OCEANIC WIND ENERGY INC.

Condensed Consolidated Interim Financial Statements
Unaudited - Prepared by Management

For the three months ended December 31, 2024 and 2023

NOTICE

The accompanying unaudited condensed interim financial statements have been prepared by management and approved by the Audit Committee and Board of Directors. The Company's independent auditors have not performed a review of these financial statements.

OCEANIC WIND ENERGY INC.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited - Prepared by Management without Auditor's Review)
in Canadian Dollars

	December 31, 2024	September 30, 2024
Assets		
Current assets		
Cash	$ 404,033	$ 13,448
Accounts receivable	862	54,130
Sale contract receivable - short term (note 1)	475,000	-
Prepaid expenses and other current assets	10,990	1,474
	890,885	69,052
Non-current assets		
Sale contract receivable - long term (note 1)	475,000	-
Deposit - Natural Resources Canada (note 4)	360,000	360,000
Total assets	$ 1,725,885	$ 429,052
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities	$ 94,983	$ 138,435
Short term loan (note 7)	-	125,000
	94,983	263,435
Non-Current Liabilities		
Reclamation provisions (note 4)	430,489	427,533
Total liabilities	525,472	690,968
Shareholders' Deficiency		
Share capital (note 3(a))	49,219,671	49,219,671
Contributed surplus	2,650,456	2,650,456
Deficit	(50,769,718)	(52,132,043)
Total shareholders' deficiency	1,100,409	(261,916)
Non-controlling interest (note 5)	100,004	-
	1,200,413	(261,916)
Total liabilities & shareholders' deficiency	$ 1,725,885	$ 429,052

Nature of operations and going concern (notes 1 and 2)
Contingent liabilities (notes 8)

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

Approved by the Board of Directors and authorized for issue on February 28, 2025.

Director: "Dave Rehn" Director: "Michael O'Connor"

OCEANIC WIND ENERGY INC.

Condensed Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)
For the three months ended December 31, 2024 and 2023
(Unaudited - Prepared by Management without Auditor's Review)
in Canadian Dollars

	December 31, 2024	December 31, 2023
Expenses		
Accretion (note 4)	$ 2,955	$ -
Compensation (note 6)	36,079	35,238
Consultant	45,000	-
Interest and borrowing costs	69	230
Office and administration	14,178	11,601
Other project costs	20,000	-
Public and community relations	13,900	5,681
Professional fees	8,788	33,831
Travel	3,989	414
	(144,958)	(86,995)
Other income	6,440	-
Gain on sale of subsidiary (note 5)	1,500,000	-
Interest income	843	386
	1,507,283	386
Income (loss) and comprehensive income (loss) for the period	$ 1,362,325	$ (86,609)
Income (loss) and comprehensive income (loss) attributable to:		
Equity holders of the Company	$ 1,398,733	$ (86,609)
Non-controlling interest (note 5)	(36,408)	-
	$ 1,362,325	$ (86,609)
Income (loss) per share, basic and diluted	$ 0.02	$ (0.00)
Weighted average number of shares outstanding basic and diluted	87,327,896	85,390,939

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

OCEANIC WIND ENERGY INC.

Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency
For the three months ended December 31, 2024 and 2023
(Unaudited - Prepared by Management without Auditor's Review)
in Canadian Dollars

	Number of Common Shares (Note 3)	Share Capital (Note 3)	Contributed Surplus	Deficit	Non-controlling interest	Total Shareholders' Deficiency
Balance, September 30, 2023	84,027,896	$ 48,950,902	$ 2,688,225	$ (52,736,101)	$ -	$ (1,096,974)
Total comprehensive income (loss) for the period	-	-	-	(86,609)		(86,609)
Private placement	3,300,000	268,769	(37,769)	-		231,000
Balance, December 31, 2023	87,327,896	49,219,671	2,650,456	(52,822,710)	-	(952,583)
Total comprehensive income (loss) for the period	-	-	-	690,667	-	690,667
Balance, September 30, 2024	87,327,896	49,219,671	2,650,456	(52,132,043)	-	(261,916)
Total comprehensive income (loss) for the period	-	-	-	1,398,733	(36,408)	1,362,325
Capital Contribution					100,004	100,004
Balance, December 31, 2024	87,327,896	$ 49,219,671	$ 2,650,456	$ (50,733,310)	$ 63,596	$ 1,200,413

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

OCEANIC WIND ENERGY INC.
Condensed Consolidated Interim Statements of Cash Flows
For the three months ended December 31, 2024 and 2023
(Unaudited - Prepared by Management without Auditor's Review)
in Canadian Dollars

