



CENTAURUS

CENTAURUS ENERGY INC.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(UNAUDITED)

NOTICE OF NO AUDITORS' REVIEW OF INTERIM FINANCIAL STATEMENTS

The accompanying unaudited interim condensed financial statements of Centaurus Energy have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.



Condensed Interim Consolidated Statements of Financial Position
(Unaudited)

USD 000s	Note	At March 31 2025	At December 31 2024
Assets			
Current assets			
Cash and cash equivalents		124	31
Current ORRI and other receivables		796	696
Total current assets		920	727
Digital assets	3	395	393
Long-term ORRI and other receivables	4	10,731	10,958
Total non-current assets		11,126	11,351
TOTAL ASSETS		12,046	12,078
Liabilities			
Current liabilities			
Current Loan	5	1,105	1,089
Short term debt	6	2,730	2,694
Trade and other payables		1,697	1,718
Taxes payable		21	21
Total current liabilities		5,553	5,522
TOTAL LIABILITIES		5,553	5,522
Shareholders' Equity			
Share capital	7	232,460	235,668
Contributed surplus		18,597	18,597
Accumulated other comprehensive loss		(26,941)	(26,941)
Deficit		(217,623)	(220,768)
Total equity		6,493	6,556
TOTAL LIABILITIES AND EQUITY		12,046	12,078

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See the accompanying Notes to the Condensed Interim Consolidated Financial Statements.

On behalf of the Board:

David Tawil
Director

Steven Balsam
Director

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

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(Unaudited)

USD 000s, except per share amounts	Note	Three months ended March 31	
		2025	2024
Revenues			
Digital asset revenue received		3	-
		-	-
Expenses			
General and administrative	9	125	78
Finance (income) expenses	10	(90)	95
Other gains and losses		-	(157)
		35	16
Gain (Loss) before income taxes		(32)	(16)
Income tax recovery (expense)			
Current		-	-
Deferred		-	-
		-	-
Gain (Loss)		(32)	(16)
Comprehensive Gain (Loss)		(32)	(16)
Net Gain (Loss) per share			
Basic and diluted – continuing	7	(0.03)	(0.01)
Weighted average number of shares outstanding – Basic and Diluted 000s	7	1,062	1,088

See the accompanying Notes to the Condensed Interim Consolidated Financial Statements.



Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)

USD 000s	Share Capital (note 7)	Contributed Surplus	Equity Component of Convertible Debentures (note 7)	Accumulated Other Comprehensive Loss	Deficit	Total Equity
Balance at December 31, 2024	235,668	18,597	-	(26,941)	(220,768)	6,556
Net Loss	-	-	-	-	(32)	(32)
Purchase of Common Shares	(3,207)	-	-	-	3,177	(31)
Balance at March 31, 2025	232,461	18,596	-	(26,941)	(217,624)	6,491
Balance at December 31, 2023	239,029	18,596	-	(26,941)	(219,995)	10,689
Adjustment of previous year results					(4,330)	(4,330)
Adjusted Balance at December 31, 2023	239,029	18,596	-	(26,941)	(224,325)	6,359
Net Gain	-	-	-	-	(16)	(16)
Balance at March 31, 2024	239,029	18,596	-	(26,941)	(224,309)	6,343

See the accompanying Notes to the Condensed Interim Consolidated Financial Statements.



Condensed Interim Consolidated Statements of Cash Flows
(Unaudited)

		Three months ended March 31	
USD 000s	Note	2025	2024
Cash provided by (used in):			
Operating			
Net Gain (Loss)		(32)	(16)
Items not affecting cash:			
Unrealized (gain) loss on foreign exchange		-	(10)
Accrued interest		52	
Digital asset revenue received		(2)	
ORRI Accretion		(194)	
Change in other long-term assets		-	150
Change in other long term liabilities			
Change in non-cash working capital	8	(21)	(168)
Cash flow from (used in) operating activities		(197)	(44)
Investing			
Change in digital assets	3	-	(60)
Proceeds from long term receivable		321	
Change in non-cash working capital	8	-	-
Net cash from (used in) investing activities		321	(60)
Financing			
Loan received	5	-	95
Treasury shares - Purchase of own shares		(31)	-
Change in non-cash working capital	8	-	46
Net cash used in financing activities		(31)	141
Change in cash and cash equivalents		93	(37)
Cash and cash equivalents, beginning of period		31	13
Cash and cash equivalents, end of period		124	50

