

## Selected Financial and Operating Information

(Thousands of dollars except per share data, numbers of shares and kilometres of seismic data)

	Three months ended March 31,		Year ended
	<b>2025</b>	2024	December 31, 2024
	(Unaudited)		
Revenue	<b>22,759</b>	8,777	23,379
Amortization of seismic data library	<b>2,225</b>	2,270	9,090
Net earnings	<b>13,375</b>	2,681	3,391
Per share basic and diluted	<b>0.26</b>	0.05	0.07
Cash provided by operating activities	<b>16,615</b>	10,464	14,195
Per share basic and diluted	<b>0.33</b>	0.20	0.28
EBITDA <sup>(a)</sup>	<b>20,048</b>	6,229	15,496
Per share basic and diluted <sup>(a)</sup>	<b>0.39</b>	0.12	0.30
Shareholder free cash flow <sup>(a)</sup>	<b>15,419</b>	5,038	12,408
Per basic and diluted <sup>(a)</sup>	<b>0.30</b>	0.10	0.24
Capital expenditures			
Seismic data	-	225	225
Property and equipment	-	-	45
Total capital expenditures	-	225	270
Dividends			
Regular dividends declared	<b>763</b>	715	3,018
Special dividends declared	<b>10,167</b>	-	2,548
Total dividends declared	<b>10,930</b>	715	5,566
Normal course issuer bid			
Number of shares purchased and cancelled	<b>43,300</b>	627,300	1,784,000
Cost of shares purchased and cancelled	<b>106</b>	1,185	3,880
Weighted average shares outstanding			
Basic and diluted	<b>50,829,404</b>	52,122,006	51,448,985
Shares outstanding at period-end	<b>50,794,563</b>	51,994,563	50,837,863
Seismic library			
2D in kilometres	<b>829,207</b>	829,207	829,207
3D in square kilometres	<b>65,310</b>	65,310	65,310

## Financial Position and Ratio

(Thousands of dollars except ratio)

	<b>March 31,</b>	March 31,	December 31,
	<b>2025</b>	2024	2024
Working capital	<b>14,201</b>	10,579	9,222
Working capital ratio	<b>3.7:1</b>	3.8:1	5.1:1
Cash and cash equivalents	<b>14,305</b>	13,765	8,722
Total assets	<b>27,412</b>	31,122	21,516
Trailing 12-month (TTM) EBITDA <sup>(b)</sup>	<b>29,315</b>	30,045	15,496
Shareholders' equity	<b>20,533</b>	26,543	18,295

(a) These non-GAAP financial measures are defined, calculated and reconciled to the nearest GAAP financial measures in the Management's Discussion and Analysis.

(b) TTM EBITDA is defined as the sum of EBITDA generated over the previous 12 months and is used to provide a comparable annualized measure.

# Management's Discussion and Analysis of Financial Condition and Results of Operations

Three months ended March 31, 2025

*The following Management's Discussion and Analysis (MD&A) of the financial condition and results of operations of Pulse Seismic Inc. ("Pulse" or the "Company") for the three months ended March 31, 2025, was prepared taking into consideration information available to April 22, 2025, and is supplemental to the unaudited condensed consolidated interim financial statements and related notes for the three months ended March 31, 2025. This MD&A is also supplemental to the MD&A, audited consolidated financial statements and related notes for the year ended December 31, 2024.*

*The unaudited condensed consolidated interim financial statements were prepared in accordance with IFRS<sup>®</sup> Accounting Standards (IFRS) with comparative figures for the prior year. Certain comparative figures were reclassified to conform to the current year's presentation. The unaudited condensed consolidated interim financial statements and the MD&A were reviewed by Pulse's Audit and Risk Committee and approved by Pulse's Board of Directors. All financial information is reported in Canadian dollars. This MD&A discusses matters that Pulse's management considers material. Management determines whether information is material based on whether it believes a reasonable investor's decision whether or not to buy, sell, or hold shares in the Company would likely be influenced or changed if the information were omitted or misstated. Readers should also read the cautionary statement in "Forward-Looking Information".*

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# OVERVIEW

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## ABOUT PULSE

Pulse is a market leader in the acquisition, marketing, and licensing of two-dimensional (2D) and three-dimensional (3D) seismic data for the energy sector in Western Canada. Seismic data is used by oil and natural gas exploration and development companies to identify portions of geological formations that have the potential to hold hydrocarbons. Seismic data is utilized by those requiring advanced geophysics to maximize the probability of project success including companies exploring for non-traditional forms of energy such as lithium, companies developing carbon capture, utilization, and storage (CCUS) projects, and companies exploring for helium. Seismic data is used in conjunction with well logging data, well core comparisons, geological mapping and surface outcrops to create a detailed map of the Earth's subsurface at various depths.

Pulse owns the largest licensable seismic data library in Canada, currently consisting of approximately 65,310 net square kilometres of 3D seismic and 829,207 net kilometres of 2D seismic. The library extensively covers the Western Canada Sedimentary Basin (WCSB) where most of Canada's oil and natural gas exploration and development occur.

Pulse calculates net kilometres of 2D data and net square kilometres of 3D data by multiplying the number of kilometres of seismic data in each 2D line and the number of square kilometres of seismic data in individual 3D seismic datasets by Pulse's percentage of ownership in each.

## MISSION AND STRATEGY

As a pure-play seismic data library company, Pulse's business model is designed to generate a growing stream of cash flow by repeatedly licensing the data in its seismic data library to the western Canadian oil and natural gas, and new energy sectors.

Pulse is working with partners to explore the use of sophisticated processing technologies that provide advanced interpretation and visualization of seismic data to reduce the geological and drilling risks in exploring for subsurface targets. The application of such technologies is intended to increase the attractiveness and range of uses of Pulse's seismic dataset for potential new and existing customers. These include companies in emerging energy-transition projects such as lithium, CCUS, geothermal and helium resource extraction, and Pulse's traditional core focus of oil and natural gas development.

Current seismic processing and visualization software allows historical 2D and 3D data to be reprocessed and reinterpreted, thereby maintaining the technical usefulness and marketability of historical data and, through repeated licensing sales, generating recurring revenue. The Company is continuously seeking and evaluating opportunities to expand its data library by acquiring high-quality 2D and 3D datasets that cover some of western Canada's most prospective current exploration regions, are complementary to its current library and are available at favourable valuations.

Pulse's strategy is to pursue growth opportunities that meet its financial and technical criteria while maintaining a low-cost structure.