	December 31, 2024	December 31, 2023
Cash flows provided by (used in)		
OPERATING ACTIVITIES		
Income (loss) for the year	$ 1,362,325	$ (86,609)
Items not affecting cash		
Accretion	2,955	-
Changes in non-cash working capital		
Accounts receivables	53,269	(1,964)
Prepaid expenses and other	(9,516)	(5,098)
Accounts payable and accrued liabilities	(43,452)	29,774
Sale contract receivable	(950,000)	-
Net cash used in operating activities	415,581	(63,897)
FINANCING ACTIVITIES		
Proceeds from exercise of warrants	-	231,000
Proceeds of CAFO loan	-	6,269
Repayment of shareholder loans	(125,000)	-
Non-controlling interest	100,004	-
Net cash from financing activities	(24,996)	237,269
Increase in cash	390,585	173,372
Cash, beginning of year	13,448	35,111
Cash, end of year	$ 404,033	$ 208,483
Cash paid for interest and taxes	$ 69	$ 230

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

1. Corporate Information

Oceanic Wind Energy Inc. ("Oceanic" or the "Company"), is incorporated under the Business Corporations Act (British Columbia) and is listed on the TSX Venture Exchange-NEX (TSXV-NEX : NKW.H). The Company's registered office is at Suite 720 - 999 West Broadway Street, Vancouver, BC, V5Z 1K5. The Company's primary business is the development of renewable energy projects. The Company has been developing an offshore wind project on the north coast of British Columbia in Hecate Strait. As the Company has been in the development phase, it has not generated any revenue from the sale of wind energy.

During the year ended September 30, 2020, the Company signed and formally closed a definitive agreement related to the sale of the development rights in its offshore wind project in Hecate Strait to Northland Power Inc. ("Northland") (the "Agreement"). Pursuant to the terms of the Agreement, the Company sold 100% of its interest in its wholly owned subsidiary NaiKun Wind Development Inc. ("Devco") which held the certain intellectual information and property, permits, a deposit with Natural Resources Canada ("NRCan") with respect to certain asset retirement obligations, an asset retirement obligation associated with fully depreciated Metmast wind-monitoring equipment, and Canadian tax losses.

Under terms in the Agreement between Oceanic and Northland, the control and ownership of the Hecate Strait project have now been returned to Oceanic in fiscal 2024. The agreements for this return, between Oceanic and two of Northland Power wholly owned subsidiaries, closed on November 13, 2023, and reinstates Oceanic's interest in the project as further disclosed in note 4.

On October 1, 2024, the Company closed on a sale of it’s wholly owned subsidiary Devco to Elemental Energy Inc. (“Elemental”). The $1,500,000 proceeds of this sale will be received in three instalments being $550,000 on October 1, 2024; $475,000 on October 1, 2025; and $475,000 on October 1, 2026. In addition, Elemental funded $50,000 of the Company’s advisory costs (legal and accounting) related to this transaction. Devco holds a minority interest in NP B.C. Offshore Limited Partnership (“LP”), the entity that is continuing the development of the project. The Company is the general partner and major limited partner in LP. Following the October 1, 2024 closing of the share purchase agreement, both the Company and Devco each contributed $100,000 into LP and as further capital is required by LP, Devco and the Company will contribute matching amounts up to an additional $150,000 each, pursuant to the terms of the LP agreement.

2. Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards 34 (IAS34), Interim Financial Reporting. These financial statements follow the same accounting policies and methods of application as our most recent annual financial statements. Accordingly, these statements should be read in conjunction with our annual IFRS financial statements for the year ended September 30, 2024. These statements follow the same accounting policies and methods of their application as the most recent annual financial statements.

The policies applied in these condensed interim financial statements are based on IFRS issued and effective as of February 28, 2025, the date the Board of Directors approved the financial statements.

The Company’s ability to continue as a going concern is dependent on its ability to obtain additional financing or an investment by a strategic partner in order to meet its planned business objectives. The Company may need to raise funds through grants, strategic collaborations, public or private equity, debt financing, or other funding sources. These additional funds may not be available on acceptable terms, or at all, and may be dilutive to shareholder interests. If the Company is unable to generate positive cash flows or obtain adequate financing, the Company would need to curtail operations. These factors may cast significant doubt on the Company’s ability to continue as a going concern. If the going concern assumption is not appropriate for these financial statements, adjustments affecting the carrying values of assets, liabilities, reported net losses and balance sheet classifications may be required and such adjustments could be material.