Supplemental Cash Flow Information (note 8)

See the accompanying Notes to the Condensed Interim Consolidated Financial Statements.



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

1. Reporting Entity

Centaurus Energy Inc. (the "Company," the "Corporation," or "Centaurus") was involved in the exploration, development and production of oil and natural gas in Argentina until January 2023. The Company is currently focused on managing the future proceeds from the Overriding Royalty Interest (the "ORRI") payable by Pan American Energy, ("PAE"), which may include investment in new endeavors and/or capital returns. Centaurus's registered office is 1250, 639 – 5th Avenue S.W., Calgary, Alberta, T2P 0M9.

The consolidated financial statements include the results of the following wholly-owned subsidiaries:

- Madalena Petroleum Ltd. (Canada) ("MPL")
- Madalena Petroleum Americas Limited (Barbados) ("MPAL")
- Madalena Petroleum Holdings Limited (Barbados)

The Company has determined that it operates as a single operating segment, as defined in IFRS 8 Operating Segments. The Chief Operating Decision Maker (CODM) reviews financial information on a consolidated basis for the purpose of allocating resources and assessing performance.

2. Basis of Preparation

These condensed interim consolidated financial statements have been prepared in accordance with generally accepted accounting principles applicable to a going concern, which assumes that Centaurus Energy Inc. will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company incurred a net loss of \$32 for the period ended March 31, 2025 (2024 \$16), has a working capital deficiency of \$4,633 (December 2024 - \$4,795) and an accumulated deficit of \$217,623 (December 2024 - \$220,768).

Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and are presented in United States Dollars ("USD") unless otherwise indicated.

These condensed interim consolidated financial statements follow the same accounting policies and method of computation as the annual consolidated financial statements for the year ended December 31, 2024. The disclosures provided below are incremental to those included with the annual consolidated financial statements. Certain information and disclosures normally included in the notes to the annual consolidated financial statements have been condensed or have been disclosed on an annual basis only. Accordingly, these condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board ("IASB").

The condensed interim consolidated financial statements were approved and authorized for issue by the Company's Board of Directors on August 14, 2025.

Basis of Measurement

The consolidated financial statements have been prepared on the historical cost basis, except as described in the accompanying notes.

Functional and Presentation Currency

The functional and presentation currency is the USD.



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

Use of Estimates and Judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the change is identified, and prospectively in future periods.

Judgments are made by management to determine the likelihood of whether deferred income tax assets at the end of the reporting period will be realized from future taxable earnings.

Critical judgments and key sources of estimation uncertainty in applying accounting policies

The following are critical judgments and estimates that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements.

Deferred taxes

Management is required to make estimations regarding the tax basis of assets and liabilities and related deferred income tax assets and liabilities, the measurement of income tax expense, and indirect taxes. A number of these estimates require management to make estimates of future taxable profit, and if actual results are significantly different than estimates, the ability to realize the deferred tax assets recorded on the statements of financial position could be impacted. The Company is subject to assessments by tax authorities who may interpret tax law differently. These factors may affect the final amount or the timing of tax payments.

Contingencies

Due to the nature of the Company's operations, various legal and tax matters are outstanding from time to time. In the event that management's estimate of the probability of a financial impact of these matters changes, the Company will recognize the effects of the changes in its consolidated financial statements on the date such changes occur.

