

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

Consolidated Financial Statements

For the year ended December 31, 2025 and six months ended December 31, 2024

(Expressed in U.S. dollars)

INDEPENDENT AUDITOR’S REPORT

To the Shareholders of LibertyStream Infrastructure Partners Inc. (formerly Volt Lithium Corp.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of LibertyStream Infrastructure Partners Inc. (formerly Volt Lithium Corp.) (the “Company”), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of loss and comprehensive loss, changes in shareholders’ equity (deficiency) and cash flows for the year ended December 31, 2025 and six months ended December 31, 2024, and notes to the consolidated financial statements, including a summary of material accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024 and its financial performance and its cash flows for the year ended December 31, 2025 and the six months ended December 31, 2024 in accordance with IFRS Accounting Standards (“IFRS”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company does not have any source of operating income or revenue at this point in time and has incurred losses since inception resulting in an accumulated deficit of \$32,815,411 as at December 31, 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are the following key audit matters to communicate in our auditor’s report.

Key audit matter:	How our audit addressed the key audit matter:
Impairment assessment of intangible assets <i>Refer to note 3(b) Material Accounting Policies – Intangible assets, note 3(e) Impairment of assets, note 4 Significant accounting judgments and sources of estimation uncertainty – Intangible assets and note 8 – Intangible asset</i>	Our approach to addressing the matter included the following procedures, among others: Evaluated the reasonableness of recoverable amount of intangible asset, which included the following: <ul style="list-style-type: none"> Assessed management’s evaluation of impairment indicators in accordance with IAS 36
As disclosed in the consolidated statements of financial	

position, the Company had \$2.1 million of intangible asset as of December 31, 2025. The intangible asset relates to the proprietary direct lithium extraction (DLE) technology. An impairment assessment is conducted annually at year-end date or earlier if events or circumstances dictate. An impairment loss is recognized if the carrying amount of intangible asset exceeds its recoverable amount.

We considered this a key audit matter due to the significant judgment involved in assessing whether indicators of impairment existed as at December 31, 2025, which would require the Company to estimate the recoverable amount of the intangible asset.

- Considered internal and external factors (including lithium market conditions and project developments) for potential indicators of impairment.
- Corroborated management's assessment using external industry data and available forecasts.
- Evaluated the adequacy of related financial statement disclosures

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.

The image shows a handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC, Canada
April 23, 2026

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.
Consolidated Statements of Financial Position
(Expressed in U.S. dollars)

	Note	December 31, 2025	December 31, 2024
		\$	\$
ASSETS			
Current			
Cash		7,363,808	2,372,121
Accounts receivable	6	35,568	154,968
Goods and sales tax receivable		49,659	149,627
Prepaid expenses and deposits		737,912	322,332
		8,186,947	2,999,048
Intangible asset	8	2,118,799	2,411,047
Right-of-use assets	5	238,754	329,672
Royalty interest	10	-	351,781
Property, plant and equipment	7	3,022,608	1,791,342
Restricted deposit		48,731	48,731
Mineral property and rights - acquisition costs	9	-	3,330,874
Total assets		13,615,839	11,262,495
LIABILITIES			
Current			
Accounts payable and accrued liabilities	11, 17	696,873	633,918
Promissory notes	13	2,484,238	-
Current portion of lease liabilities	5	90,441	83,086
		3,271,552	717,004
Warrant liabilities	14	11,220,119	1,981,064
Lease liabilities	5	161,106	257,229
Total liabilities		14,652,777	2,955,297
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital	16	29,030,240	22,516,715
Share-based payments reserve	16	1,605,418	1,632,746
Warrants reserve	16	265,185	265,185
Contributed surplus	16	1,015,187	924,880
Deficit		(32,952,968)	(17,032,328)
Total shareholders' equity (deficiency)		(1,036,938)	8,307,198
Total liabilities and shareholders' equity (deficiency)		13,615,839	11,262,495

Nature of operations and going concern (Note 1)
Subsequent events (Note 23)
Contingent liabilities (Note 22)

Approved and authorized for issue on behalf of the Board of Directors:

/s/ "Alex Wylie"
Director

/s/ "Andrew Leslie"
Director

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

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in U.S. dollars, except number of shares)

		Year ended December 31, 2025	Six months ended December 31, 2024
	Note	\$	Note 2(e), (f) \$
Operating expenses			
Amortization of intangible asset	8	292,248	146,124
Consulting fees	17	2,100,863	441,419
Depreciation	5, 7	503,332	115,168
Field supplies		487,037	56,602
Filing and transfer fees		88,817	90,459
General and administrative		302,439	39,851
Insurance		106,772	88,409
Management fees, salaries and wages	17	1,599,068	507,611
Marketing and promotion		220,044	143,268
Professional fees		301,682	226,524
Repairs and maintenance		106,212	-
Research and development, net	15,17	225,845	1,412,355
Share-based compensation	16, 17	544,801	145,602
Travel		288,098	105,149
		(7,167,258)	(3,518,541)
Other income (expense)			
Accretion expense	13	(74,577)	-
Amortization of royalty interest	10	(46,276)	(42,898)
Change in fair value of warrant liabilities	14	(4,697,063)	351,318
Foreign exchange loss		(72,192)	(110,699)
Impairment of financial instruments	10	(119,851)	-
Impairment of mineral properties	9	(3,331,035)	-
Impairment of property, plant and equipment	7	(74,297)	-
Impairment of royalty interest	10	(305,505)	-
Interest expense	5, 13	(147,114)	(14,531)
Interest income		1,735	745
Recovery of flow-through liability	12	-	153,245
Royalty income	10	112,793	92,365
Net loss and comprehensive loss		(15,920,640)	(3,088,996)
Loss per share:			
Basic and diluted		(0.09)	(0.02)
Weighted average number of common shares:			
Basic and diluted		172,287,804	146,276,314

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

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.
Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Expressed in U.S. dollars, except number of shares)

	Common shares	Share capital	Share-based payments reserve	Warrants reserve	Contributed surplus	Deficit	Total shareholders' equity (deficiency)
	#	\$	\$	\$	\$	\$	\$
Balance, June 30, 2024 (Note 2(e))	137,362,757	17,867,304	1,633,154	1,306,152	761,046	(13,943,332)	7,624,324
Effect of change in functional currency (Note 2(c))	-	-	-	(1,040,967)	105,930	-	(935,037)
Shares issued in private placement	1,559,354	255,659	-	-	-	-	255,659
Shares issued in prospectus placement	19,930,000	3,267,567	-	-	-	-	3,267,567
Share issuance costs	-	(493,209)	-	-	-	-	(493,209)
Shares issued from warrants exercised	5,372,289	1,447,572	-	-	-	-	1,447,572
Shares issued from options exercised	500,000	171,822	(88,106)	-	-	-	83,716
Options expired	-	-	(57,904)	-	57,904	-	-
Share-based compensation	-	-	145,602	-	-	-	145,602
Net loss and comprehensive loss	-	-	-	-	-	(3,088,996)	(3,088,996)
Balance, December 31, 2024	164,724,400	22,516,715	1,632,746	265,185	924,880	(17,032,328)	8,307,198
Shares issued in LIFE Offering of units	15,384,614	803,027	-	-	-	-	803,027
Bonus shares issued with promissory notes	3,004,255	118,902	-	-	-	-	118,902
Shares issued from options exercised	3,570,000	1,014,871	(481,822)	-	-	-	533,049
Options expired	-	-	(90,307)	-	90,307	-	-
Shares issued from warrants exercised	10,837,813	4,576,725	-	-	-	-	4,576,725
Share-based compensation	-	-	544,801	-	-	-	544,801
Net loss and comprehensive loss	-	-	-	-	-	(15,920,640)	(15,920,640)
Balance, December 31, 2025	197,521,082	29,030,240	1,605,418	265,185	1,015,187	(32,952,968)	(1,036,938)

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

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.
Consolidated Statements of Cash Flows
(Expressed in U.S. dollars)

	Year ended December 31, 2025	Six months ended December 31, 2024 Note 2(e)
	\$	\$
Operating activities		
Net loss and comprehensive loss	(15,920,640)	(3,088,996)
Adjustments for:		
Amortization of intangible asset	292,248	146,124
Depreciation	503,332	115,168
Share-based compensation	544,801	145,602
Accretion expense	74,577	-
Amortization of royalty interest	46,276	42,898
Change in fair value of warrant liabilities	4,697,063	(351,318)
Foreign exchange loss	2,638	2,280
Impairment of financial instruments	119,851	-
Impairment of mineral properties	3,331,035	-
Impairment of property, plant and equipment	74,297	-
Impairment of royalty interest	305,505	-
Interest expense on promissory note	120,683	-
Interest on lease liability	24,135	14,531
Interest income	-	(749)
Recovery of flow-through liability	-	(153,245)
Changes in non-cash working capital:		
Accounts receivable	35,117	(14,224)
Goods and sales tax receivable	99,968	(54,066)
Prepaid expenses and deposits	(415,580)	(256,106)
Accounts payable and accrued liabilities	56,501	236,246
Cash used in operating activities	(6,008,193)	(3,215,855)
Investing activities		
Property, plant and equipment costs, net	(1,712,862)	(925,566)
Restricted deposit	-	(28,750)
Mining property and rights acquisition and exploration costs	(161)	(3,143)
Cash used in investing activities	(1,713,023)	(957,459)
Financing activities		
Proceeds from promissory notes	2,569,134	-
Promissory notes issuance costs	(70,973)	-
Repayment of promissory note	(98,996)	-
Lease payments	(106,867)	(53,655)
Shares issued in private placement	7,191,128	4,890,553
Share issuance costs paid in cash	(112,686)	(493,209)
Cash received on exercise of options	533,049	83,715
Cash received on exercise of warrants	2,809,114	1,194,525
Cash provided by financing activities	12,712,903	5,621,929
Change in cash	4,991,687	1,448,615
Cash, beginning of year / period	2,372,121	923,506
Cash, end of year / period	7,363,808	2,372,121
Supplemental disclosure of non-cash activities		
Subscriptions receivable included in accounts receivable	35,568	-
Interest paid on promissory note	4,090	-
Reclassification of fair value of warrants from warrant liabilities on exercise	1,973,254	253,046
Accounts payable related to property, plant and equipment costs	5,115	163,952
Accounts payable related to share issue costs	1,380	-

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

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025 and six months ended December 31, 2024

(Expressed in U.S. dollars, except where noted)

1. NATURE OF OPERATIONS AND GOING CONCERN

LibertyStream Infrastructure Partners Inc. (formerly Volt Lithium Corp.) (the “Company”) lithium development and technology company aiming to be one of North America’s first commercial producers of lithium carbonate from oilfield brine.