3. Share Capital

a) Authorized Capital

Authorized: Unlimited common shares of no par value

On November 24, 2023 the Company received proceeds from the exercise of outstanding warrants. A total of 3,300,000 warrants were exercised at a price of $0.07 resulting in proceeds of $231,000. The remaining 1,700,840 warrants expired on November 25, 2023, unexercised.

in Canadian Dollars

b) Stock Options

The Company has an incentive stock option plan ("Option Plan") whereby the Company may grant stock options to its directors, officers, employees, and consultants at an exercise price to be determined by the board of directors, provided the exercise price is not lower than the market value at time of issue. The Option Plan provides for the issuance of up to 10% of the issued and outstanding share capital, and having a maximum term of ten years. The board of directors has the exclusive power over the granting of options. Options will vest at the discretion of the directors. Compensation costs attributable to share options granted to employees, directors or consultants are measured at fair value at the grant date, using the Black-Scholes formula, and expensed with a corresponding increase to contributed surplus over the vesting period.

Stock option transactions are summarized as follows:

	Options Outstanding and Exercisable	Expiry Date	Weighted Average Exercise Price
Balance, September 30, 2024	5,739,474		$ 0.106
Balance, December 31, 2024	5,739,474		$ 0.106

As at December 31, 2024, the Company had the following outstanding stock options:

Issue date	Options outstanding	Exercise price	Expiry date
December 5, 2017	689,474	$0.095	November 1, 2027
January 24, 2019	400,000	$0.10	January 24, 2029
October 1, 2020	1,400,000	$0.145	September 30, 2030
October 25, 2021	1,500,000	$0.140	October 24, 2031
October 27, 2022	1,750,000	$0.050	October 26, 2032

At December 31, 2024 5,739,474 of the outstanding stock options were fully exercisable.

c) Warrants

As of December 31, 2024 the Company has the following common share purchase warrants outstanding totalling $nil (2023 - $nil):

Issue date	Warrants outstanding	Exercise price	Expiry date
Balance, September 30, 2023	5,000,840	$0.07	November 25. 2023
Exercised November 24, 2023	(3,300,000)	$0.07	
Expired November 25, 2023	(1,700,840)	$0.07	
Balance, December 31, 2024	-	-	

4. Hecate Strait Project

In accordance with the November 13, 2023 agreement, as described in note 1, Oceanic received Devco, NP B.C. Offshore GP Inc. ("GP"), and NP B.C. Offshore Limited Partnership ("LP"), the entity that is furthering the development of the project. The Company is the general partner and major limited partner in LP.

The Company has recorded a reclamation provision in regards to its wind measuring equipment ("Metmast") installed in Hecate Strait. The Company did an analysis of the methodology of removing this equipment and received an estimate of the related costs from a marine contractor. On the date of acquisition the Company applied an inflation rate of 2% and a discount rate of 4.22% to these costs and a discount period of three years. Based on this analysis the provision was estimated to be $400,759. The Company remains obligated to remove such equipment at a future date. Related to this obligation, the Company has a deposit with Natural Resources Canada in the amount of $360,000.

The acquisition was treated as an acquisition of assets as Devco, GP, and LP did not meet the definition of a business under IFRS 3. The value of the assets and liabilities acquired was based on the relative fair value.

in Canadian Dollars

The allocation of the consideration to the estimated fair value of assets and liabilities is as follows:

Purchase price:	
Cash paid	$1
Total purchases price	$1
Net assets acquired:	
Deposit - Natural Resources Canada	$360,000
Reclamation provision	(400,759)
Total Net assets required	($40,759)

The differential between the net assets and purchase price of $40,760 has been expensed as a transaction cost.

For the reclamation provision, during the three months ended December 31, 2024, the Company recorded $2,955 (2023 - $nil) in accretion.

5. Non-controlling interest

On October 1, 2024, the Company closed on a sale of it's wholly owned subsidiary Devco to Elemental Energy Inc. ("Elemental"). The $1,500,000 proceeds of this sale will be received in three instalments being $550,000 on October 1, 2024; $475,000 on October 1, 2025; and $475,000 on October 1, 2026. In addition, Elemental funded $50,000 of the Company's advisory costs (legal and accounting) related to this transaction. Devco holds a minority interest in NP B.C. Offshore Limited Partnership ("LP"), the entity that is continuing the development of the project. The Company is the general partner and major limited partner in LP. Following the October 1, 2024 closing of the share purchase agreement, both the Company and Devco each contributed $100,000 into LP and as further capital is required by LP, Devco and the Company will contribute matching amounts up to an additional $150,000 each, pursuant to the terms of the LP agreement.