Going Concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Digital assets - accounting

Digital assets consist of cryptocurrency denominated assets and are included in current assets. Digital assets are accounted under IAS 38 Intangible Assets. Digital assets are initially recorded at cost, which is the fair value of the digital asset received. Subsequent to initial recognition, digital assets are carried at their cost less any accumulated impairment losses.



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

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Impairment of Non-Financial Assets

The determination as to the existence and measurement of any impairment requires management to make significant estimates and assumptions, which includes estimated future cash flows, discount rates and estimated useful life. These significant estimates and judgements could impact the Company's future results if the current estimates of future performance and fair value change. This could affect the amount of amortization expense and any impairment charges on intangible assets in future periods.

3. Digital Assets

As at March 31, 2025, the Company advanced \$388,074 for the purchase of Ethereum which was delegated in accordance with the revenue recognition policy to earn staking rewards. As at March 31, 2025, the Company has a balance of \$395,420 due from Bitbuy (a crypto exchange brand of WonderFi Technologies Inc.) secured by a total of 136.4702 Ether (ETH) valued at \$395,420.

During the period ended March 31, 2025, the Company earned staking revenue of \$2,729.

4. Other Long-Term Assets

Other long-term assets are comprised of the following:

	Period ended March 31, 2025	Year ended December 31, 2024
	\$	\$
ORRI Payments Receivable	10,731	10,958
Balance, end of the Period / Year	10,731	10,958

On March 23, 2022, the Company sold its remaining 29% working interest of CASE to PAE, in exchange for ORRI payments to the Company, payable in semiannual installments. The Company recorded the fair value on initial recognition of the ORRI as \$10,400,000 and subsequently carried at amortized cost using the interest rate of 7% over 18 years. The Company uses a weighted average valuation technique to fair value the incoming cash flow.

Date	Beg. Balance	Initial Recognition	Payment received	Interest & Accretion	End. Balance	Current	Long Term
	\$	\$	\$	\$	\$	\$	\$
December 31, 2022	-	10,400	121	563	10,842	304	10,538
December 31, 2023	10,842	-	304	751	11,289	415	10,874
December 31, 2024	11,289	-	415	780	11,653	696	10,958
March 31, 2025	11,653	-	321	195	11,527	796	10,731

Actual ORRI payments are calculated based on 2.5% of production volume and an interest adjustment of 2.5% for years 2023-2028, a 3% rate for years 2029-2033, and a 4.5% rate for years 2024 to 2040. PAE's payment obligations are satisfied upon the earlier of:

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Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

- Payment in full of \$16,830,000 ORRI Payments (not inclusive of interest adjustment);
- December 31, 2040; and
- the termination of the CASE operating agreement by the Argentina Government

The next payment is expected in August 2025.

5. Loan

On October 19, 2020, the Corporation signed a loan agreement with David Tawil, the Chief Executive Officer, bearing interest at 7% per annum ("Tawil Loan 1"), due on demand.

On March 20, 2024, David Tawil entered into a new loan agreement with Centaurus, providing up to \$1.5 million of revolving loan, at greater of: (i) 7% per annum or (ii) 65% of the capital appreciation on the corresponding Ether the Company purchased funded by the loan ("Tawil Loan 2"), due on demand and secured by the assets of the Company, purchased with the proceeds of the loan.

USD 000s	Tawil Loan 1	Tawil Loan 2	Total
At December 31, 2024	680	409	1,089
Proceeds	-	-	-
Interest	10	6	16
At March 31, 2025	690	415	1,105
Current	690	415	1,105
Long-term	-	-	-
Total	690	415	1,105

Since the Company cannot reliably measure the value of the profit due to different variables, the Company designated the entire hybrid contract as at FVTPL

6. Short term debt

On May 8, 2017, Centaurus entered into a series of agreements (the "Transactions") with Hispania Petroleum S.A., ("Hispania"), which provided for a total package of debt of up to \$23 million, with interest accruing at 7% per annum and principal and interest on each drawdown repayable thirty-six months after drawdown. The \$23 million debt consists of \$6.5 million working capital loan and \$16.5 million capex loan.