The Company trades on the TSX Venture Exchange under the symbol “LIB”, the OTCQB under the symbol “VLTLF” and the Frankfurt Exchange under the symbol “3ZM”. The address of the Company’s corporate office and principal place of business is Suite 520, 200 Crescent Court, Dallas, Texas 75201. On June 25, 2025, the Company changed its name from Volt Lithium Corp. to LibertyStream Infrastructure Partners Inc.

The Company is an early-stage entity with no revenue from operations and is focused on developing lithium extraction technology. The business of extraction of lithium from oilfield brines involves a high degree of risk and there can be no assurance that current extraction methods will result in profitable operations.

These consolidated financial statements for the year ended December 31, 2025 and six months ended December 31, 2024 (“financial statements”) have been prepared on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months. As at December 31, 2025, the Company has a working capital of \$4,915,395 (December 31, 2024 - \$2,282,044) and an accumulated deficit of \$32,952,968 (December 31, 2024 - \$17,032,328). As at December 31, 2025, the Company has a promissory note of \$2,484,238 (December 31, 2024 - \$nil) (Note 13). During the year ended December 31, 2025, the Company incurred a loss of \$15,920,640 (2024 - \$3,088,996) and used cash in operating activities of \$6,008,193 (2024 - \$3,215,855). The Company does not have any source of operating income or revenue at this point in time. These factors indicate the existence of a material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. The Company’s ability to continue as a going concern is dependent upon its ability to generate positive cash flows from operations, and/or raise adequate funding through equity or debt financing to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

Should the Company be unable to continue as a going concern, asset and liability realization values may be substantially different from their carrying values. These financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

a) Statement of compliance

These financial statements were approved by the Board of Directors and authorized for issue on April 23, 2026.

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS Accounting Standards”) as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee.

b) Basis of presentation

These financial statements have been prepared using the historical cost basis, except for certain financial assets and liabilities which are measured at fair value, as specified by IFRS Accounting Standards for each type of asset, liability, income, and expense as set out in the accounting policies below.

c) Functional and presentation currency

Effective July 1, 2024, the Company reassessed its functional currency due to changes in underlying transactions, events, and conditions. As a result of this reassessment, the Company determined that its functional currency changed from the Canadian dollar (“C\$”) to the United States dollar (“US\$”). This change, accounted for prospectively, reflects the Company’s increased operations in the United States of America (the “U.S.”) and the planned scale-up of activities in the U.S., considered to be the primary focus of the business going forward.

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.**Notes to the Consolidated Financial Statements****For the year ended December 31, 2025 and six months ended December 31, 2024**

(Expressed in U.S. dollars, except where noted)

2. BASIS OF PREPARATION (continued)

Concurrent with the change in functional currency, the Company also elected to change its presentation currency from C\$ to U.S.\$, effective July 1, 2024. The change in presentation currency was made to better reflect the Company's business activities, provide consistency with its functional currency, and improve comparability of its financial results with other publicly traded businesses in the industry.

The change in presentation currency was accounted for retrospectively. Comparative financial information for prior periods has been restated to reflect the U.S.\$ presentation currency. Balance sheet and profit and loss amounts previously reported in C\$ were translated into U.S.\$ as at June 30, 2024 using the foreign exchange rate of 1.3687 C\$/U.S.\$, which was the rate prevailing on July 1, 2024.

d) Basis of consolidation

These financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances are eliminated on consolidation. Control exists where the parent entity has power over the investee and is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are included in the financial statements from the date control commences until the date control ceases.

e) Change in financial year end

On November 8, 2024, the Company filed a notice of change of year end to change the Company's financial year end from June 30 to December 31. The year end change was enacted to better align the Company's financial reporting with the calendar year and its peers in the lithium production and extraction industry. As a result of the change in year end, the Company's fiscal year ended December 31, 2024 contains six months (the "period ended December 31, 2024").

A summary of the Company's subsidiaries included in these financial statements as at December 31, 2025 and 2024 are as follows:

Name of subsidiary	Country of incorporation	Percentage of ownership	Functional currency
Volt Lithium Operations Corp. (Note 23)	Canada	100%	U.S.\$
1330340 B.C. Ltd.	Canada	100%	U.S.\$
Gold Rush Caribou Inc.	Canada	100%	U.S.\$
Red Bluff VLT LLC	U.S.	100%	U.S.\$
LibertyStream Management, LLC ⁽¹⁾	U.S.	100%	U.S.\$
Volt Nevada Inc.	U.S.	100%	U.S.\$
Aquasyn, LLC ⁽²⁾	U.S.	100%	U.S.\$
Xylion Technologies, LLC ⁽³⁾	U.S.	100%	U.S.\$

(1) On October 10, 2025, Volt Management Services USA LLC changed its name to LibertyStream Management, LLC.

(2) On January 16, 2025, Aquasyn, LLC was incorporated.

(3) On January 16, 2025, Xylion Technologies, LLC was incorporated.

f) Reclassification of comparative figures

Certain prior year amounts have been reclassified for consistency with the current year presentations. There was no impact on reported net loss and comprehensive loss or change in cash.

3. MATERIAL ACCOUNTING POLICIES**a) Cash**

Cash consists of cash on hand, deposits in banks and cash held in trust.

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025 and six months ended December 31, 2024

(Expressed in U.S. dollars, except where noted)

3. MATERIAL ACCOUNTING POLICIES (continued)

b) Intangible assets

Intangible assets are carried at initial carrying value less any accumulated amortization and any accumulated impairment losses. Research costs related to internally developed intangible assets are charged to operations when they are incurred. Development costs are capitalized as intangible assets, provided they meet the following recognition requirements:

- the development costs can be measured reliably;
- the project is technically and commercially feasible;
- the Company intends to and has sufficient resources to complete the project;
- the Company has the ability to use or sell the intangible assets;
- the intangible assets will generate probable future economic benefits; and
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

Development costs not meeting these criteria for capitalization are expensed as incurred.

Subsequent expenditures are capitalized only when they increase the future economic benefits embodied in the specific asset to which they relate. All other expenditures are recognized in profit or loss as incurred.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

c) Mining property and rights acquisition costs

Costs directly related to exploration and evaluation expenditures prior to the determination of the feasibility of mining operations are expensed as incurred. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs and share-based payments to employees and consultants, are expensed in the period in which they occur. The acquisitions of mineral property and rights are initially measured at cost. Mining property and right acquisitions costs and development expenditures incurred subsequent to the determination of the feasibility of mining operations and approval of development by the Company are capitalized until the property to which they relate is placed in production, sold or allowed to lapse.

Mining property and right acquisition costs include the cash consideration and the fair market value of shares issued for mineral property interest pursuant to the terms of the relevant agreements. These costs will be amortized over the estimated life of the property following commencement of commercial production, or writing off if the property is sold, allowed to lapse, or when an impairment of value has been determined to have occurred, together with the related exploration and evaluation expenditures.