# CORPORATE UPDATE

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On April 22, 2025, Pulse's Board of Directors approved a 17% increase to the regular quarterly dividend. The declared dividend of \$0.0175 per share represents an annualized dividend of \$0.07 per share. The total of the dividend will be approximately \$889,000 based on Pulse's 50,794,563 common shares outstanding as of April 22, 2025, and will be paid on May 20, 2025, to shareholders of record on May 12, 2025.

On February 13, 2025, Pulse's Board of Directors approved the regular quarterly dividend of \$0.015 per share and also declared a special dividend of \$0.20 per share. The dividend total was \$10.9 million and was paid on March 13, 2025, to shareholders of record on February 28, 2025.

On February 24, 2025, the Company renewed its normal course issuer bid (NCIB) and entered into an automatic share purchase plan (ASPP) to facilitate its repurchases of common shares. The Company may purchase common shares at the times when the Company would not be active in the market due to regulatory restrictions, including insider trading rules, and the Company's own internal trading blackout periods. Purchases will be made by the Company's broker based on parameters set by the Company when it is not in possession of any material non-public information about the Company or its securities, and in accordance with the limits and other terms of the ASPP. The ASPP has been entered into in accordance with the requirements of applicable Canadian securities laws.

## KEY PERFORMANCE INDICATORS

The key performance indicators used by Pulse’s management to analyze business results are revenue, net earnings, cash provided by operating activities, EBITDA, and shareholder free cash flow. The definitions, calculations, and reconciliations of EBITDA and shareholder free cash flow to the nearest GAAP financial measures are provided in “Non-GAAP Financial Measures and Reconciliations.”

Results for the key performance indicators for the three months ended March 31, 2025, with comparative figures for 2024, are set out in the following table:

(Thousands of dollars except per share data)	Three months ended March 31,		
	2025	2024	Variance
Revenue - Data library sales	<b>22,759</b>	8,777	13,982
Net earnings	<b>13,375</b>	2,681	10,694
Per share basic and diluted	<b>0.26</b>	0.05	0.21
Cash provided by operating activities	<b>16,615</b>	10,464	6,151
Per share basic and diluted	<b>0.33</b>	0.20	0.13
EBITDA	<b>20,048</b>	6,229	13,819
Per share basic and diluted	<b>0.39</b>	0.12	0.27
Shareholder free cash flow	<b>15,419</b>	5,038	10,381
Per share basic and diluted	<b>0.30</b>	0.10	0.20

During the first quarter of 2025, Pulse generated revenue of \$22.8 million compared to \$8.8 million for the same period in 2024, representing a 159% increase over the prior year period. The Company announced a material data licensing agreement during Q1 2025 which contributed to this increase. As a result of this strong start to the year and Pulse’s low-cost structure, the Company ended the first quarter of 2025 with an EBITDA of \$20.0 million as compared to \$6.2 million for the same period last year, which represents a 222% increase over the same period last year.

## OUTLOOK

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Pulse had a very strong first quarter, generating revenue of \$22.8 million and ending the quarter with \$14.3 million of cash and \$14.2 million of working capital. This was one of the top three quarters in the Company's history, representing 97% of annual 2024 revenue. Pulse's ability to predict future revenue generation has always been challenging, as significant annual fluctuations are the norm in the seismic data library business. This strong quarterly result has improved our balance sheet and positioned the Company for solid financial performance in 2025.

Industry trends that we consider relevant include land sales in Western Canada, drilling forecasts for the year, commodity price levels, M and A forecasts and the status of industry infrastructure improvements. Early in 2025, industry projections included high levels of M & A activity for the year and improving commodity prices. It is difficult to predict in the midst of the current market dynamics how this will unfold through the remainder of 2025. Alberta land sales through 2024 and into 2025 were strong, and in British Columbia land sales were resumed in Q3 2024 after a pause of over 3 years. New infrastructure, such as the TMX pipeline expansion, a driver of increased drilling activity, which was completed in 2024 has provided increased export capacity. The Canadian Association of Energy Contractors, in November 2024 forecast an increase to 6,604 wells to be drilled in 2025, an approximate 7% increase over 2024. There has been no update published to this forecast, and drilling activity is reported to be relatively stable. The pending completion of LNG Canada's liquified natural gas export facility is expected to contribute to the forecast increase in drilling and may lead to an improvement in Canadian natural gas prices.

Of course, there is a high level of uncertainty on the political and economic fronts. The impacts of the recent change in administration in the United States and the uncertainty around energy tariffs and trade policy, together with Canadian federal government leadership changes and the pending Canadian federal election outcome are contributing to the lack of clarity for the future. It is clear that Canada needs to continue to build pipelines and increase natural gas egress, to support the country's energy security, as well as to secure new buyers of Canadian energy.

Pulse, as previously stated, has low visibility regarding future seismic data library sales levels, regardless of industry conditions. The Company remains focused on business practices that have served throughout the full range of conditions. The Company maintains a strong balance sheet and carries no debt. Led by an experienced and capable management team, Pulse operates with a low-cost structure and focuses on maintaining excellent client relations and providing exceptional customer service. Pulse's strong financial position, high leverage to increased revenue in its EBITDA margin and careful management of its cash resources have resulted in the return of capital to shareholders through regular and special dividends and the repurchase of its shares.

# Discussion of Operating Results

## SUMMARY FOR THE THREE MONTHS ENDED MARCH 31, 2025

### EARNINGS BEFORE INCOME TAXES

Pulse generated net earnings before income taxes of \$17.9 million (\$0.35 per share basic and diluted) in the first quarter of 2025 compared to net earnings before income taxes of \$4.1 million (\$0.08 per share basic and diluted) for the same period in 2024.

### REVENUE

In the first three months of 2025, revenue was \$22.8 million compared to \$8.8 million for the same period in 2024. An increase in transaction-based sales over the prior year comparable period was the main contributor to this increase.

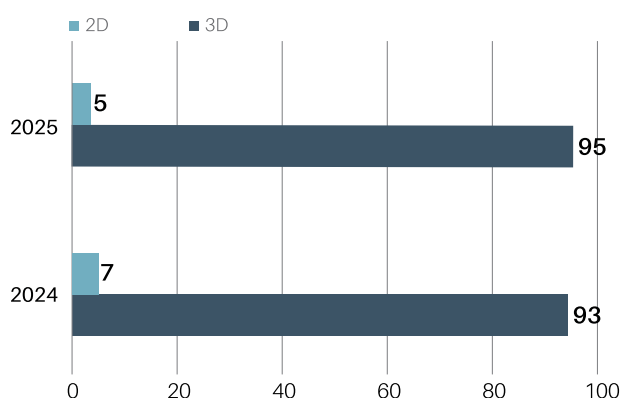
### DISAGGREGATED DATA LIBRARY SALES BREAKDOWN

Pulse disaggregates its data library sales in two ways. The following graphs illustrate the comparative disaggregated sales for the three-month periods ended March 31, 2025, and 2024.

