oil and natural gas production after consideration of the direct costs of production. Operating netback is reconciled to net earnings by subtracting general and administrative costs, interest, taxes, depletion and depreciation.

Grounded's operating netback for the Company's inaugural quarter of oil and gas operations was $48.33 per boe for the three months ended June 30, 2026 and six months ended June 30, 2026.

GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended June 30			Six months ended June 30		
($, except where noted)	**2026**	2025	% change	**2026**	2025	% change
Consulting fees	**34,430**	34,142	1	**66,733**	62,500	7
Other (rent, office costs)	**33,103**	33,276	(1)	**53,125**	57,896	(8)
Professional fees	**51,169**	37,572	36	**64,514**	51,077	26
Gross G&A expense	**118,702**	104,990	13	**184,372**	171,473	8
Operating overhead recoveries	**(22,738)**	(21,200)	7	**(41,763)**	(39,575)	6
Capital overhead recoveries	**-**	-	-	**(16,358)**	-	nmf
Net G&A expense	**95,964**	83,790	15	**126,251**	131,898	(4)

General and administrative ("G&A") expenses include costs incurred by the Company which are not directly associated with the development of the Company's lithium assets. The most significant components of G&A expenses for the current quarter are consultant compensation, computer software, accounting and legal costs. Gross G&A expenses increased to $118,702 for the three months ended June 30, 2026 from $104,990 for the three months ended June 30, 2025. Gross G&A expenses increased to $184,372 for the six months ended June 30, 2026 from $171,473 for the six months ended June 30, 2025. The capital overhead recovery stems from the rate charged back to Analogy Capital and SRDLP for operating the operations associated with drilling and completing the two wells in the first quarter of 2026.

SHARE-BASED COMPENSATION

	Three months ended June 30			Six months ended June 30		
($, except where noted)	**2026**	2025	% change	**2026**	2025	% change
Share-based compensation	**47,125**	24,576	92	**78,682**	64,739	22

Share-based compensation increased to $47,125 for the three months ended June 30, 2026 from $24,576 for the three months ended June 30, 2025. Share-based compensation increased to $78,682 for the six months ended June 30, 2026 from $64,739 for the six months ended June 30, 2025. Share-based compensation results from the amortization of expenses associated with the granting of stock options, performance warrants, restricted share units ("RSU's") and finders' warrants as part of the Company's normal compensation program and financing activities. All share-based compensation relates to stock options and performance warrants currently outstanding.

FINANCE INCOME AND EXPENSE

	Three months ended June 30			Six months ended June 30		
($, except where noted)	**2026**	2025	% change	**2026**	2025	% change
Interest income	**-**	-	-	**314**	2,792	(89)
Finance expense						
Misc, interest expense	**(153)**	-	nmf	**(163)**	-	nmf
Net interest income	**(153)**	-	nmf	**151**	2,792	(95)
Decommissioning accretion	**(81)**	(69)	17	**(155)**	(138)	12
Net finance income (expense)	**(234)**	(69)	239	**(4)**	2,654	(101)

Interest income includes interest earned on short-term investments. Finance expense includes accretion on decommissioning obligations.

DEPLETION AND DEPRECIATION EXPENSE

	Three months ended June 30			Six months ended June 30		
($ except where noted)	**2026**	2025	% change	**2026**	2025	% change
Depletion and depreciation	**2,930**	-	nmf	**2,930**	-	nmf
Depreciation on right-of-use	**-**	2,700	(100)	**-**	5,401	(100)
Total	**2,930**	2,700	9	**2,930**	5,401	(46)

The Company follows a policy of depleting oil and natural gas interests on a unit of production basis over proved plus probable reserves. Depletion and depreciation is calculated at an individual component level.

Total depletion and depreciation expense increased to $2,930 for the three months ended June 30, 2026 from $2,700 of depletion and depreciation expense for the three months ended June 30, 2025.

Total depletion and depreciation expense decreased to $2,930 for the six months ended June 30, 2025 from $5,401 of depletion and depreciation expense for the six months ended June 30, 2025. Total costs subject to depletion and depreciation expense include approximately $nil ($nil at June 30, 2025) relating to future development costs estimated to complete wells where proved and probable reserves have been assigned.

IMPAIRMENT TEST

Exploration Assets

The Company's ability to realize on the value of these assets is dependent on the successful completion of an economically feasible project. Lithium prices are subject to volatility. Lithium prices over the last several years have been depressed, however the market price has risen to levels recently to be consistent with when the company commenced operations. Notwithstanding price volatility, macro forecasts for lithium demand continue to outpace known and announced lithium projects or sources of supply. North America additionally is looking to satisfy its requirements independently rather than importing various feedstocks and components primarily from Asia.

At June 30, 2026, the Company evaluated its Exploration and Evaluation ("E&E") assets for indicators of any potential impairment or related reversal. As a result of this assessment it was determined no impairment was required.