Management annually assesses the carrying values of its properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if (i) the property has been abandoned; (ii) there are unfavourable changes in the property economics; (iii) there are restrictions on development; or (iv) when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written down to the estimated recoverable amount.

d) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

e) Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there are any indicators of impairment. If any such indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025 and six months ended December 31, 2024

(Expressed in U.S. dollars, except where noted)

3. MATERIAL ACCOUNTING POLICIES (continued)

Where the asset does not generate cash inflows that are independent of other assets, the Company estimates the recoverable amount of the cash-generating unit ("CGU") to which the asset belongs. Any intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired. An asset's recoverable amount is the higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount and an impairment loss is recognized immediately in the consolidated statements of loss and comprehensive loss. Where an impairment subsequently reverses, the carrying amount is increased to the revised estimate of the recoverable amount but only to the extent that this does not exceed the carrying value that would have been determined if no impairment had previously been recognized. A reversal of impairment is recognized in the consolidated statements of loss and comprehensive loss.

f) Leases

Upon lease commencement, a right-of-use asset and lease liability is recognized. The right-of-use asset is initially measured at the amount of lease liability plus any initial direct costs incurred by the lessee. After lease commencement, the right-of-use asset is measured at cost less accumulated amortization. Right-of-use assets are amortized on a straight-line basis over the term of the asset's useful life (the lease term), including the term of likely extensions.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease. Subsequently, the lease liability is measured on an amortized cost basis using an effective interest method.

g) Promissory notes

Promissory notes are classified as financial liabilities under IFRS 9 *Financial Instruments* and initially recognized at fair value, net of directly attributable transaction costs. When promissory notes are issued together with common shares, the proceeds are allocated first to the fair value of the host debt and any residual proceeds are allocated to the common shares. The host debt component is measured at fair value on initial recognition using a market-based discount rate that is estimated to be interest rate of a similar liability that does not have an associated equity component. Subsequent to initial recognition, the promissory notes are measured at amortized cost using the effective interest method, with interest expense recognized in profit or loss.

h) Share capital

Common shares are classified as share capital. Costs directly attributable to the issue of common shares are recognized as a deduction from share capital, net of any tax effects.

i) Common share purchase warrants

Share purchase warrants are classified as a component of equity. Share purchase warrants are recognized based on their relative fair value using the Black-Scholes option pricing model at the date of issue. Share purchase warrants are initially recorded as a part of warrant reserves in equity at their proportional fair value. Upon exercise of the share purchase warrants the previously recognized fair value of the warrants exercised is reallocated to share capital from warrant reserves. The proceeds generated from the payment of the exercise price are allocated to share capital.

On expiry the recognized fair value of the warrants is reallocated from warrant reserves to contributed surplus.

j) Income taxes

Income tax reported in the consolidated statements of loss and comprehensive loss for the period presented comprises current and deferred income tax. Income tax is recognized in the consolidated statements of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current income tax for each taxable entity in the Company is based on the local taxable income at the local statutory tax rate enacted or substantively enacted at the reporting date and includes any adjustments to tax payable or recoverable with regards to previous periods.

3. MATERIAL ACCOUNTING POLICIES (continued)

Deferred income tax is determined using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using the expected future tax rates enacted or substantively enacted at the reporting date.

A deferred income tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and the Company intends to settle its tax assets and liabilities on a net basis.

k) Loss per share

Basic loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. The diluted loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding on a diluted basis. The weighted average number of shares outstanding on a diluted basis takes into account the additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting period.

l) Related party transactions

Parties are related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operational decisions. Parties are considered to be related if they are subject to common control or common significant influence, related parties may be individuals or corporate entities. A transaction is a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount.

m) Share-based payment transactions

Stock options

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of the options is credited to share capital. Upon expiration, the fair value of the expired options is transferred to contributed surplus.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

Performance share units ("PSUs")

PSUs are granted to directors, officers, and employees. Upon vesting, PSUs will be settled with the issuance of common shares of the Company. The fair value of PSUs is measured at the date of grant using the Company's share price. The fair value of the PSUs granted is recognized when it is probable that the vesting terms will be met, with the offsetting credit to reserves. When the shares associated with PSUs are issued, the applicable fair value is transferred from reserves to share capital.

Restricted share units ("RSUs")

RSUs are granted to directors, officers, employees, and consultants of the Company. The Company accounts for share-based compensation associated with RSU grants using a fair value-based method. The fair value of RSUs is measured at the date of grant using the Company's share price. The fair value of the RSUs granted is recognized as share-based compensation over the vesting period, with the offsetting credit to reserves. When the shares associated with RSUs are issued, the applicable fair value is transferred from reserves to share capital.

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3. MATERIAL ACCOUNTING POLICIES (continued)

n) Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts receivable	Amortized cost
Royalty interest	FVTPL
Restricted deposit	Amortized cost
Promissory notes	Amortized cost
Warrant liabilities	FVTPL
Lease liabilities	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment. Accounts receivable, restricted deposit, promissory notes, lease liabilities and accounts payable and accrued liabilities are classified in this category.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of loss in the period in which they arise. Cash, royalty interest and warrant liabilities are classified in this category.

Equity investments at FVTOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss. There are no financial instruments classified in this category as at December 31, 2025 and 2024.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company will recognize in the statements of loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

3. MATERIAL ACCOUNTING POLICIES (continued)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are recognized in profit or loss.

o) Foreign currency translation

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Nonmonetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of loss and comprehensive loss in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive loss to the extent that gains and losses arising on those non-monetary items are recognized in other comprehensive loss. Where the non-monetary gain or loss is recognized in profit or loss, the exchange component is recognized in profit or loss.

p) Property, plant and equipment

Recognition and measurement

Property, plant and equipment ("PP&E") are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes the purchase price, import duties, non-refundable purchase taxes, and any directly attributable costs of bringing the asset to its working condition for its intended use. This includes the cost of materials, labor, site preparation, installation costs, and professional fees.

Where an item of PP&E comprises of major components having different useful lives, each part is accounted for as a separate item of PP&E and is depreciated separately.

Subsequent costs

Subsequent expenditure on an item of PP&E is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. This could involve enhancements or improvements that lead to increased capacity, efficiency, or extended life. The carrying amount of any replaced component is derecognized. All other repairs and maintenance are charged to the statement of loss and comprehensive loss during the financial period in which they are incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset, beginning when the asset is available for use. The estimated useful lives, residual values, and depreciation methods are reviewed annually at the end of each reporting period and adjusted if necessary to reflect the actual pattern of consumption of the future economic benefits embodied in the asset.

3. MATERIAL ACCOUNTING POLICIES (continued)

Derecognition

An item of PP&E is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognized within "Other income" or "Other expenses" in the statement of loss and comprehensive loss.

Impairment of assets

PP&E are reviewed for impairment at the end of each reporting period, or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount, where the recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Revaluation

The company applies the cost model to all classes of PP&E, where items are carried at cost less accumulated depreciation and impairment losses, if any. The company does not revalue its PP&E.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

q) Flow-through shares

Recognition and measurement

Flow-through shares are a type of equity instrument issued by the Company that provide investors with the ability to claim tax deductions for qualifying expenditures incurred by the Company. The proceeds from the issuance of flow-through shares are allocated between share capital and a flow-through share premium liability.

Funds raised through the issuance of flow-through shares are expected to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds less the qualified expenditures made to date represent the funds received from flow-through share issuances that have not been spent and are held by the Company for such expenditures.

At the time of issuance, the proceeds received are allocated as follows:

1. Share Capital: The fair value of the common shares issued is recognized in share capital.
2. Flow-Through Share Premium Liability: The difference between the proceeds received and the fair value of the shares issued is recognized as a liability. This liability represents the Company's obligation to incur the qualifying expenditures and renounce the associated tax benefits to the investors.

Income Recognition

As the Company incurs qualifying expenditures, the flow-through share premium liability is reduced, with a corresponding amount recognized as income in the statement of comprehensive income under "Other Income." This recognition is done on a pro-rata basis as the qualifying expenditures are incurred.

Presentation

- Share Capital: The portion of proceeds allocated to share capital is presented as equity in the statement of financial position.
- Flow-Through Share Premium Liability: The flow-through share premium liability is presented under current liabilities in the statement of financial position until the qualifying expenditures are incurred and renounced.
-

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3. MATERIAL ACCOUNTING POLICIES (continued)

- Other Income: The reduction of the liability is recognized as "Other Income" in the statement of comprehensive income as the qualifying expenditures are incurred.

r) Government grants

Income recognition

The Company accounts for government grants in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance. Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to the grant and that the grant will be received.

Presentation

Grants that compensate for expenses incurred are recognized in profit or loss over the same period in which the related expenses are recognized and are presented as a reduction in the related expense. Grants related to the acquisition or construction of assets are recognized as deferred income in the statement of financial position and amortized to income over the useful life of the related assets.

North Dakota Field Study Grant

On November 27, 2024, the Company entered into a field study agreement with Triple 8 LLC dba Wellspring Hydro ("WSH") to deploy and test the Company's proprietary direct lithium extraction ("DLE") field unit in North Dakota's Bakken formation. As part of this initiative, the State of North Dakota, through the Industrial Commission's Research and Renewable Energy Program, provided grant funding to support equipment procurement and operational testing. The Company has received an initial cash grant of \$450,000 (the "Grant") through WSH, with an additional \$50,000 expected upon submission and approval of a final deployment report. The total funding of \$500,000 is designated to support the assessment of DLE technology viability in field operations and promote the use of renewable energy and development of the North Dakota workforce. The grant proceeds are being applied toward both capital expenditures and operating costs. In accordance with IAS 20, the portion of the grant related to capital equipment has been recognized as deferred income and will be amortized over the useful life of the related assets. The portion relating to testing and field operations has been recognized as a reduction to research and development expenses in the period in which the related costs were incurred. Management has assessed that all grant conditions have been met or are expected to be met, and there is reasonable assurance of full entitlement to the grant.

On March 18, 2025, the Company entered into a further Development Agreement with WSH, supported by a follow-on government grant of \$2,028,493 awarded by the State of North Dakota through the Clean Sustainable Energy Authority Program and Renewable Energy Program, to fund the continued deployment and scaling of the Company's DLE technology in the Bakken formation. In addition, on October 8, 2025 and November 6, 2025, the Company received a further grant of \$775,722, previously awarded on August 11, 2025, to fund a portion of the Company's commercial lithium carbonate Refining Unit.