The first breakdown, data type, compares sales of 2D and 3D seismic data. As 3D seismic licence contracts are generally larger than 2D seismic licence contracts, the percentage of seismic data library revenues generated from 2D and 3D seismic data can fluctuate significantly depending on the number of 3D seismic sale contracts signed during a given period.

#### DISAGGREGATED SALES 2D/3D (%)

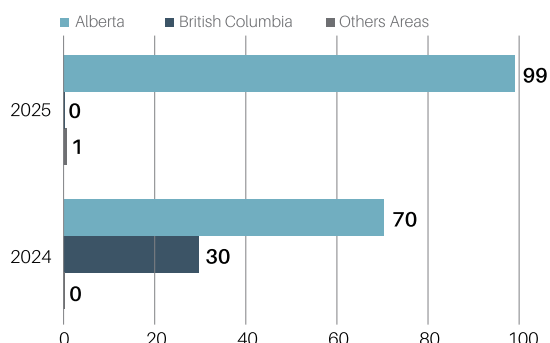
Three months ended March 31



The second breakdown is geographical. The largest proportion of data sales usually comes from data in Alberta, where most of Pulse’s data coverage and current industry activity is.

**DISAGGREGATED SALES  
GEOGRAPHICAL (%)**

Three months ended March 31



The Company’s customers are currently, and generally, focusing on liquids-rich natural gas and light oil pools found primarily in a broad corridor running from northwest Calgary, Alberta, along the Foothills of the Rocky Mountains, to the British Columbia border, as compared to “dry” natural gas more often found in British Columbia, on Alberta’s eastern prairies, and in Saskatchewan and Manitoba. During the first quarter of 2025, 99 percent of the data library sales were from data located in Alberta and one percent was from other areas. This compares to 70 percent of sales from data located in Alberta and 30 percent of sales from British Columbia in Q1 2024.

**AMORTIZATION OF SEISMIC DATA LIBRARY**

Seismic data library amortization expense was fairly consistent with the prior year period at \$2.3 million during the first quarter of 2025.

Amortization of the seismic data library is described further under “Critical Accounting Estimates”.

**IMPAIRMENT**

At March 31, 2025, the Company assessed the cash-generating units (CGUs) in its seismic data library for indicators of impairment, as required under IFRS, and concluded there were no indicators as at March 31, 2025. Accordingly, no impairment test was required.

**SALARIES, COMMISSIONS AND BENEFITS (SCB)**

SCB includes salaries, related benefits, incentive compensation, and internal commissions. For the first quarter of 2025, SCB was \$2.1 million compared to \$1.9 million in 2024.

The increase in comparative periods is mainly due to the higher level of data sales generated in 2025, which resulted in higher internal sales commissions as well as a higher incentive plan expense accrual commensurate with improved results.

**OTHER SELLING, GENERAL AND ADMINISTRATIVE (SG&A) COSTS**

SG&A includes external commissions, occupancy costs, office and general costs, information technology expenses, data storage expenses, directors’ fees and corporate costs, and consulting and professional fees. For the first quarter of 2025, SG&A was \$620,000, which was consistent with the same period in 2024.

## NET FINANCING INCOME

For the three months ended March 31, 2025, the Company's net financing income was \$92,000 compared to net financing income of \$139,000 for the same period last year.

Net financing income includes two items, financing expenses and interest income. Financing costs during the first quarter of 2025 consisted of interest related to the lease liability. This was lower compared to the same period last year, which also included standby fees related to the Company's revolving credit facility that was amended in February 2024. The new demand facility carries no stand-by fees and remained undrawn throughout the period.

Excess cash is invested in short-term term deposits and earned \$96,000 of interest income in the first quarter of 2025 compared to \$157,000 in the same period last year. The decrease is due to lower year-over-year interest rates.

## INCOME TAXES

The income tax expense in the first quarter of 2025 was \$4.5 million compared to \$1.4 million in the first quarter of 2024. Income tax expense was higher in Q1 2025 due to higher year-over-year net earnings before income taxes. The main factor affecting the tax rate calculation in both years is the permanent difference between the tax basis and the accounting value of the seismic data library. The average combined income tax rate for 2025 and 2024 was 23 percent. A reconciliation of the income tax expense is included in the condensed consolidated interim financial statements.

# Review of Financial Position

AS AT MARCH 31, 2025

## TRADE AND OTHER RECEIVABLES

Trade and other receivables at March 31, 2025, totalled \$4.8 million compared to \$1.9 million at December 31, 2024. This is a direct result of the increase in sales during the first quarter of 2025 over the fourth quarter of 2024.

## CURRENT INCOME TAX ASSETS/LIABILITIES

At March 31, 2025, Pulse had a current income tax liability that consisted of 2025 current tax expense, net of 2025 tax instalments paid. This compares to a current income tax asset at December 31, 2024, due to higher 2024 tax instalments paid during the period.

## SEISMIC DATA LIBRARY

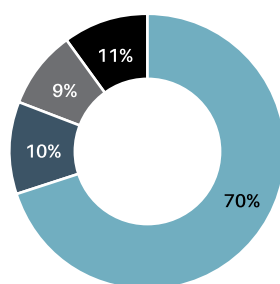
Pulse's seismic data library consists of 2D and 3D seismic data acquired over the life of the Company in two ways. The Company has purchased the proprietary rights to complementary seismic datasets through corporate or asset acquisitions, as well as by conducting participation surveys. With participation surveys, Pulse partnered with customers to conduct surveys to which the customer received a license and the proprietary rights to the data remained with Pulse. The seismic data collected was added to Pulse's data library to generate future licensing revenue. While Pulse has not conducted a participation survey since 2015, the Company grew significantly during this time through acquisitions, with the largest being the 2019 purchase of a competitor, which more than doubled the size of Pulse's library.

At March 31, 2025, the Company considered indicators of impairment for each of its CGUs and based on that review, no impairment test was performed. The carrying amount of the seismic data library relative to future expected returns indicates that future impairment of the currently owned assets is unlikely. Digital seismic data does not deteriorate and remains a valuable risk mitigation tool for energy companies. It is an essential part of the oil and natural gas exploration and development process and is also used for alternative energy development that require structural and reservoir attributes such as helium, lithium, geothermal and for carbon capture and storage project development.