Centaurus entered into a working capital loan of up to \$6.5 million (the "Working Capital Loan"). The Working Capital Loan is a multi-drawdown facility, repayable thirty-six months after drawdown.

In June 2019, the Company borrowed \$1.7 million under the Working Capital Loan. As at December 31, 2024, \$1.7 million has been drawn on the Working Capital loan.

Centaurus entered into a convertible loan with Hispania of up to \$16.5 million (the "Capex Loan") for purposes of funding of certain of Centaurus' capital expenditure obligations and acquisitions.



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

On April 7, 2019, the Company amended the convertible loan agreement and included KD Energy as an additional loan party to the agreement. KD Energy is controlled by Alejandro Penafiel and Jose Penafiel, who were officers of the Company until their employment was terminated on March 24, 2020.

In June 2019, the Company borrowed \$0.3 million under the Capex Loan. As at December 31, 2024, \$0.3 million has been drawn on the Capex Loan. The Capex Loan is no longer convertible.

On March 25, 2020, the Corporation announced that Jose Peñafiel and Alejandro Peñafiel had been terminated and had ceased to be officers and directors of the Corporation.

On March 26, 2020, the Company received a notice of default and reservation of rights from KD Energy and Hispania.

The Transactions are the current subject of claims and counterclaims among the Company, Hispania, KD Energy, the Penafiels and other related parties in the courts of Alberta.

KD Energy International, Capital Limited, Jose David Penafiel, Alejandro Augusto Penafiel, and Totisa Holdings S.A. v Centaurus Energy Inc

In a Canadian court, KD Energy has made a claim for repayment of funds advanced to Centaurus allegedly under a CapEx loan in the amount of \$2,093,014.76, plus 7% interest from 7 April 2020 to date of trial, or alternatively claim by Totisa in unjust enrichment for funds advanced in the amount of \$2,093,014.76 plus interest under the Judgment Interest Act, plus costs. In addition, in the same case, Jose Penafiel has claimed for wrongful dismissal damages of \$315,000 plus aggravated and punitive damages of \$300,000, and Alejandro Penafiel has claimed for wrongful dismissal damages of \$180,000 plus aggravated and punitive damages of \$150,000, plus interest.

In this case, Centaurus defeated a summary judgment application by Totisa.

KD Energy International Capital Limited and Hispania Petroleum S.A. v Centaurus Energy Inc.

In the same Canadian court, KD Energy and Hispania have made claims for repayment of debt in the amount of \$2,411,770.40 plus interest of 7% per annum accruing from 27 June 2022 to date of trial, for funds advanced to Centaurus under either a CapEx loan or Working Capital Loan facility, plus costs. This relief sought is duplicative of the relief sought previously.

Centaurus filed a Statement of Defence and Counterclaim, seeking to set off any amounts owing, seeking damages of at least \$3,000,000 and punitive damages against the Plaintiffs, and seeking to consolidate the Actions.

The Plaintiffs filed a Statement of Defence to Counterclaim and Reply to Defence. Centaurus filed a Reply to Statement of Defence to Counterclaim.

The following table presents the reconciliation of the beginning and ending balances of the components of the loans as of December 31, 2024 and as of March 31, 2025:

USD 000s	Liability	Derivative Liability	Total
At December 31, 2024	2,694	-	2,694
Interest	36	-	36
At March 31, 2025	2,730	-	2,730

The Company has no bank debt in Canada at March 31, 2025 or at December 31, 2024.



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

7. Share Capital

The Company is authorized to issue an unlimited number of common shares and preferred shares. The holders of common shares are entitled to receive dividends as declared by the Company and are entitled to one vote per share. No preferred shares were outstanding at March 31, 2025 or December 31, 2024. No dividends have been declared by the Company at March 31, 2025 or December 31, 2024.