The grant proceeds are being applied toward both capital expenditures and operating costs. In accordance with IAS 20, the portion of the grant related to capital equipment has been recognized as a deduction from the carrying amount of the related assets. The portion relating to testing and field operations has been recognized as a reduction to research and development expenses in the period in which the related costs were incurred. Management has assessed that all grant conditions have been met or are expected to be met, and there is reasonable assurance of full entitlement to the grant.

s) Contingent liabilities

Contingent liabilities are defined as possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. They may also arise from present obligations that are not recognized because it is not possible that an outflow of resources will be required to settle the obligation, or because the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognized in the statements of financial position. However, they are disclosed in the notes to the financial statements unless the possibility of an outflow of economic resources is considered remote.

Management assesses contingent liabilities at each reporting date and updates disclosures accordingly. If it becomes probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured, the liability is recognized as a provision in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

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3. MATERIAL ACCOUNTING POLICIES (continued)

Where applicable, estimates related to contingent liabilities involves significant judgement, particularly in assessing the legal and commercial merits of claims or disputes, the probability of unfavorable outcomes, the potential settlement amounts, and the timing of any resulting outflows.

t) New accounting standards and interpretations

Pronouncements issued but not yet effective:

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements*. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the effects of IFRS 18 on the financial statements. It is expected to at least significantly change presentation and disclosure.

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the financial statements.

The Company has not early adopted any other new accounting standard, interpretation or amendment that has been issued but is not yet effective.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these consolidated financial statements require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, revenues and expenses. Management continually evaluates these judgments, estimates and assumptions based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates and judgments, which may cause a material adjustment to the carrying amounts of assets and liabilities.

The areas which require management to make critical judgments include:

Going concern

These audited financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The assessment of the Company's ability to source future operations and continue as a going concern involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. If the going concern assumption was not appropriate for the consolidated financial statements, then adjustments to the carrying value of assets and liabilities, the reported expenses and the consolidated statements of financial position would be necessary (Note 1).

The areas which require management to make significant estimates and assumptions include:

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

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4. SIGNIFICANT ACCOUNTING JUDGMENTS AND SOURCES OF ESTIMATION UNCERTAINTY (continued)

Common share purchase warrants

The Company determines the fair value of Common Share purchase warrants issued using the Black-Scholes option pricing model. This option pricing model requires the development of market-based subjective inputs, including the risk-free interest rate, expected price volatility and expected life of the warrant. Changes in these inputs and the underlying assumption used to develop them can materially affect the fair value estimate.

Deferred tax assets and liabilities

Management judgment and estimates are required in assessing whether deferred tax assets and deferred tax liabilities are recognized in the consolidated statements of financial position. Judgments are made as to whether future taxable profits will be available in order to recognize deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These depend on estimates of future production and sales volumes, commodity prices, reserves, operating costs, and other capital management transactions. These judgments and assumptions are subject to risk and uncertainty and changes in circumstances may alter expectations, which may impact the amount of deferred tax assets and deferred tax liabilities recognized on the consolidated statements of financial position and the benefit of other tax losses and temporary differences not yet recognized.

Intangible assets

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization method of an intangible asset with a finite life is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Royalty interest

The valuation of royalty interest necessitates significant judgment and estimation.

Initial Recognition and Measurement: Upon recognition, the royalty interest is taken up at its fair value. This value is arrived at by calculating the net present value (NPV) of the projected future cash flows arising from the royalty agreement. An 8% discount rate is employed to determine the NPV. This rate mirrors current market evaluations of both the time value of money and the specific uncertainties tied to the royalty agreement.

Subsequent Measurement - Amortization: After its initial recognition, the royalty interest's value is reduced in proportion to the actual royalty amounts that are received or receivable. This ensures that the book value of the royalty interest consistently represents the expected future receipts, and these consolidated financial statements provide a true representation of the outstanding potential income from the royalty agreement.

Derecognition - The royalty interest is derecognized when the contractual rights to the cash flows from the royalty expire or when the royalty interest is transferred, and the transfer qualifies for derecognition under IFRS.

Impairment - At each reporting date, an assessment is made to determine whether there is objective evidence that the royalty interest is impaired. If such evidence exists, an impairment loss is recognized in profit or loss. The impairment loss is calculated as the difference between the royalty interest's carrying amount and the present value of the estimated future cash flows, discounted using the original effective interest rate.

Promissory notes issued with shares

When the Company issues promissory notes with common shares, it must estimate the fair value of the host debt component without the common shares. Estimating the fair value of the host debt on initial recognition requires significant judgement in determining an appropriate market discount rate. Management evaluates observable market data for instruments with similar terms, considers the entity's credit risk profile, and assesses prevailing market conditions. Because such data may not be directly observable, the selected discount rate involves estimation uncertainty that could materially affect the allocation of proceeds between the debt and equity components and the subsequent amortized cost profile of the host debt.

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5. LEASES

Commencing December 1, 2023, the Company entered into a lease agreement for the Demonstration Plant for a term of five years at a monthly base rent of \$7,408 for the first three years of the lease and \$7,847 for the fourth and fifth years of the lease.

On December 6, 2023, the Company entered into another lease agreement for a skid steer for a term of three years at a lease payment of \$1,534 per month.

a) Right-of-use assets

A summary of the Company's right-of-use assets is as follows:

	\$
Balance, June 30, 2024	375,131
Depreciation	(45,459)
Balance, December 31, 2024	329,672
Depreciation	(90,918)
Balance, December 31, 2025	238,754

b) Lease liabilities

A summary of the Company's lease liabilities is as follows:

	\$
Balance, June 30, 2024	379,439
Lease payments	(53,655)
Interest	14,531
Balance, December 31, 2024	340,315
Lease payments	(106,867)
Interest	24,135
Foreign exchange	(6,036)
Balance, December 31, 2025	251,547
Current portion	90,441
Non-current portion	161,106

A summary of the Company's undiscounted minimum lease payments in respect of the lease liabilities and the effect of discounting at December 31, 2025 is as follows:

	\$
2026	99,922
2027	94,183
2028	94,183
Total future minimum lease payments	288,288
Effect of discounting	(36,741)
Present value of minimum lease payments	251,547

6. ACCOUNTS RECEIVABLE

A summary of the Company's accounts receivable is as follows:

	December 31, 2025	December 31, 2024
	\$	\$
Subscription receivable (Note 16(b))	35,568	17,374
Royalty receivable (Note 10)	-	115,083
Other receivables	-	22,511
	35,568	154,968

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

Notes to the Consolidated Financial Statements

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7. PROPERTY, PLANT AND EQUIPMENT

Motor vehicles are depreciated on a straight-line basis and for an estimated useful life of 5 years. The Demonstration Plant was commissioned on November 22, 2023, and is depreciated on a straight-line basis for an estimated useful life of 10 years. The DLE Field Units were installed and determined ready for use during the period ended December 31, 2024 and have been depreciated on a straight-line basis over 5 years. The Carbonation unit and the BPED unit are not installed and have not been depreciated during the year ended December 31, 2025. The Manlift is depreciated on a straight-line basis for an estimated useful life of 5 years.

On September 30, 2025, the Company completed its pilot North Dakota Test Unit and was decommissioned, resulting in impairment loss of \$74,297.

A summary of the Company's property, plant and equipment is as follows:

	Motor Vehicles	Demonstration Plant Units	Carbonation Unit	BPED Unit	DLE Field Units	Manlift	North Dakota Test Unit	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Cost								
Balance June 30, 2024	-	201,765	-	-	614,322	-	-	816,087
Additions	54,343	-	124,500	68,299	809,592	-	-	1,056,734
Balance, December 31, 2024	54,343	201,765	124,500	68,299	1,423,914	-	-	1,872,821
Additions	-	-	930,709	-	1,084,272	18,500	74,297	2,107,778
North Dakota Field Study Grant (Note 15)	-	-	-	-	(389,801)	-	-	(389,801)
Impairment	-	-	-	-	-	-	(74,297)	(74,297)
Balance, December 31, 2025	54,343	201,765	1,055,209	68,299	2,118,385	18,500	-	3,516,501
Accumulated depreciation								
Balance June 30, 2024	-	11,770	-	-	-	-	-	11,770
Depreciation	3,564	9,920	-	-	56,225	-	-	69,709
Balance, December 31, 2024	3,564	21,690	-	-	56,225	-	-	81,479
Depreciation	10,869	20,176	-	-	438,684	1,850	-	471,579
Grant depreciation	-	-	-	-	(59,165)	-	-	(59,165)
Balance, December 31, 2025	14,433	41,866	-	-	435,744	1,850	-	493,893
Carrying amount								
December 31, 2024	50,779	180,075	124,500	68,299	1,367,689	-	-	1,791,342
December 31, 2025	39,910	159,899	1,055,209	68,299	1,682,641	16,650	-	3,022,608

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

Notes to the Consolidated Financial Statements

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8. INTANGIBLE ASSET

As at April 1, 2023, after the successful conclusion of bench scale testing, the Company initiated the amortization of the DLE Technology as an intangible asset (intellectual property). The amortization is being carried out on a straight-line basis, spanning an estimated 10-year useful life for the DLE Technology based on current assumptions and considering the prevailing technological landscape. Given the rapid pace of technological advancements, it is anticipated that the effectiveness of the present DLE Technology may diminish after this 10-year period, rendering it potentially obsolete.