The breakdown of Pulse's 2D and 3D seismic data by geographical location is shown in the following graphs.

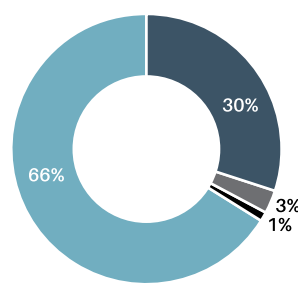
### 2D OWNERSHIP

■ Alberta ■ British Columbia ■ Sask/Man ■ Other



### 3D OWNERSHIP

■ Alberta ■ British Columbia ■ Sask/Man ■ Other



## DEFERRED INCOME TAX ASSETS / LIABILITIES

The net deferred income tax assets were \$503,000 at March 31, 2025, compared to net deferred income tax assets of \$304,000 at December 31, 2024.

The deferred income tax assets consist mainly of taxable temporary differences between long-term incentive plan (LTIP) accounting expense and future tax deductions, and between the tax base of the seismic data library and its carrying amount on the statement of financial position.

The changes in deferred income tax assets at March 31, 2025, as compared to December 31, 2024, are mainly due to the decrease in the difference between the tax base of the seismic data library and the carrying amount on the statement of financial position and the increase in the carrying values of the long-term incentive plan.

## RIGHT-OF-USE (ROU) ASSETS

The Company has an office lease agreement for the period April 2023 to June 2028.

Included in the ROU assets are the present value of the basic rent related to this agreement. The present value is calculated using an incremental borrowing rate of 7.45 percent. The operating costs associated with the lease agreements were not included as those costs are not fixed or based on an index or rate.

## DEMAND CREDIT FACILITY

At March 31, 2025, the Company had an undrawn \$5.0 million demand credit facility.

In February 2024, at the request of the Company, the \$25.0 million committed revolving credit facility was amended. The facility had not been utilized since the balance owing related to the 2019 corporate acquisition was repaid in early 2022. The new demand credit facility has a \$5.0 million borrowing limit. More details on the new facility are provided in the "Liquidity, Capital Resources and Capital Requirements" section.

## LEASE LIABILITIES

As stated above, the Company has a lease agreement for office space for the period of April 2023 to June 2028.

Included in the lease liability is the present value of the basic rent related to the lease agreement. The present value is calculated using an incremental borrowing rate of 7.45 percent. The operating costs associated with the lease agreements were not included as those costs are not fixed or based on an index or rate.

## SHARE-BASED COMPENSATION PAYABLE

The share-based compensation payable is the long-term portion of the estimated liability related to the long-term incentive plan (LTIP) and will fluctuate based on market prices and vesting parameters.

## SHARE CAPITAL SUMMARY

The Company's authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.

The following table provides details of the Company's outstanding share capital:

	Three months ended March 31,	
	2025	2024
Weighted average shares outstanding: Basic and diluted	50,829,404	52,122,006
Shares outstanding at period-end	50,794,563	51,994,563
Shares outstanding at April 22, 2025	50,794,563	

## DILUTED EARNINGS PER SHARE RECONCILIATION

The Company does not have any dilutive instruments.

## LONG-TERM INCENTIVE PLAN (LTIP)

The Company has an LTIP for employees, officers, and directors designed to align the Company's long-term incentive compensation with its performance.

The LTIP awards consist of restricted share units (RSU) and performance share units (PSU) for employees and deferred share units (DSU) for directors. Upon vesting, each RSU, PSU and DSU entitles the holder to one common share of the Company. RSUs, PSUs and DSUs have accompanying dividend-equivalent rights and, therefore, additional RSUs, PSUs and DSUs are issued to reflect dividends declared on the common shares.

In the first quarter of 2024, the Board of Directors approved an amendment to the LTIP to allow, at its discretion, to settle the LTIP obligation with equity or an equivalent cash payment. The 2023 and 2024 related vested units for the employees were cash-settled.

The Director LTIP was amended in February 2025. The RSUs held in notional accounts for each director have been replaced by DSUs. DSUs are awarded annually to each director, at the discretion of the board. DSUs are held in the notional account until the director's term on the board terminates. The fair value of the DSUs will be calculated and paid in cash to each individual at the appropriate date, less the related payroll tax.

At March 31, 2025, there were 1,163,974 RSUs, 1,620,233 PSUs and 124,983 DSUs outstanding. On March 31, 2025, 400,911 RSUs and 457,526 PSUs were eligible to vest for the officers and employees. The Company's performance in 2024 achieved certain predetermined minimum performance benchmarks and, consequently, 31% of the PSUs were eligible to vest, or 139,947 PSUs vested on March 31, 2025. RSUs vest automatically based on time; consequently, all eligible RSUs vested on March 31, 2025. The Company settled the employees' vested units in April 2025.

## DEFICIT

On March 31, 2025, the Company had a deficit of \$51.9 million, compared to \$54.3 million at December 31, 2024. The net earnings for the year of \$13.4 million, the dividends declared and paid of \$10.9 million and a reduction of \$46,000 due to the required accounting treatment of the Company purchasing and cancelling its common shares contributed to the net change in deficit. The purchasing and cancelling of common shares adjustment relates to the difference between the price paid by the Company for the shares purchased and cancelled under the NCIB and the average historical cost of the Company's shares. The average historical cost of the shares purchased and cancelled was recorded as a reduction to share capital.

## DIVIDENDS

On February 13, 2025, the Company declared a regular quarterly dividend of \$0.015 per share and a special dividend of \$0.20 per share. The dividends, totalling \$10.9 million were paid on March 13, 2025, to shareholders of record at the close of business on February 28, 2025.

Pulse confirms that all dividends paid to shareholders in 2025 are designated as "eligible dividends", entitling Canadian resident individuals to a higher gross-up and dividend tax credit. For non-resident shareholders, Pulse's dividends are subject to Canadian withholding tax.

## FINANCIAL SUMMARY OF QUARTERLY RESULTS

(Thousands of dollars, except per share data)	2025	2024				2023		
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2
Data library sales revenue	<b>22,759</b>	5,576	2,726	6,300	8,777	16,861	5,103	8,756
Net earnings (loss)	<b>13,375</b>	774	(1,405)	1,341	2,681	8,307	393	3,399
Per share basic and diluted	<b>0.26</b>	0.02	(0.03)	0.03	0.05	0.16	0.01	0.06

Data library sales revenue fluctuates from quarter to quarter, as well as annually, as show in the table above.

During the past eight quarters, the fluctuations in net earnings or losses have been a function of the corresponding quarterly fluctuations in revenue.