	Number of Shares 000s	Share Capital 000s
Balance at December 31, 2023	1,088	239,029
Share buy back	(11)	(3,361)
Balance at December 31, 2024	1,077	235,668
Share buy back	(15)	(3,207)
Balance at March 31, 2025	1,062	232,461

Earnings Per Share

As of March 31, 2025, there is no dilutive impact of the convertible debentures or share options. The following table provides the weighted average number of common shares used in the per share calculations:

	Three months ended March 31	
	2025	2024
Weighted average number of common shares - basic - 000s	1,062	1,088
Net Gain (Loss) from continuing operations - USD 000s	(32)	(16)
Per share - basic & diluted - continuing operations (\$/share)	(0.03)	(0.01)

8. Supplemental Cash Flow Information

Changes in non-cash working capital

USD 000s	Three months ended March 31	
	2025	2024
ORRI and other receivable	-	-
Trade and other payables	(21)	(122)
Change in non-cash working capital ¹	(21)	(122)



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

Other cash flow information

USD 000s	Three months ended March 31	
	2025	2024
Accrued interest	52	45
Interest received (income)	-	-
Taxes paid	-	-

9. G&A

Centaurus's condensed interim consolidated statements of income (loss) and comprehensive income (loss) are prepared primarily by nature of expenses, with the exception of employee compensation costs which are included in both the operating and general and administrative expense line items on the condensed interim consolidated statements of income (loss) and comprehensive income (loss). The following table details the amount of total employee compensation costs included in the operating and general and administrative expense line items in the condensed interim consolidated statements of income (loss) and comprehensive income (loss).

USD 000s	Three months ended March 31	
	2025	2024
General & administrative expenses		
Compensation costs	62	61
Audit	15	-
Professional services	32	-
Consulting fees	9	-
Other	7	17
	125	78

10. Finance (Income) Expenses

Finance (Income) and Expenses are made up of the following:

USD 000s	Three months ended March 31	
	2025	2024
Bank charges	-	1
Foreign exchange loss (gain)	1	(10)
ORRI Accretion	(195)	-
Investment (gain) loss	52	-
Interest (income) and other expenses	52	104
	(90)	95



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

USD 000s	Three months ended March 31	
	2025	2024
Unrealized foreign exchange loss (gain)	1	(10)
Total	1	(10)

11. Sale of Madalena Energy Argentina SRL to Gasener

On January 12, 2023, Centaurus closed an agreement with Gasener SRL, a hydrocarbon trading company based in Argentina, whereby Gasener has acquired Madalena Energy Argentina S.R.L, the Company's operating subsidiary based in Argentina. Pursuant to the Transaction, Gasener has acquired MEA for a purchase price of US\$20,000 and will assume all liabilities with respect to MEA. Prior to the Transaction, Centaurus acquired MEA's interests in the PAE ORRI in exchange for assumption and extinguishment of the intercompany debt owed by MEA to Centaurus. In addition, as part of the Transaction, a debt obligation of approximately \$260,000 owed by MEA to David D. Tawil was assumed by Centaurus. The effect of the Transaction is that the Company has transferred all its conventional oil and gas assets and related liabilities in Argentina, including sizable upcoming drilling commitments, to Gasener, while retaining the PAE ORRI.

12. Financial Instruments and Risk Management

The Company is exposed to various risks that arise from its business environment and the financial instruments it holds. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework, policies and procedures. The following outlines the update to risk exposures and explains how they are managed.

Capital Management

The Company manages its capital structure to maintain its ability to continue as a going concern and to provide re-turns to shareholders and benefits to other stakeholders. The capital of the Company consists of issued share capital.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended March 31, 2025. At March 31, 2025, the Company is not subject to externally imposed capital requirements



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

Financial instruments

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.

Financial instruments measured at fair value are classified into three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. 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 fair values of the Company's cash and cash equivalent, accounts receivables, current loan, trade and other payables, and short term debt approximate carrying value, which is the amount recorded on the consolidated statement of financial position.

The Company's financial instruments are exposed to the following risks:

Foreign currency risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency.