A summary of the Company's amortization of the DLE Technology intangible asset is as follows:

	\$
Balance, June 30, 2024	2,557,171
Amortization	(146,124)
Balance, December 31, 2024	2,411,047
Amortization	(292,248)
Balance, December 31, 2025	2,118,799

9. MINERAL PROPERTY AND RIGHTS ACQUISITION COSTS

A summary of the Company's mineral property and rights acquisition costs is as follows:

	\$
Balance, June 30, 2024	3,327,731
Exploration expenditures	3,143
Balance, December 31, 2024	3,330,874
Exploration expenditures	161
Impairment	(3,331,035)
Balance, December 31, 2025	-

Rainbow Lake

The Rainbow Lake property is in northwest Alberta and is defined by 20 contiguous Alberta Metallic and Industrial Mineral Permits (173,990 hectares) for which the Company had 100% mineral interest ownership (the "Rainbow Lake Property").

As at December 31, 2025, the Company has incurred exploration and evaluation expenditures of \$3,331,035 related to the Rainbow Lake Property (December 31, 2024 - \$3,330,874). Due to the permits lapsing during the year, the property was impaired to \$nil.

10. ROYALTY AGREEMENT

On December 9, 2022, the Company entered into an amending agreement to the overriding royalty agreement, which was previously entered into on September 19, 2022, by Volt Lithium Operations Corp. The overriding royalty agreement with a producing oil and gas entity is calculated at 3% of the production. The rate will be reduced to a non-convertible 2% overriding royalty subsequent to the Company receiving 100% of its original investment. Once the Company receives 300% of its original investment the royalty agreement is terminated. As part of this agreement, the Company agreed to, and has made, the following payments:

- C\$125,000 on execution of the agreement;
- C\$125,000 upon execution of the definitive agreement; and
- C\$250,000 is due within 5 business days of the Company's shares being listed on the TSX Venture Exchange.

On December 12, 2025, The Company received notice that the counterparty to the Royalty Agreement had received protection pursuant to the Companies' Creditors Arrangement Act and determined collection of royalty receivables is not probable. As a result, the Company recorded impairment loss on royalty receivables of \$119,851 (period ended December 31, 2024 - \$nil). In addition, the Company recorded impairment on the balance of its royalty interest of \$305,505 (period ended December 31, 2024 - \$nil) because the future royalty cash flows are considered highly uncertain as a result of the financial difficulty of the counterparty.

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10. ROYALTY AGREEMENT (continued)

For the year ended December 31, 2025, the Company recognized royalty income of \$112,793 (period ended December 31, 2024 - \$92,365).

A continuity of the Company's royalty interest is as follows:

	\$
Balance, June 30, 2024	394,679
Amortization expense	(42,898)
Balance, December 31, 2024	351,781
Amortization expense	(46,276)
Impairment	(305,505)
Balance, December 31, 2025	-

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

A summary of the Company's accounts payable and accrued liabilities is as follows:

	December 31, 2025	December 31, 2024
	\$	\$
Accounts payable	638,394	603,928
Accrued liabilities	58,479	29,990
	696,873	633,918

12. FLOW THROUGH SHARE PREMIUM LIABILITY

In August 2023, in connection with a brokered short form prospectus offering and concurrent brokered private placement ("Unit Financing") undertaken by the Company, the Company issued 11,529,166 flow-through common shares at C\$0.24 per share for gross proceeds of \$2,021,626 and recognized a liability for the flow-through common shares of \$168,468. As at December 31, 2024, the Company spent all of the flow-through funds raised in the Unit Financing and has recognized \$153,245 as recovery of flow-through premium liability during the period ended December 31, 2024.

13. PROMISSORY NOTES

On August 8, 2025, the Company issued promissory notes for aggregate gross proceeds of \$2,569,000 (C\$3,530,000). The promissory notes bear simple interest at a rate of 12% per annum with interest and principal payable at the maturity date of August 8, 2026. The Company has the right to redeem and repay the promissory notes at any time prior to August 8, 2026. Total issuance costs were \$70,796 (C\$97,516).

Of the gross proceeds, principal of \$2,474,391 (C\$3,400,000) was issued to a third party and is senior and secured against the Company's present and after-acquired property. The remaining \$94,609 (C\$130,000) of principal was issued to the Company's Chief Executive Officer ("CEO"), Alex Wylie.

In connection with the promissory notes issued, the Company issued an aggregate of 3,004,255 common shares in the capital of the Company (the "Bonus Shares") to the promissory note holders (Note 16(b)). The Bonus Shares represent a value equal to 20% of the principal amount of the promissory notes, calculated based on the market price at the time of issuance of \$0.235 per Bonus Share. The Bonus Shares are subject to a four month hold period commencing from the date of issuance, in accordance with applicable Canadian securities laws and the policies of TSXV.

The promissory notes were discounted at a rate of 14% which the Company estimates is the market rate of a promissory note with similar terms without the Bonus Shares. The present value of the promissory notes net of transaction costs was \$2,379,300 (C\$3,269,112). Residual proceeds of \$118,902 (C\$163,372) were allocated to share capital.

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13. PROMISSORY NOTES (continued)

On December 23, 2025, the Company repaid the promissory note due to the Company's CEO, Alex Wylie. Repayment was comprised of principal of \$94,906 (C\$130,000) and interest expense of \$4,090 (C\$5,684).

A summary of the Company's continuity of the promissory notes is as follows:

	Third Party	CEO	Total
	\$	\$	\$
Balance, June 30, 2024 and December 31, 2024	-	-	-
Additions	2,291,677	87,623	2,379,300
Interest expense	116,593	4,090	120,683
Accretion expense	67,680	6,897	74,577
Repayment	-	(98,996)	(98,996)
Foreign exchange	8,288	386	8,674
Balance, December 31, 2025	2,484,238	-	2,484,238

14. WARRANT LIABILITIES**Warrants classified from warrant liability to warrant reserve**

On May 1, 2024, in connection with a non-brokered private placement, the Company issued 3,409,091 warrants with an exercise price of \$0.35 and expiry date of May 1, 2026. Prior to July 1, 2024, the Company's functional currency was Canadian dollars; as such, the Company recorded a derivative warrant liability on the warrants outstanding with US\$ exercise prices. This warrant liability was being revalued at each reporting period.

Upon the change in the Company's functional currency on July 1, 2024, the exercise price denominated in US\$ resulted in a reclassification of these warrants as equity. The fair value of the 3,409,091 outstanding warrants was remeasured using the Black-Scholes Option Pricing Model and fair value of \$265,185 was reclassified from warrant liabilities to equity as an increase in warrant reserves of \$265,185.

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for fair value of warrants with US\$ exercise prices is as follows:

	July 1, 2024
Share price	\$0.16
Exercise price	\$0.35
Risk-free interest rate	3.99%
Expected life	1.84 years
Expected volatility	127%
Forfeiture rate	0%
Dividend rate	0%

Warrants classified from warrant reserve to warrant liability

On July 1, 2024, the Company's functional currency changed to the US\$ from the C\$; as such, the Company recorded warrant liabilities on the warrants outstanding with previously issued C\$ exercise prices. The warrant liabilities are being revalued at each reporting period.

As at July 1, 2024, the Company charged \$1,200,222 to warrants reserve to reclassify the warrant liabilities for the warrants with exercise prices denominated in C\$ using the Black-Scholes Option Pricing Model. On July 1, 2024, 26,649,331 warrants were re-valued which resulted in \$1,200,222 of the warrant liabilities being reclassified from warrants reserve.

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14. WARRANT LIABILITIES (continued)

A summary of the Company's continuity of warrant liabilities is as follows:

	Number of warrants	Fair value
	#	\$
Balance, June 30, 2024	3,409,091	265,185
Reclassification to equity per change in functional currency	(3,409,091)	(265,185)
Reclassification to warrant liabilities per change in functional currency	26,649,331	1,200,222
Warrants issued	12,366,245	1,385,206
Warrants exercised and transferred to share capital	(5,372,289)	(253,046)
Change in fair value of warrants outstanding	-	(351,318)
Balance, December 31, 2024	33,643,287	1,981,064
Warrants issued	16,209,296	6,515,246
Warrants expired	(17,428,222)	(79,963)
Warrants exercised and transferred to share capital	(10,837,813)	(1,973,254)
Change in fair value of warrants outstanding	-	4,777,026
Balance, December 31, 2025	21,586,548	11,220,119

Upon exercise of warrants classified as warrant liabilities, fair value measured at the exercise date is transferred from warrant liabilities to share capital. During the year ended December 31, 2025, 10,837,813 warrants with a fair value of \$1,973,254 were exercised for proceeds of \$2,809,114 (C\$3,953,232). Of the warrants exercised, 1,194,581 warrants were exercised into units comprising one share and one additional warrant possessing a C\$ exercise price. The fair value of warrants issued upon the issuance of units was \$205,643 which was re-allocated to the warrant liability (thereby reducing share capital). As a result, total share capital additions from warrant exercises during the year ended December 31, 2025 was \$4,576,725.