## CONTRACTUAL OBLIGATIONS

Pulse's known contractual obligations at March 31, 2025, are comprised of an office space lease, payments under seismic data services contracts and accounts payable and accrued liabilities. The following table reflects the Company's anticipated payment of contractual obligations:

Contractual Obligations (Thousands of dollars)	Payments due by period				
	Total	Less than 1 year	1-3 years	4-5 years	After 5 years
Accounts payable and accrued liabilities	1,970	1,970	-	-	-
Seismic data storage	103	103	-	-	-
Leases liabilities	208	71	137	-	-
Share-based compensation payable	1,517	-	1,203	-	314
<b>Total</b>	<b>3,798</b>	<b>2,144</b>	<b>1,340</b>	<b>-</b>	<b>314</b>

Accounts payable and accrued liabilities at March 31, 2025, include the accrual of \$236,000 related to the short-term incentive plan (STIP) and the accrual of \$1.3 million related to the LTIP.

## LIQUIDITY, CAPITAL RESOURCES AND CAPITAL REQUIREMENTS

At March 31, 2025, Pulse had a working capital of \$14.2 million and a working capital ratio of 3.7:1.

In the first quarter of 2025, the Company generated \$16.6 million of cash from operating activities compared to \$10.5 million for the same period in 2024. The main differences between the two periods relate to higher data library sales offset by higher income tax paid during the period and a negative net change in non-cash working capital.

The Company also utilized cash for the following outlays:

- Purchase and cancellation of 43,300 common shares through its NCIB for a total of \$106,000 (at an average price of \$2.43 per common share, including commissions);
- Dividends declared and paid of \$10.9 million.

In February 2024, at the request of the Company, the \$25 million committed revolving credit facility was amended. The new demand credit facility has a \$5.0 million borrowing limit and is secured through a charge on all the assets of the Company and its material subsidiaries.

Interest is calculated based on the lender's prime loan rate, or USBR loan, or term CORRA or term SOFR, plus an applicable margin based on the type of loan. At March 31, 2025, the applicable interest rate for the prime loan was 5.45 percent (March 31, 2024 - 7.7 percent).

At March 31, 2025, the Company did not have a balance owing on the demand credit facility.

The revolving demand credit facility also includes the following financial covenants:

1) Maximum Total Debt to Adjusted EBITDA Ratio

The total debt to adjusted EBITDA ratio shall not be greater than 3.0:1.

2) Minimum Interest Coverage Ratio

The minimum interest coverage ratio is defined as the ratio of adjusted EBITDA to interest expense.

The minimum interest coverage ratio shall not be less than 2.5:1.

The Company was in compliance with all covenants at March 31, 2025.

Pulse has a Normal Course Issuer Bid (NCIB) in place to buy back its shares on the Toronto Stock Exchange (TSX). TSX rules determine the number of shares the Company is permitted to purchase through its NCIB for any renewal period.

On February 24, 2025, the Company renewed its NCIB. The Company is allowed to purchase, for cancellation, up to a maximum of 2,770,658 common shares, equal to 10 percent of the public float of 27,706,584 common shares as at February 17, 2025. Under the NCIB, the Company is limited to purchase no more than 2,866 common shares on any given day, subject to the block purchase exemption under the TSX rules. The NCIB will continue until February 23, 2026. Purchases were made on the open market through the TSX or alternative platforms at the market price of such shares. All shares purchased under the NCIB were cancelled.

At the same time the Company also entered into an automatic share purchase plan (ASPP) to facilitate repurchases of common shares under its NCIB. The Company can purchase common shares at the times when the Company would not be active in the market due to regulatory restrictions, including insider trading rules, and the Company's own internal trading blackout periods. Purchases were made by the Company's broker based on parameters set by the Company when it was not in possession of any material non-public information about the Company or its securities, and in accordance with the limits and other terms of the ASPP. The ASPP was entered into in accordance with the requirements of applicable Canadian securities laws and will terminate on February 23, 2026.

During the first quarter of 2025, the Company purchased 43,300 common shares under the NCIB. All purchases were made on the open market through the TSX or alternative trading platforms at the market price of such shares. All shares purchased under the NCIB were cancelled.

Pulse's management believes that the Company's capital resources will be sufficient to finance future operations and carry out the necessary capital expenditures through 2025. As at the date of this MD&A, the Company has a \$5.0 million demand credit facility, which is undrawn. The Company anticipates that future capital expenditures will be financed through funds from operations and long-term debt if required. If deemed appropriate by management and the Board of Directors, Pulse can also issue common or preferred shares.

Pulse requires flexibility in managing its capital structure to take advantage of opportunities to raise additional capital to finance opportune seismic data acquisitions. Historically, the Company has used a combination of debt and equity to finance growth initiatives, and it continues to rely on internal measures such as the debt-to-equity ratio to structure and forecast its capital requirements. Pulse's management considers the current capital structure appropriate.

This discussion on liquidity, capital resources, and capital requirements contains forward-looking information; users of this information are cautioned that actual results may vary and are encouraged to review the discussions of risk factors and forward-looking statements below.

## NON-CAPITAL RESOURCES

The Company's main non-capital resource is its key management and staff. The Company has an experienced team with extensive knowledge of the seismic industry. Pulse's management understands industry cycles and how to manage the business in the downturn and recovery phases. Pulse has built strong sales, financial, and IT departments. Management and staff are eligible to participate in the STIP and LTIP, which include performance metrics directly related to the Company's shareholder free cash flow per share.

## NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS

This MD&A and the Company's continuous disclosure documents provide discussion and analysis of EBITDA and shareholder free cash flow. IFRS do not include standard definitions for these measures and, therefore, may not be comparable to similar measures used and disclosed by other companies. As IFRS have been incorporated into Canadian generally accepted accounting principles (GAAP), these non-IFRS measures are also non-GAAP measures. The Company has included these non-GAAP financial measures because management, investors, analysts, and others use them to evaluate the Company's financial performance.

EBITDA and shareholder free cash flow are not calculated based on IFRS. They should not be considered in isolation or as a substitute for IFRS performance measures, nor should they be used as an exclusive measure of cash flow because they do not consider working capital changes, capital expenditures, debt repayments and other sources and uses of cash, which are disclosed in the consolidated audited and interim statements of cash flows.

### EBITDA AND SHAREHOLDER FREE CASH FLOW

EBITDA and shareholder free cash flow represent the capital generated and available to allocate.