TAXES

Grounded did not record any current or deferred income taxes during the six months ended June 30, 2026 or for the six months ended June 30, 2025. At the end of June 30, 2026, Grounded had approximately $10,703,700 of accumulated tax pools that are available for deduction against taxable income, compared to approximately $10,471,970 at June 30, 2025. Although the deferred tax deduction could represent a significant tax asset, the Company has not recognized the tax asset due to the uncertainty regarding the amounts which can ultimately be utilized. Based on the tax deductions available, the Company does not anticipate paying cash taxes within this fiscal year or beyond over the next several years.

Summary of tax pools at June 30, 2026:

Tax Pool Category		Amount	Maximum Annual Deduction
Canadian mining property	$	654,300	30%
Undepreciated capital cost		44,200	30%
Share issue costs		166,100	20%
Non-capital losses		9,839,100	100%
Total	$	10,703,700	

NET EARNINGS, FUNDS FLOW USED IN OPERATIONS

Net Earnings and Funds Flow Used in Operations

	Three months ended June 30			Six months ended June 30		
($, except where noted)	**2026**	2025	% change	**2026**	2025	% change
Net loss	**132,943**	103,370	29	**196,936**	72,978	170
Items not involving cash:						
Share-based compensation	**(47,125)**	(24,576)	92	**(78,682)**	(64,739)	22
Mark to market RSU liability	**-**	(4,695)	(100)	**(697)**	8,444	(108)
Finance expense	**(81)**	(69)	17	**(165)**	(138)	20
Interest paid	**-**	-	-	**10**	-	nmf
Loss on non-monetary	**-**	-	-	**(5,664)**	-	nmf
Depreciation	**(2,930)**	(2,700)	9	**(2,930)**	(5,401)	(46)
Funds flow used in operations	**82,807**	71,330	16	**108,808**	11,144	876

Per Share Information

($, except where noted)	Three months ended June 30 **2026**	2025	% change	Six months ended June 30 **2026**	2025	% change
Net loss	**132,943**	103,370	29	**196,936**	72,978	170
Basic ($/share)	**-**	-	-	**-**	-	-
Diluted ($/share)	**-**	-	-	**-**	-	-
Funds flow used in operations	**82,807**	71,330	16	**108,808**	11,144	876
Basic ($/share)	**-**	-	-	**-**	-	-
Diluted ($/share)	**-**	-	-	**-**	-	-

Funds flow used in operations increased to $82,807 ($ nil per basic and diluted share) for the three months ended June 30, 2026 from $71,330 ($ nil per basic and diluted share) for the three months ended June 30, 2025. Funds flow used in operations for the six months ended June 30, 2026 increased to $108,808 ($ nil per basic and diluted share) from $11,144 ($ nil per basic and diluted share) for the six months ended June 30, 2025.

Net loss increased to $132,943 ($ nil per basic and diluted share) for the three months ended June 30, 2026 from $103,370 ($ nil per basic and diluted share) for the three months ended June 30, 2025. Net loss for the six months ended June 30, 2026 increased to $196,936 ($ nil income per basic and diluted share) from a loss of $72,978 ($ nil per basic and diluted share) for the six months ended June 30, 2025. The increase in the net loss for the six months ended June 30, 2026 is due to a lower management fee being realized in 2026 as compared to the amount realized in the six months ended June 30, 2025

CAPITALIZATION AND FINANCIAL RESOURCES

CAPITAL EXPENDITURES

	Three months ended June 30 **2026**	2025	Six months ended June 30 **2026**	2025
Land acquisition cost	**1,462**	-	**2,822**	-
Total exploration and evaluation costs	**1,462**	-	**2,822**	-

Net capital expenditures for the six months ended June 30, 2026 were $ 2,822 (June 30, 2025 $ nil).

WORKING CAPITAL

Grounded had a working capital deficit of $114,043 at June 30, 2026 (December 31, 2025 - $62,404 working capital deficit).

The Company anticipates no unusual working capital requirements in the future. There are currently no near-term capital commitments and no known unusual trends or liquidity issues as at August 18, 2026. The Company expects to be able to meet near-term operating obligations associated with on-going operations through funds raised in oil and gas operations together with potential future capital raises.

SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares ("Common Shares"). Grounded closed separate equity offerings subsequent to incorporation in addition to various other transactions involving Common Shares, resulting in the issuance of an aggregate 80,479,227 Common Shares.

The following table provides a summary of the outstanding Common Shares, stock options and performance warrants at the dates indicated:

	August 18, 2026	June 30, 2026
Common Shares	**80,479,727**	80,479,727
Dilutive Securities		
Stock options	**13,063,200**	13,063,200
Performance warrants	**2,849,800**	2,849,800
Total Dilutive Securities	**15,913,000**	15,913,000
Total Basic and Diluted Common Shares	**96,392,727**	96,392,727
Weighted average Common Shares		
Basic	**80,139,557**	80,081,296
Diluted	**80,139,557**	80,081,296

GOING CONCERN

At present, the Company's operations do not generate meaningful cash inflows and its financial success is dependent on management's ability to discover economically viable lithium deposits. The lithium exploration process can take many years and is subject to factors that are beyond the Company's control. See "Risks and Uncertainties".