At December 31, 2025, warrants outstanding were re-measured at fair value of \$11,220,119 (December 31, 2024 - \$1,981,064). For the year ended December 31, 2025, loss on change in fair value of warrant liabilities was \$4,697,063 (2024 - gain of \$351,318) and was comprised of the loss on change in fair value of warrants outstanding of \$4,777,026 (2024 - gain of \$351,318) and gain on fair value of warrants expired of \$79,963 (2024 - \$nil).

A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for the initial recognition and revaluations of warrants classified as warrant liabilities for the year ended December 31, 2025 and the period ended December 31, 2024 is as follows:

	2025	2024
Share price	C\$1.05	C\$0.28
Exercise price	C\$0.89	C\$0.35
Risk-free interest rate ⁽¹⁾	2.57%	2.92%
Expected life (years)	2.32	0.94
Expected volatility ⁽²⁾	111%	65%-112%
Forfeiture rate	0%	0%
Dividend rate	0%	0%

(1) The risk-free interest rate of periods within the expected life of the warrants is based on the Canadian government bond rate.

(2) The computation of expected volatility was based on the Company's historical price volatility, over a period which approximates the expected life of the warrant.

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

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14. WARRANT LIABILITIES (continued)

A summary of the Company's warrant activity is as follows:

	Warrants outstanding	Weighted average exercise price
	#	C\$
Balance, June 30, 2024	26,649,331	0.31
Issued on exercise of broker warrants	378,987	0.33
Issued	10,744,677	0.44
Issued (broker warrants) ⁽¹⁾	1,242,581	0.31
Exercised (includes 70,000 broker warrants)	(1,928,416)	0.30
Exercised (FT Units)	(497,900)	0.33
Exercised (HD Units)	(2,188,000)	0.33
Exercised (broker warrants)	(757,973)	0.22
Balance, December 31, 2024	33,643,287	0.35
Issued	16,209,296	0.97
Exercised	(10,837,813)	0.36
Expired	(17,428,222)	0.32
Balance, December 31, 2025	21,586,548	0.84

(1) These broker warrants are exercisable into one unit exercisable into one common share and one-half share purchase warrant with an exercise price of C\$0.44.

A summary of the Company's outstanding warrants as at December 31, 2025, is as follows:

Date of expiry	Number of warrants	Weighted average exercise price	Weighted average remaining life
	#	C\$	Years
November 19, 2026	5,998,831	0.44	0.88
November 19, 2026	48,000	0.31	0.88
November 19, 2026	114,780	0.44	0.88
November 25, 2026	40,323	0.44	0.90
December 11, 2028	15,384,614	1.00	2.95
	21,586,548	0.84	2.36

The weighted average share price on the dates that warrants were exercised during the year ended December 31, 2025 was C\$0.39 (period ended December 31, 2024 - C\$0.43).

15. DEFERRED INCOME - NORTH DAKOTA FIELD STUDY GRANT

On November 27, 2024, the Company entered into a field study agreement with Triple 8 LLC dba Wellspring Hydro ("WSH") to deploy and test Volt's proprietary Direct Lithium Extraction ("DLE") field unit in North Dakota's Bakken formation. As part of this initiative, the State of North Dakota, through the Industrial Commission's Research and Renewable Energy Program, provided grant funding to support equipment procurement and operational testing.

The Company has received an initial cash grant of \$450,000 (the "Grant") through WSH, with an additional \$50,000 expected upon submission and approval of a final deployment report. The total funding of \$500,000 is designated to support the assessment of DLE technology viability in field operations and promote the use of renewable energy and development of the North Dakota workforce. The grant proceeds are being applied toward both capital expenditure and operating costs.

On March 18, 2025, the Company entered into another Development Agreement with WSH. This agreement is supported by a follow-on government grant of \$2,028,493 awarded by the State of North Dakota through the Clean Sustainable Energy Authority Program and Renewable Energy Program. The funding was provided to support the deployment and scaling of Volt's proprietary DLE technology in the Bakken formation.

LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.**Notes to the Consolidated Financial Statements****For the year ended December 31, 2025 and six months ended December 31, 2024**

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15. DEFERRED INCOME - NORTH DAKOTA FIELD STUDY GRANT (CONTINUED)

On October 8, 2025 and November 6, 2025, the Company received a grant in the amount of \$775,722 (previously awarded on August 11, 2025), to fund a portion of the previously announced commercial lithium carbonate Refining Unit. This follow-on support comes via LibertyStream's partnership with WSH and is consistent with the state's commitment to accelerating critical minerals development within the U.S.

In accordance with IAS 20, the portion of the grant related to capital equipment has been deducted from the carrying amount of the related assets. The portion relating to testing and field operations has been recognized as a reduction to research and development expenses in the period in which the related costs were incurred.

Management has assessed that all grant conditions have been met or are expected to be met, and there is reasonable assurance of full entitlement to the grant.

A summary of the Company's allocation of the grant funding received is as follows:

	\$
Balance, June 30, 2024	-
Grant received	450,000
Grant applied to research and development expense	(450,000)
Balance, December 31, 2024	-
Grant received	2,804,215
Grant applied to research and development expense	(2,414,414)
Grant applied to carrying amount of the DLE Field Unit (Note 7)	(389,801)
Balance, December 31, 2025	-

16. SHARE CAPITAL**a) Authorized**

An unlimited number of voting common shares without par value.

b) Issued and outstanding

During the year ended December 31, 2025, the Company had the following common share transactions:

- On December 11, 2025, the Company closed the first tranche of a prospectus-exempt offering (the "LIFE Offering") of units for gross proceeds of \$6,438,986 (C\$8,909,999). The Company issued 13,707,691 units at a price of \$0.47 (C\$0.65) per unit. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of C\$1.00 until December 11, 2028. The warrants had a fair value of \$5,621,856 resulting in residual share capital of \$817,130. At December 31, 2025, accounts receivable included \$35,568 of subscriptions receivable from the first tranche of the LIFE Offering which was received on January 13, 2026.
- On December 16, 2025, the Company closed the second tranche of the LIFE Offering of units for gross proceeds of \$787,710 (C\$1,090,000). The Company issued 1,676,923 units at a price of \$0.47 (C\$0.65) per unit. Each unit consisted of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at an exercise price of C\$1.00 until December 11, 2028. The warrants had a fair value of \$687,747 resulting in residual share capital of \$99,963.
- Share capital from the LIFE Offering is presented on the consolidated statements of changes in shareholders equity net of aggregate share issuance costs of \$114,066 (C\$148,829).
- The Company issued 9,188,448 common shares from the exercise of warrants for proceeds of \$2,472,698 (C\$3,482,859). Accordingly, fair value of \$1,487,288 was reclassified from warrant liabilities to share capital.
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LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.**Notes to the Consolidated Financial Statements****For the year ended December 31, 2025 and six months ended December 31, 2024**

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16. SHARE CAPITAL (continued)

- The Company issued 1,649,365 units from the exercise of warrants for proceeds of \$336,416 (C\$470,373). Each unit was comprised of one common share and one-half warrant. The fair value of warrants exercised of \$485,966 was reclassified from warrant liabilities to share capital. Fair value of warrants issued as part of the units was \$205,643 and was recorded as an increase to the warrant liability. The residual of cash proceeds less the fair value of warrants issued was \$130,773 and was allocated to share capital.
- The Company issued 3,570,000 common shares from the exercise of 3,570,000 stock options for total proceeds of \$533,049 (C\$752,000). Accordingly, \$481,822 was transferred from share-based payment reserves to share capital.
- The Company issued an aggregate of 3,004,255 common shares in connection with the issuance of the promissory notes (Note 13). The shares had a fair value of \$118,902 determined using the residual method.

During the six months ended December 31, 2024, the Company had the following common share transactions:

- On November 19, 2024, the Company closed its upsized marketed public offering of units and concurrent private placement. Pursuant to the marketed public offering, the Company issued a total of 19,930,000 units at a price of C\$0.31 per unit, raising aggregate gross proceeds of \$4,419,069 (C\$6,178,300). Each unit consists of one common share of the Company and one-half of one common share purchase warrant, with each whole warrant exercisable into one common share of the Company at a price of C\$0.44 per share and expire on November 19, 2026.

The Company paid a total of \$265,144 (C\$370,698) in broker fees to Canaccord Genuity Corp. (“Canaccord”) for the Offering, representing 6% of the gross proceeds, and issued 1,195,800 broker warrants, representing 6% of the units issued. The Company also incurred additional share issue costs of \$74,082 in connection with the marketed public offering.

Pursuant to the concurrent private placement, the Company issued a total of 1,559,354 Units at a price of C\$0.31 per unit, raising aggregate gross proceeds of \$345,755 (C\$483,400) and paid \$10,373 (C\$14,502) in broker fees, representing 3% of the gross proceeds to Canaccord and issued 46,781 broker warrants, representing 3% of units issued under the private placement. Each broker warrant issued under the private placement is exercisable for one unit at C\$0.31 per unit and expire on November 19, 2026.

- 5,372,289 warrants and 500,000 stock options of the Company were exercised for total gross proceeds of \$1,278,240.

c) Share purchase warrants

As at December 31, 2025 and 2024, the Company had 3,409,091 share purchase warrants, exercisable at \$0.35 and expires on May 1, 2026.