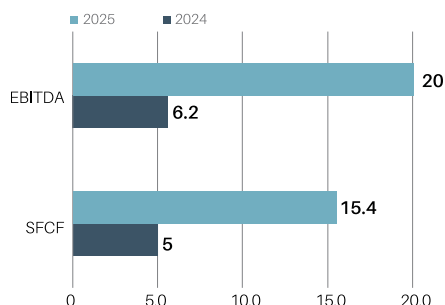
EBITDA is calculated as earnings or loss from operations before interest, taxes, depreciation, and amortization.

Shareholder free cash flow further refines the calculation of capital available to invest in growing the Company's 2D and 3D seismic data library, pay dividends, purchase its common shares, and repay debt when applicable by adding non-cash expenses and non-cash deferred financing charges and deducting net financing costs and current income tax expense.

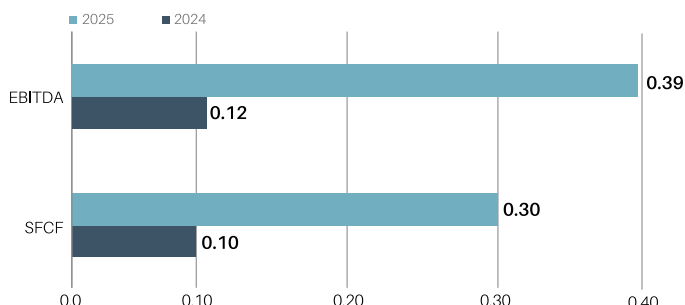
A reconciliation of net earnings to EBITDA and shareholder free cash flow follows:

(Thousands of dollars, except per share data)	Three months ended March 31,	
	2025	2024
<b>Net earnings</b>	<b>13,375</b>	2,681
Add:		
Amortization of seismic data library	<b>2,225</b>	2,270
Net financing income	<b>(92)</b>	(139)
Income tax expense	<b>4,517</b>	1,397
Depreciation	<b>23</b>	20
<b>EBITDA</b>	<b>20,048</b>	6,229
Add:		
Non-cash expenses	-	311
Deduct:		
Net financing income	<b>(92)</b>	(139)
Current income tax expense	<b>4,721</b>	1,641
<b>Shareholder free cash flow (SFCF)</b>	<b>15,419</b>	5,038
EBITDA per share basic and diluted	<b>0.39</b>	0.12
SFCF per share basic and diluted	<b>0.30</b>	0.10

**EBITDA AND SFCF**  
**THREE MONTHS ENDED MARCH 31**  
(millions of dollars)



**EBITDA AND SFCF PER SHARE (BASIC AND DILUTED)**  
**THREE MONTHS ENDED MARCH 31**  
(dollars per share)



## FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are recognized on the statement of financial position when the Company becomes a party to the instrument’s contractual obligations. The Company’s financial assets include cash and cash equivalents and trade and other receivables. Its financial liabilities mainly comprise accounts payable and accrued liabilities.

### FAIR VALUE

The fair values of cash and cash equivalents, trade and other receivables, and accounts payable and accrued liabilities approximate their carrying amount largely due to the short-term maturities of these instruments. The fair value of the demand credit facility, when drawn, approximates the carrying value because interest charges under the bank loan are based on current Canadian bankers’ acceptance rates and margins.

### CREDIT RISK

There have been no significant changes in Pulse’s credit risk as disclosed in the Company’s MD&A for the year ended December 31, 2024.

The Company’s customers are in the energy industry, with the majority located in Alberta. At March 31, 2025, 85 percent of total accounts receivable was due from one customer. The Company does not anticipate any concerns over the collectibility of its accounts receivable.

### LIQUIDITY RISK

There have been no significant changes in Pulse’s liquidity risk as disclosed in the Company’s MD&A for the year ended December 31, 2024.

### COMMODITY PRICE RISK

The Company is not directly exposed to commodity price risk as it has no contracts directly based on commodity prices. A change in commodity prices, specifically oil and natural gas prices, could have a material impact on the Company’s customers’ cash flows and could therefore affect seismic data library sales levels. Commodity prices are affected by many factors, including supply and demand. The Company has not entered into any commodity price risk contracts. Given that this is an indirect influence, the financial impact on the Company of changing oil and natural gas prices is not reasonably determinable.

## NEW IFRS STANDARDS

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Several new standards, amendments to standards, and interpretations have been issued by the International Accounting Standards Board but were not yet effective for the year ending March 31, 2025. Accordingly, they were not applied in preparing the consolidated financial statements. None is expected to have a significant effect on the condensed consolidated interim financial statements.

## CRITICAL ACCOUNTING ESTIMATES

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The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions. Management's estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. The Company's critical accounting estimates are discussed annually with the Audit and Risk Committee of the Company's Board of Directors.

## DISCLOSURE CONTROLS AND PROCEDURES (DC&P) AND INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR)

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The Company applies the COSO Internal Control — Integrated Framework (2013 framework). There were no changes in the ICFR that occurred during the period beginning January 1, 2025, and ending March 31, 2025, that materially affected, or are reasonably likely to materially affect, the Company's ICFR. No material weaknesses relating to the design of the ICFR were identified. Furthermore, there were no limitations on the scope of the design of the DC&P or the ICFR.

No changes were made to ICFR during the period beginning January 1, 2025, and ending March 31, 2025, that have materially affected, or are reasonably likely to materially affect, Pulse's ICFR.

## RISK FACTORS

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There have been no significant changes in Pulse's risk factors as described in the Company's MD&A for the year ended December 31, 2024.

## ADDITIONAL INFORMATION

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You may find additional information relating to Pulse, including the Company's Annual Information Form, on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## FORWARD-LOOKING INFORMATION

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This document contains information that constitutes “forward-looking information” or “forward-looking statements” (collectively, “forward-looking information”) within the meaning of applicable securities legislation. Forward-looking information is often, but not always, identified by the use of words such as “anticipate”, “believe”, “expect”, “plan”, “intend”, “forecast”, “target”, “project”, “guidance”, “may”, “will”, “should”, “could”, “estimate”, “predict” or similar words suggesting future outcomes or language suggesting an outlook.

This MD&A and, specifically, the “Outlook” and the “Liquidity, Capital Resources and Capital Requirements” sections herein contain forward-looking information which includes, but is not limited to, statements regarding:

- The outlook of the Company for the year ahead, including future operating costs and expected revenues;
- Recent events on the political, economic, regulatory, and legal fronts affecting the industry’s medium- to longer-term prospects, including progression and completion of contemplated infrastructure projects;
- The Company’s capital resources and sufficiency thereof to finance future operations, meet its obligations associated with financial liabilities, and carry out the necessary capital expenditures through 2025;
- Pulse’s capital allocation strategy;
- Pulse’s dividend policy;
- Oil and natural gas prices and forecast trends;
- Oil and natural gas drilling activity and land sales activity;
- Oil and natural gas company capital budgets;
- Future demand for seismic data;
- Future seismic data sales;
- Pulse’s business and growth strategy; and
- Other expectations, beliefs, plans, goals, objectives, assumptions, information, and statements about possible future events, conditions, results, and performance as they relate to the Company or the oil and natural gas industry as a whole.