	Oceanic	Devco	Total
LP Class A units			
September 30, 2024 balance	100,000	4	100,004
October 1, 2024 contributions	100,000	100,000	200,000
December 31, 2024 balance	200,000	100,004	300,004
	67%	33%	
Limited partnership loss attribution	$72,838	$36,420	$109,258

6. Related Party Transactions

Key management compensation to the Chief Executive Officer ("CEO"), Chief Financial Officer, and the Board of Directors for the years ended December 31, 2024 and 2023 are as follows:

	2024	2023
Wages and benefits	$36,079	$35,238
	$36,079	$35,238
Rent expense paid for use of home offices	$ 2,550	$ 2,550

As at December 31, 2024 the accrued salary payable amount was $nil (2023 - $40,000) and accounts payable to related parties was $2,730 (2023 - $2,197).

Pursuant to a management agreement dated June 15, 2010, as amended January 1, 2016 and September 1, 2020 (the "Management Agreement"), the Company agreed to pay Mr. Michael O'Connor a fee of $8,000 per month, such amount being based on working 800 hours per annum. The agreement provides that Mr. O'Connor shall receive a "Success Bonus" (as defined below) of either (a) $2,000,000 in the event a Success Event (as defined in Note 10) occurs and the sale or disposition of all or substantially all of the assets exceed $30,000,000; or (b) $1,000,000 in the event a Success Event occurs and the sale or disposition of all or substantially all of the asset are less than $30,000,000. At the election of Mr. O'Connor, the Success Bonus may be paid either in cash or common shares of the Company, provided that, if the Company has insufficient available cash resources to pay in cash, the Success Bonus will be paid in shares. The Company would need to obtain regulatory approval to the issuance of any common shares in lieu of cash.

The agreement also provides that if the Company is voluntarily, involuntarily wound-up or dissolved prior to the occurrence of a success event, then the Company will, to the extent it has the cash resources following payments to secured creditors (if any) pay Mr. O'Connor $1,000,000 prior to payment of any other unsecured creditors and prior to any distribution of the assets of the Company to its shareholders, provided that Mr. O'Connor acknowledges and agrees that under no circumstances will any shareholder, director or officer of the Company, or any other person, have any obligation to make any investment in or contribution to the Company to fund any payment to Mr. O'Connor. The agreement also provides that the Company may terminate the contract (i) at any time for cause, without notice or pay in lieu of notice and (ii) on 3 months written notice. Mr. O'Connor can terminate the contact: (i) at any time for good reason; or (ii) on 3 months written notice to the Company without good reason; or (iii) at any time within 6 months of a Change of Control. Upon termination, Mr. O'Connor shall be paid his accrued and unpaid salary up to the date of termination and accrued and unused vacation time as of such termination. Given the contingent nature of these provisions in the agreement, the Company has not made an accrual.

7. Short Term Loan

In May 2024 the Company received financing by way of shareholder loans from the Company's directors. This short term arrangement had a term of less than one year and interest to be paid at 5% per annum. As at September 30, 2024 the balance of shareholder loans was $125,000 and interest expense has been expensed and accrued in the amount of $2,195. On October 4, 2024 these amounts were paid in full plus an additional $69 in earned interest.

8. Contingent Liabilities

To preserve cash the Company entered into agreements with several consultants to defer all or a portion of their retainer, fees, or compensation, the payment of which is triggered by a future Success Event. "Success Event" is defined as the point in time at which an agreement has been announced to undertake the first phase of the project, to develop the project(s) on some deferred timeframe, or to sell all or part of the Company assets. The agreement to proceed, to develop, or to sell assets may be undertaken by an arms-length third party acceptable to the board of Oceanic that may or may not be partially owned by Oceanic. In order for the deferred retainers and fees to become payable, the Success Event must provide Oceanic shareholders with a significant increase in share value and further, this event must provide Oceanic with sufficient liquidity to pay the outstanding amounts due. The accumulated amounts have not been accrued due to the uncertainty of the occurrence of a future Success Event. As at December 31, 2024, the remaining unpaid, unaccrued balance of these deferred retainer and fee amounts for consultants is $672,375 (2023 - $672,375).

9. Capital Management

The Company's capital management objectives are to safeguard its assets and maintain investor, creditor and market confidence in order to sustain ongoing development activities in the wind energy sector. The Company's capital management objectives have not changed from September 30, 2024. The Company includes all shareholders' deficiency balances as capital.

The Company currently has no debt obligation and is not subject to externally imposed capital restrictions. To complete its planned business objectives, the Company intends to raise additional capital when necessary by issuing additional equity and/or borrowing funds.