A summary of the Company’s share purchase warrants classified as equity that are outstanding and exercisable as at December 31, 2025 is as follows:

Expiry date	Warrants outstanding	Exercise price	Remaining contractual life
	#	\$	years
May 1, 2026 ⁽¹⁾	3,409,091	0.35	0.33

(1) Subsequent to December 31, 2025, these warrants were exercised.

d) Stock options

The Company has a stock option plan (the “Option Plan”) to provide employees, directors, officers and consultants with stock options to purchase Common Shares. Under the Option Plan, options are issued at an exercise price equal to the market price of the Common Shares on the day of grant and expire a maximum five years from the date of grant. The maximum number of Common Shares that may be issued under the Option Plan will not exceed 10% of the issued and outstanding Common Shares.

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16. SHARE CAPITAL (continued)

A summary of the Company's stock option activity is as follows:

	Stock options outstanding	Weighted average exercise price
	#	C\$
Balance, June 30, 2024	11,860,000	0.24
Granted	425,000	0.44
Exercised	(500,000)	0.23
Cancelled/Forfeited	(300,000)	0.25
Balance, December 31, 2024	11,485,000	0.25
Issued	2,500,000	0.25
Exercised	(3,570,000)	0.21
Expired	(400,000)	0.41
Cancelled/Forfeited	(1,855,000)	0.28
Balance, December 31, 2025	8,160,000	0.25

The weighted average share price on the dates that options were exercised during the year ended December 31, 2025 was C\$0.59 (period ended December 31, 2024 - C\$0.35).

During the year ended December 31, 2025, the Company granted the following stock options:

- On January 16, 2025, the Company granted 200,000 options at an exercise price of C\$0.30 per share, expiring on January 16, 2029. The options will vest in two equal tranches of 100,000 options each on July 16, 2025 and January 16, 2026.
- On January 16, 2025, the Company granted 50,000 options at an exercise price of C\$0.30 per share, expiring on January 16, 2029. The options will vest in two equal tranches of 25,000 options each on April 16, 2025 and July 16, 2025.
- On August 11, 2025, the Company granted 250,000 options at an exercise price of C\$0.23 per share, expiring on August 11, 2029. The options will vest in two equal tranches of 125,000 options each on November 11, 2025 and February 11, 2026.
- On October 7, 2025, the Company granted 2,000,000 options at an exercise price of C\$0.245 per share, expiring on October 7, 2030. The options will vest in four equal tranches of 500,000 options each on January 07, 2026, April 07, 2026, July 7, 2026, and October 7, 2026.

During the period ended December 31, 2024, the Company granted the following stock options:

- On August 23, 2024, the Company granted a total of 425,000 options to new employees under the Company's stock option plan. Each Option entitles the holder to purchase one common share of the Company at an exercise price of C\$0.44 per Share. The Options vest over a six-month period and are exercisable for a period of four years, expiring on August 23, 2028.
- On June 13, 2024, the Company issued several option grants each with its own vesting schedule. These include 300,000 options vesting immediately on the grant date, 50,000 options vesting on September 13, 2024, 350,000 options vesting on December 13, 2024, 50,000 options vesting on March 13, 2025, and 50,000 options vesting on June 13, 2025.
- On February 21, 2024, the Company granted 600,000 options at an exercise price of C\$0.20 per share, expiring on February 21, 2028. The options will vest in three equal tranches of 200,000 options each on August 21, 2024, February 21, 2025, and August 21, 2025.
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LIBERTYSTREAM INFRASTRUCTURE PARTNERS INC.

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16. SHARE CAPITAL (continued)

The fair value of stock options is estimated by the Company using the Black-Scholes option-pricing model. A summary of the Company's weighted average inputs used in the Black-Scholes option pricing model for stock options granted during the year ended December 31, 2025 and the period ended December 31, 2024 is as follows:

	2025	2024
Share price	C\$0.26	C\$0.44
Exercise price	C\$0.25	C\$0.44
Risk-free interest rate ⁽¹⁾	2.72%	3.35%
Expected life (years)	4.0	4.0
Expected volatility ⁽²⁾	118.44%	125%
Dividend rate	0%	0%

(1) The risk-free interest rate of periods within the expected life of the stock options is based on the Canadian government bond rate.

(2) The computation of expected volatility was based on the Company's historical price volatility, over a period which approximates the expected life of the stock options.

A summary of the Company's stock options outstanding and exercisable as at December 31, 2025 are as follows:

Expiry date	Number of options outstanding	Number of options exercisable	Weighted average exercise price	Weighted average remaining life
	#	#	C\$	Years
January 11, 2026 ⁽¹⁾	400,000	400,000	0.41	0.03
December 15, 2026	2,150,000	2,150,000	0.16	0.96
March 24, 2027	20,000	20,000	0.25	1.23
September 5, 2027	2,615,000	2,615,000	0.30	1.68
June 11, 2028	400,000	400,000	0.25	2.45
August 23, 2028	125,000	125,000	0.44	2.65
January 16, 2029	200,000	100,000	0.30	3.05
August 11, 2029	250,000	125,000	0.23	3.61
October 7, 2030	2,000,000	-	0.25	4.77
Balance, December 31, 2025	8,160,000	5,935,000	0.25	2.31

(1) Subsequent to December 31, 2025, these options expired unexercised.

e) Performance share units

A summary of the Company's PSU activity is as follows:

Balance, December 31, 2024 and June 30, 2024	-
Granted	6,500,000
Balance, December 31, 2025	6,500,000

On December 18, 2025, the Company granted 6,500,000 PSUs to certain directors, officers, and employees of the Company. If the performance conditions are met, each vested PSU entitles the holder to receive one common share of the Company. The fair value of each PSU was determined to be the Company's share price on the date of grant, resulting in \$3,846,014 that will be recognized in share-based payments over the vesting period. The PSUs will vest as follows:

- 50% will vest upon the Company successfully signing its first off-take agreement; and
- 50% will vest upon the announcement of a commercial agreement with a major operator in Texas or North Dakota to supply oilfield brine for the Company's commercial lithium carbonate production (completed subsequent to December 31, 2025).
- The PSUs will vest no earlier than December 19, 2026.

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16. SHARE CAPITAL (continued)

As at December 31, 2025, the Company estimates the PSUs will vest on December 19, 2026 and has started recognizing share-based payments related to the PSUs.

A summary of the Company's PSUs outstanding as at December 31, 2025, is as follows:

Date of expiry	Number of PSUs	Weighted average fair value	Weighted average remaining life
	#	\$	Years
December 31, 2029	6,500,000	0.59	4.00

During the year ended December 31, 2025, the Company recognized \$136,607 (period ended December 31, 2024 - \$nil) in share-based payments as a result of vesting of PSUs.

f) Restricted share units

A summary of the Company's RSU activity is as follows:

Balance, December 31, 2024 and June 30, 2024	-
Granted	7,595,000
Balance, December 31, 2025	7,595,000

On October 14, 2025, the Company granted 500,000 RSUs to a consultant of the Company. The RSUs will vest on October 15, 2026. The RSUs have been accounted for as equity-settled share-based payments. The fair value of each RSU was determined to be the Company's share price on the date of grant, resulting in \$140,609 that will be recognized in share-based payments according to the vesting terms of the RSUs.

On December 18, 2025, the Company granted 7,095,000 RSUs to certain directors, officers, employees and consultants of the Company. The RSUs have been accounted for as equity-settled share-based payments. The fair value of each RSU was determined to be the Company's share price on the date of grant, resulting in \$4,198,072 that will be recognized in share-based payments according to the vesting terms of the RSUs.

A summary of the Company's RSUs outstanding as at December 31, 2025 is as follows:

Expiry date	Vesting date	Number of RSUs outstanding	Number of RSUs exercisable	Weighted average fair value	Weighted average remaining life
		#	#	\$	Years
December 31, 2029 ⁽¹⁾	December 19, 2026	7,095,000	-	0.59	4.00
October 14, 2030	October 15, 2026	500,000	-	0.29	4.79
		7,595,000	-	0.57	4.05

(1) Subsequent to December 31, 2025, 550,000 RSUs were cancelled due to the termination of a consultant and resignation of an employee.

During the year ended December 31, 2025, the Company recognized \$179,158 (period ended December 31, 2024 - \$nil) in share-based payments as a result of vesting of RSUs.

17. RELATED PARTY TRANSACTIONS

Key management personnel are those who have authority and responsibility for planning, directing and controlling the activities of the Company or its subsidiaries, directly or indirectly. Key management personnel include the Company's directors, executive officers and their close relatives.

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17. RELATED PARTY TRANSACTIONS (continued)

A summary of the Company's related party transactions for the year ended December 31, 2025 and the period ended December 31, 2024, is as follows:

	2025	2024
	\$	\$
Management fees, salaries and wages	916,682	277,250
Technical and consulting services	780,264	1,371,583
Share-based compensation	139,760	-
	1,836,706	1,648,833

Management fees, salaries and wages includes management fees for the year ended December 31, 2025 and the period ended December 31, 2024 that were allocated for services rendered by the CEO, Chief Financial Officer, Chief Technology Officer and their close relatives.

Sterling Chemicals Ltd. ("Sterling"), a wholly owned subsidiary of Camber Resources Services Ltd ("Camber"), provided certain technical services to the Company pursuant to a technical services agreement dated April 12, 2022, as amended on September 1, 2023 (the "Services Agreement"). The technical services provided under the Services Agreement by Sterling are considered by the Board to be material to the Company's operations and is included in research and development and consulting expenses. Payments recorded under 'Technical Services' were made to Sterling. \$470,853 of this amount was in conjunction with the Services Agreement. In addition, \$309,411 was paid to Sterling for reimbursement of media/consumables, equipment and additional personnel outside the scope of the Services Agreement.