Sources for the forecasts and the material assumptions underlying this forward-looking information are, where applicable, noted in the relevant sections of this MD&A.

By its very nature, forward-looking information involves inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections, and other forward-looking statements will not be achieved. Pulse does not publish specific financial goals or otherwise provide guidance due to the inherently poor visibility of seismic revenue. Pulse cautions readers not to place undue reliance on these statements as several important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations, estimates, and intentions expressed in such forward-looking information. These factors include, but are not limited to:

- Volatility of oil and natural gas prices;
- Risks associated with the oil and natural gas industry in general;
- The Company’s ability to access external sources of debt and equity capital;
- Credit, liquidity, and commodity price risks;
- The demand for seismic data;
- The pricing of data library licence sales;
- Cybersecurity;
- Relicensing (change-of-control) fees and partner copy sales;
- Environmental, health, and safety risks;
- Federal and provincial government laws and regulations, including those pertaining to taxation, royalty rates, environmental protection, and public health and safety;
- Competition;

- Dependence on key management, operations, and marketing personnel;
- The loss of seismic data;
- Protection of intellectual property rights;
- The introduction of new products; and
- Climate change.

Pulse cautions that the foregoing list of factors that may affect future results is not exhaustive. Additional information on these risks and other factors that could affect the Company's operations and financial results is included under "Risk Factors" herein, under "Risk Factors" in the Company's most recent annual information form, and in the Company's most recent audited annual financial statements, management information circular, quarterly reports, material change reports, and news releases. Copies of the Company's public filings are available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

When relying on forward-looking information to make decisions with respect to Pulse, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Furthermore, the forward-looking information in this MD&A is provided as of the date of this MD&A and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking information, except as required by law. The forward-looking information in this document is provided for the limited purpose of enabling current and potential investors to evaluate an investment in Pulse. Readers are cautioned that such forward-looking information may not be appropriate and should not be used for other purposes.

# Condensed Consolidated Interim Statements of Financial Position

# Q1

(Thousands of Canadian dollars) (Unaudited)

As at	Note	March 31, 2025	December 31, 2024
<b>ASSETS</b>			
Cash and cash equivalents		14,305	8,722
Trade and other receivables		4,770	1,908
Current tax assets		-	589
Prepaid expenses		351	262
Total current assets		19,426	11,481
Seismic data library	5	7,217	9,442
Property and equipment		50	56
Deferred income tax assets		503	304
Right-of-use assets	6	216	233
Total non-current assets		7,986	10,035
<b>Total assets</b>		<b>27,412</b>	<b>21,516</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Accounts payable and accrued liabilities	10	1,970	2,142
Deferred revenue		47	47
Current portion of lease liabilities	6	71	70
Current income tax liabilities		3,137	-
Total current liabilities		5,225	2,259
Lease liabilities	6	137	134
Share-based compensation payable	10	1,517	828
Total non-current liabilities		1,654	962
Total liabilities		6,879	3,221
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	9	70,423	70,483
Contributed surplus		2,028	2,129
Deficit		(51,918)	(54,317)
Total shareholders' equity		20,533	18,295
<b>Total liabilities and shareholders' equity</b>		<b>27,412</b>	<b>21,516</b>

Subsequent event 14

See accompanying notes to condensed consolidated interim financial statements.

On behalf of the Board:

 Robert Robotti  
Chair of the Board

 Paul Crilly  
Audit and Risk Committee Chair

# Condensed Consolidated Interim Statements of Net Earnings and Comprehensive Income

# Q1

(Thousands of Canadian dollars except per share data) (Unaudited)

Three months ended March 31	Note	2025	2024
<b>Revenue</b>			
Data library sales	4	22,759	8,777
<b>Operating expenses</b>			
Amortization of seismic data library	5	2,225	2,270
Salaries, internal commissions and benefits		2,091	1,928
Other selling, general and administrative costs		620	620
Depreciation		23	20
Total operating expenses		4,959	4,838
Results from operating activities		17,800	3,939
<b>Financing costs (income)</b>			
Financing expenses		4	18
Interest income		(96)	(157)
Net financing income		(92)	(139)
<b>Earnings before income taxes</b>		17,892	4,078
Current income tax expense		4,721	1,641
Deferred income tax recovery		(204)	(244)
Income tax expense	8	4,517	1,397
<b>Net earnings and comprehensive income</b>		13,375	2,681
<b>Net earnings per share, basic and diluted</b>	11	0.26	0.05

See accompanying notes to condensed consolidated interim financial statements.

# Condensed Consolidated Interim Statements of Changes in Equity

# Q1

(Thousands of Canadian dollars, except number of shares) (Unaudited)

	Note	Number of shares issued	Share capital	Contributed surplus	Deficit	Total equity
Balance at January 1, 2024		52,621,863	72,957	3,434	(50,736)	25,655
Net earnings for the period		-	-	-	2,681	2,681
Share-based compensation	10	-	-	311	-	311
Tax effect of equity-settled share-based compensation		-	-	(204)	-	(204)
Normal course issuer bid	9(a)	(627,300)	(870)	-	(315)	(1,185)
Dividends declared and paid		-	-	-	(715)	(715)
Balance at March 31, 2024		51,994,563	72,087	3,541	(49,085)	26,543

	Note	Number of shares issued	Share capital	Contributed surplus	Deficit	Total equity
Balance at January 1, 2025		<b>50,837,863</b>	<b>70,483</b>	<b>2,129</b>	<b>(54,317)</b>	<b>18,295</b>
Net earnings for the period		-	-	-	<b>13,375</b>	<b>13,375</b>
Share-based compensation	10	-	-	<b>(96)</b>	-	<b>(96)</b>
Tax effect of equity-settled share-based compensation		-	-	<b>(5)</b>	-	<b>(5)</b>
Normal course issuer bid	9(a)	<b>(43,300)</b>	<b>(60)</b>	-	<b>(46)</b>	<b>(106)</b>
Dividends declared and paid	9(b)	-	-	-	<b>(10,930)</b>	<b>(10,930)</b>
Balance at March 31, 2025		<b>50,794,563</b>	<b>70,423</b>	<b>2,028</b>	<b>(51,918)</b>	<b>20,533</b>

See accompanying notes to condensed consolidated interim financial statements.