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts receivable, and accounts payable and accrued liabilities that are denominated in Canadian dollars ("CAD") and Argentina Pesos ("ARS").

The Company's reported results will be affected by fluctuations in the CAD, and ARS to USD exchange rate. Management has assessed the impact of foreign currency risk and determined it to be minimal.

The Company has not entered into any agreements or purchased any instruments to hedge possible currency risk.

Risk management policy

The Company is exposed to credit risk, liquidity risk, and digital asset risk. The Company's senior Management monitors these risks.

Credit risk

Credit risk is the risk of an unexpected loss if a third party fails to meet its contractual obligations, including cash. The risk regarding cash is mitigated by holding the majority of the Company's cash with high credit financial institutions.

The Company's exposure to credit risk is influenced mainly by the ORRI payment. Management analyzed the PAE's creditworthiness and the default risk of the ORRI payment, as these factors may have an influence on credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.



Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

Historically, the Company's source of funding has been the issuance of equity securities for cash and debt. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is limited and only relates to its ability to earn interest income on cash balances at variable rates. Changes in short term interest rates will not have a significant effect on the fair value of the Company's cash account. The interest rate on the Company's loans is fixed in nature and have limited exposure to changes in interest rates.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to any significant price risks with respect to its financial instruments.

Digital asset risk

Digital assets are measured at cost less impairment. Digital asset prices are affected by various forces including global supply and demand, interest rates, exchanges rates, inflation or deflation and the political and economic conditions. Further, digital assets have no underlying backing or contracts to enforce recovery of invested amounts. The profitability of the Company is related to the current and future market price of digital assets; in addition, the Company may not be able to liquidate its holdings of digital assets at its desired price if necessary. Investing in digital assets is speculative, prices are volatile, and market movements are difficult to predict. Supply and demand for such currencies change rapidly and are affected by a variety of factors, including regulation and general economic trends. Digital assets have a limited history, their fair values have historically been volatile, and the value of digital assets held by the Company could decline rapidly. A decline in the market prices of digital assets could negatively impact the Company's future operations. Historical performance of digital assets is not indicative of their future performance.

Many digital asset networks are online end-user-to-end-user networks that host a public transaction ledger (blockchain) and the source code that comprises the basis for the cryptographic and algorithmic protocols governing such networks. In many digital asset transactions, the recipient or the buyer must provide its public key, which serves as an address for a digital wallet, to the seller. In the data packets distributed from digital asset software programs to confirm transaction activity, each party to the transaction must sign transactions with a data code derived from entering the private key into a hashing algorithm, which signature serves as validation that the transaction has been authorized by the owner of the digital asset. This process is vulnerable to hacking and malware and could lead to theft of the Company's digital wallets and the loss of the Company's digital asset.

Digital assets are loosely regulated and there is no central marketplace for exchange. Supply is determined by a computer code, not a central bank. Additionally, exchanges may suffer from operational issues, such as delayed execution, that could have an adverse effect on the Company.

Additionally, to the extent that the digital asset exchanges representing a substantial portion of the volume in digital asset trading are involved in fraud or experience security failures or other operational issues, such digital asset exchanges' failures may result in loss or less favorable prices of digital assets, or may adversely affect the Company, its operations and its investments.

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Notes to the Condensed Interim Consolidated Financial Statements

As of and for the Three Months Ended March 31, 2025 and 2024 (Unaudited)

(Tabular amounts are stated in thousands of United States dollars ("USD"), except per share amounts and as otherwise stated)

13. Purchase of Common Shares

On May 28, 2024, Centaurus announced that the TSX Venture Exchange ("TSX-V") accepted the Company's notice to extend and implement a normal course issuer bid ("NCIB") to purchase, for cancellation, up to 108,545 of its common shares, representing 10% of Centaurus' Public Float (calculated in accordance with the rules of the TSX-V), over a twelve month period commencing on May 30, 2024. The NCIB will expire no later than May 30, 2025. As of March 31, 2025, Centaurus has purchased 29,900 shares.