Alex Wylie, the Company's CEO, held in excess of 10% of the issued and outstanding shares of Camber, and Martin Scase, a director of the Company, holds in excess of 10% of the issued and outstanding shares of Camber, is a director and officer of Camber and is a director and officer of Sterling. As at August 31, 2025, the technical service agreement with Sterling, a company in which Martin Scase was an officer, was terminated effectively terminating Martin's position as a director.

Outstanding balances as at December 31, 2025, included, \$nil receivable from Sterling (December 31, 2024 - \$40,943), \$nil payable to Alex Wylie (December 31, 2024 - \$2,580), \$8,925 payable to Sterling (December 31, 2024 - \$nil) and \$4,865 payable to Martin Scase (December 31, 2024 - \$4,865). These payables are non-interest-bearing, due on demand, and are included in accounts payable and accrued liabilities.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**a) Fair value of financial instruments**

The Company's financial instruments consist of cash, accounts receivable, restricted deposit, accounts payable and accrued liabilities, promissory notes, lease liabilities and warrant liabilities. Warrant liabilities are measured at FVTPL. Cash, accounts receivable, restricted deposit, accounts payable and accrued liabilities, promissory notes, and lease liabilities and are measured at amortized cost.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The classification of each measurement within this hierarchy is based on the lowest-level significant input used in valuation. The three levels of the fair value hierarchy are:

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

The Company's warrant liabilities are classified within Level 3 of the fair value hierarchy as their measurement depends on inputs that are not based on observable market data.

During the year ended December 31, 2025, there were no transfers between levels of the fair value hierarchy.

18. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

b) Financial instruments risk

The Company's financial instruments are exposed in varying degrees to a variety of financial risks. The Board of Directors approves and monitors the risk management processes:

Credit risk

Credit risk exposure primarily arises with respect to the Company's cash and receivables. The risk exposure is limited because the Company places its instruments in banks of high creditworthiness within Canada and continuously monitors the collection of other receivables.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure as far as possible that it will have sufficient liquidity to settle obligations and liabilities when they become due. At December 31, 2025, the Company had cash of \$7,363,808 (2024 - 2,372,121) and a working capital of \$4,915,395 (2024 - 2,282,044) with total liabilities of \$14,652,777 (2024 - 2,955,297). The Company endeavors to ensure that sufficient funds are raised from equity and/or debt financing to meet its operating requirements, after considering existing cash and expected exercise of stock options and share purchase warrants. There can be no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company (Note 1).

Market risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. A change of 100 basis points in the interest rates would not be material to the consolidated financial statements.

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. Assuming all other variables constant, due to an increase or a decrease of 10% of the U.S. dollar against the Canadian dollar, the net loss of the Company and the equity for the period ended December 31, 2024, would have varied by a negligible amount.

The Company had no hedging agreements in place with respect to foreign exchange rates.

Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a currency other than the functional currency of the Company. The table below summarizes the foreign exchange exposure on the financial assets and financial liabilities of the Company and its subsidiaries against their respective functional currencies, expressed in the presentation currency is as follows:

	December 31, 2025
	\$
Financial assets	
Cash	1,680,238
Accounts receivable	35,568
	1,715,806
Financial liabilities	
Accounts payable and accrued liabilities	(46,742)
Promissory notes	(2,484,238)
Warrant liabilities	(11,220,119)
Lease liabilities	(251,547)
	(14,002,646)
Net financial liabilities	(12,286,840)

A 10% change in the U.S. dollar exchange rate relative to the Canadian dollar would change the Company's profit or loss by approximately \$1,228,684. The Company has assessed the foreign exchange risk as high.

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19. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

- To safeguard the Company's financial capacity and liquidity for future earnings in order to continue to provide an appropriate return to shareholders and other stakeholders.
- To maintain a flexible capital structure that optimizes the cost of capital at an acceptable risk.
- To enable the Company to maximize growth by meeting its capital expenditure budget, to expand its budget to accelerate projects, and to take advantage of acquisition opportunities.

The Company regularly monitors and reviews the amount of capital in proportion to the risk and future development and exploration opportunities.

The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new debt, equity or similar instruments to reduce debt levels or make adjustments to its capital expenditure program.

There were no changes in the Company's approach to capital management during year ended December 31, 2025, and capital management is consistent with the period ended December 31, 2024. The Company is not subject to any externally imposed capital requirements.

20. SEGMENT INFORMATION

The Chief Operating Decision Maker ("CODM") of the Company has been identified as the CEO, who makes strategic decisions and allocates resources across operating segments. The CODM determines the reportable segments of the Company based on the availability of discrete financial results and the nature of operations relating to each operating segment. The CODM has identified one reportable operating segment: lithium production and extraction in the United States of America.

21. INCOME TAX

a) Income tax recovery (expense)

A summary of the Company's reconciliation of income taxes at statutory rates for the year ended December 31, 2025 and period ended December 31, 2024, is as follows:

	2025	2024
	\$	\$
Net loss for the year	(15,920,640)	(3,088,996)
Expected income tax rate	27%	27%
Expected income tax recovery	(4,298,574)	(797,924)
Change due to differences in tax rates	(73,316)	-
Share issuance costs	(28,749)	-
Temporary differences originated in the year	320,950	-
True up of prior year differences	(82,810)	1,567
Non-deductible expenditures and non-taxable revenues	1,421,447	796,357
Change in unrecognized deferred tax assets	2,741,052	-
Income tax expense for the year	-	-

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21. INCOME TAX (continued)**b) Deferred taxes**

A summary of the Company's significant components of deferred tax assets and liabilities is as follows:

	December 31, 2025	December 31, 2024
	\$	\$
Share issuance costs and financing fees	208,044	229,715
Allowable capital losses	22,354	21,293
Non-capital losses	5,578,034	3,446,490
Property, plant and equipment	262,461	20,951
Mineral properties	1,210,375	741,839
Right-of-use assets	(64,464)	-
Lease liabilities	67,918	-
Promissory note	(30,965)	-
Other	43,706	-
	7,297,463	4,460,288
Unrecognized deferred tax assets	(7,297,463)	(4,460,288)
	-	-

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	December 31, 2025	Expiry date range	December 31, 2024	Expiry date range
	\$		\$	
Temporary differences				
Allowable capital losses	82,794	No expiry date	78,864	No expiry date
Share issuance costs and financing fees	770,534	2026 to 2029	850,796	2025 to 2029
Property, plant and equipment	996,517	No expiry date	77,595	No expiry date
Mineral properties	4,482,872	No expiry date	2,747,550	No expiry date
Lease liabilities	251,547	No expiry date	-	No expiry date
Other	208,125	No expiry date	-	No expiry date
Non-capital losses by country:				
Canada	17,887,907	2026 to 2045	12,625,378	2026 to 2044
United States of America	3,111,759	No expiry date	179,228	No expiry date

22. CONTINGENT LIABILITIES

In late 2025, Sterling (Note 17) and Sandberg Welding Ltd. have commenced legal proceedings, against the Company for alleged amounts owing under prior service agreements. The legal proceedings relating to alleged amounts owing are in preliminary stages; management continues to assess these matters and has not recorded a provision as the likelihood and amount of any potential obligation cannot yet be determined. Management is of the opinion that these proceedings have no merit.

23. SUBSEQUENT EVENTS

On January 23, 2026, the Company closed a LIFE Offering for gross proceeds of C\$12,500,000 through the issuance of 11,363,636 units at a price of C\$1.10 per unit. Each unit consisted of one common share and one common share purchase warrant exercisable into one common share at C\$1.50 until January 23, 2029.

On March 20, 2026, Volt Lithium Operations Corp. changed its name to LibertyStream Operations - Canada Corp.

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23. SUBSEQUENT EVENTS (continued)

Subsequent to December 31, 2025, the Company issued 2,453,476 common shares pursuant to the exercise of 2,453,476 share purchase warrants at a weighted average exercise price of \$0.34 (C\$0.46) for proceeds of \$828,249 (C\$1,135,529).

Subsequent to December 31, 2025, the Company issued 3,409,091 common shares pursuant to the exercise of 3,409,091 share purchase warrants at a weighted average exercise price of \$0.35 for proceeds of \$1,193,182.

Subsequent to December 31, 2025, the Company issued 485,000 common shares pursuant to the exercise of 485,000 stock options at a weighted average exercise price of \$0.23 (C\$0.31) for proceeds of \$110,597 (C\$ 151,540).

Following the Company's special shareholder meeting held on March 31, 2026, the Company amended its articles to provide for an unlimited number of "blank cheque" preferred shares, issuable in series, of which no preferred shares are currently issued and outstanding. Additionally, the Company completed its redomiciliation from the Province of Alberta, Canada to the State of Texas, U.S. on April 17, 2026.

On April 12, 2026, the Company granted 2,500,000 options and 3,500,000 RSUs to certain directors, officers, employees and consultants of the Company. The options are exercisable at an exercise price of C\$0.96 per common share and expire on April 12, 2030. The options vest as to 25% immediately, with an additional 25% vesting at the end of each of the three successive quarters following the grant date. The RSUs have been accounted for as equity-settled share-based payments and vest in full on April 12, 2027.