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company may raise money through the sale of equity instruments or divestiture of working interests. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for lithium exploration investment, the Company's track record, and the experience and caliber of its management. Management believes it will be able to raise equity capital as required in the long term but recognizes there will be risks involved that may be beyond their control.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet transactions.

RELATED PARTY TRANSACTIONS

During the period ended June 30, 2026, legal services totalling $44,099 (June 30, 2025 - $31,732) were provided by a law firm in which an Officer of the Company is a partner. As at June 30, 2026, $74,803 (June 30, 2025 - $32,306) is included in accounts payable and accruals.

Transactions with related parties are incurred in the normal course of business and initially measured at fair value.

CRITICAL ACCOUNTING ESTIMATES

Management is often required to make judgements, assumptions and estimates in the application of IFRS that have a significant impact on the financial results of the Company. A comprehensive discussion of the Company's significant accounting policies is contained in note 3 to the annual financial statements.

RISKS AND UNCERTAINTIES

Management defines risk as the evaluation of probability that an event might happen in the future that could negatively affect the financial condition and / or results of operations of the Company. The risks that could affect the Company have been described in the MD&A of the Company for the year ended December 31, 2025. The risks identified therein do not constitute an exhaustive list of all possible risks as there may be additional risks of which management is currently unaware.

SUBSEQUENT EVENT

On July 30, 2026 the Company announced that it has entered into an agreement with an arms-length third party to provide loan proceeds of $106,000, bearing interest at 12% per annum, on an unsecured basis (the “Facility Loan”). The Facility Loan is repayable in equal instalments over an eighteen (18) month term, with 50% of the Facility Loan supported by a standalone agreement between GLC and the unrelated third party announced in the Company’s original oil & gas acquisition and farmout transaction press release. Total facility upgrade costs are estimated at $263,000. The balance of the facility cost upgrades will be funded in part by Analogy Capital Advisors Inc. pursuant to its 40% working interest after consideration of a non-interest-bearing loan provided by the vendor of the facility equipment of approximately $86,000.

SUMMARY OF QUARTERLY RESULTS

	Q2 2026	Q1 2026	Q4 2025	Q3 2025
Financial ($, except share amounts)				
Funds flow from (used in) operations	**(82,807)**	(26,001)	(53,837)	(37,901)
Per share – basic	**-**	-	-	-
Per share – diluted	**-**	-	-	-
Cash from (used in) operations	**79,527**	(22,326)	(44,829)	(31,313)
Per share – basic	**-**	-	-	-
Per share – diluted	**-**	-	-	-
Net income (loss)	**(132,943)**	(63,993)	(144,789)	(84,776)
Per share – basic	**-**	-	-	-
Per share – diluted	**-**	-	-	-
Capital expenditures, net	**1,462**	1,360	28,511	-
Total assets	**2,737,008**	3,310,372	2,334,941	2,392,657
Total net cash and working capital (deficit)	**(114,043)**	(29,774)	(62,404)	34,673
Shares outstanding, end of period	**80,479,727**	80,479,727	79,660,227	79,660,227
Weighted average shares (basic and diluted)	**80,479,727**	79,678,438	79,660,227	79,660,227
Operations				
Average daily production				
Heavy oil (bbls/d)	**2**	-	-	-
Average realized sales price				
Heavy oil ($/bbl)	**101.68**	-	-	-
Operating netback ($ per boe)				
Petroleum and natural gas sales	**101.68**	-	-	-
Royalty expenses	**(33.66)**	-	-	-
Production and operating expenses	**(19.69)**	-	-	-
Operating netback	**48.33**	-	-	-

	Q2 2025	Q1 2025	Q4 2024	Q3 2024
Financial *($, except share amounts)*				
Funds flow from (used in) operations	(71,330)	60,186	(55,234)	(79,609)
Per share – basic	-	-	-	-
Per share – diluted	-	-	-	-
Cash from (used in) operations	(45,658)	43,063	(95,446)	(119,701)
Per share – basic	-	-	-	-
Per share – diluted	-	-	-	-
Net income (loss)	(103,370)	30,392	(141,079)	(183,389)
Per share – basic	-	-	-	-
Per share – diluted	-	-	-	-
Capital expenditures, net	-	-	-	-
Total assets	2,581,343	2,528,454	2,913,83	2,541,432
Total net cash and working capital (deficit)	94,710	175,083	80,725	135,879
Shares outstanding, end of period	79,660,227	79,660,227	78,279,227	78,279,227
Weighted average shares (basic and diluted)	79,660,227	78,371,294	78,279,227	78,279,227