# Condensed Consolidated Interim Statements of Cash Flows

# Q1

(Thousands of Canadian dollars) (Unaudited)

Three months ended March 31	Note	2025	2024
<b>Cash flows provided by (used in):</b>			
<b>Operating:</b>			
Net earnings and comprehensive income		<b>13,375</b>	2,681
Adjustment for:			
Amortization of seismic data library	5	<b>2,225</b>	2,270
Depreciation		<b>23</b>	20
Income tax expense	8	<b>4,517</b>	1,397
Share-based compensation	10	-	311
Net financing costs		<b>(92)</b>	(139)
Interest and standby fees paid		-	(23)
Interest paid - lease liabilities	6	<b>(4)</b>	(5)
Interest received		<b>95</b>	161
Income tax paid		<b>(1,675)</b>	(1,184)
Income tax received		<b>680</b>	-
		<b>19,144</b>	5,489
Net change in non-cash working capital	12	<b>(2,529)</b>	4,975
Cash provided by operating activities		<b>16,615</b>	10,464
<b>Financing:</b>			
Normal course issuer bid	9(a)	<b>(106)</b>	(1,185)
Dividends paid	9(b)	<b>(10,930)</b>	(11,242)
Lease liabilities	6	<b>4</b>	5
Cash used in financing activities		<b>(11,032)</b>	(12,422)
<b>Investing:</b>			
Seismic data purchase	5	-	(225)
Cash used in investing activities		-	(225)
Increase (decrease) in cash and cash equivalents		<b>5,583</b>	(2,183)
Cash and cash equivalents, beginning of period		<b>8,722</b>	15,948
<b>Cash and cash equivalents, end of period</b>		<b>14,305</b>	13,765

See accompanying notes to condensed consolidated interim financial statements.

# Notes to Condensed Consolidated Interim Financial Statements

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Information as at March 31, 2025 and December 31, 2024 and for the three-month periods ended March 31, 2025 and 2024 (Tabular amounts in thousands of Canadian dollars, except per share data, numbers of shares and other exceptions as indicated.)

## 1. REPORTING ENTITY

Pulse Seismic Inc. (the "Company") was incorporated under the Canada Business Corporations Act and is a publicly listed company on the Toronto Stock Exchange (TSX) trading under the symbol PSD and on the OTCQX International trading under the symbol PLSDF. The Company's registered office is located at 2700, 421 7th Avenue SW in Calgary, Alberta. The Company is a provider of seismic data to the energy and resource sector in Western Canada.

## 2. BASIS OF PREPARATION

### (A) STATEMENT OF COMPLIANCE

The condensed consolidated interim financial statements have been prepared in accordance with IFRS<sup>®</sup> Accounting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee.

The condensed consolidated interim financial statements were prepared by the Company's management and were approved by the Board of Directors on April 22, 2025.

### (B) BASIS OF PRESENTATION

The condensed consolidated interim financial statements include the accounts of the Company's wholly owned subsidiaries. Certain comparative figures have been reclassified to conform to the current year's presentation.

### (C) BASIS OF MEASUREMENT

The condensed consolidated interim financial statements were prepared on the historical cost basis.

### (D) FUNCTIONAL AND PRESENTATION CURRENCY

The condensed consolidated interim financial statements are presented in Canadian dollars, the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand, except for per share data, the number of shares, and other exceptions as indicated.

### (E) BASIS OF CONSOLIDATION

#### (I) Joint Operations

Certain of the Company's seismic data library assets are jointly owned with others. The condensed consolidated interim financial statements include the Company's share in the joint assets, joint liabilities, expenses incurred, and income earned from the joint operations.

#### (II) Transactions Eliminated On Consolidation

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the condensed consolidated interim financial statements.

### 3. MATERIAL ACCOUNTING POLICIES

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied by the Company in the audited consolidated financial statements for the year ended December 31, 2024.

### 4. REVENUE

#### Data library sales

There are two ways to disaggregate the Company's data library sales: data type and geographically. Revenue fluctuations are a normal part of the seismic data library business, and data library sales can significantly vary period-over-period by data type and geographically.

The following tables provide a summary of the Company's disaggregated revenue:

#### (A) DATA TYPE

Three months ended March 31	2025	2024
2D data sales	1,104	618
3D data sales	21,655	8,159
Total data library sales	22,759	8,777

The Company's data library consists of 2D and 3D seismic data. As 3D seismic licence contracts are generally larger than 2D seismic licence contracts, the percentage of seismic data library sales generated from 2D and 3D data sales fluctuates significantly depending on the number of 3D seismic sale contracts signed during a given period.

#### (B) GEOGRAPHICAL BREAKDOWN

Three months ended March 31	2025	2024
Alberta sales	22,571	6,177
British Columbia sales	8	2,600
Other areas sales	180	-
Total data library sales	22,759	8,777

### 5. SEISMIC DATA LIBRARY

	March 31, 2025	December 31, 2024
<b>Cost</b>		
Opening balance	507,023	506,798
Seismic data purchased	-	225
Closing balance	507,023	507,023
<b>Accumulated amortization</b>		
Opening balance	497,581	488,491
Amortization for the period	2,225	9,090
Closing balance	499,806	497,581
<b>Carrying amount</b>	<b>7,217</b>	<b>9,442</b>

In the first quarter of 2024, the Company acquired revenue and partnership interests in certain datasets.

At March 31, 2025 and 2024, the Company assessed the CGUs in its seismic data library for indicators of impairment, as required under IFRS, and concluded there were no new indicators and. Accordingly, no impairment test was required. The carrying amount of the seismic data library relative to future expected returns indicates that future impairment of the currently owned assets is unlikely. Digital seismic data does not deteriorate and remains a valuable risk mitigation tool for energy companies. It is an essential part of the oil and natural gas exploration and development process and is also used for alternative energy development that requires structural and reservoir attributes such as helium, lithium, geothermal and for carbon capture and storage project development.

## 6. RIGHT-OF-USE (ROU) ASSETS AND LEASE LIABILITIES

The ROU assets and related lease liabilities are included in the tables below:

<b>ROU assets</b> As at	<b>March 31, 2025</b>	December 31, 2024
Opening balance	<b>233</b>	299
Less:		
Depreciation in the period	<b>(17)</b>	(66)
<b>ROU assets</b>	<b>216</b>	233

<b>Lease liabilities</b> As at	<b>March 31, 2025</b>	December 31, 2024
Opening balance	<b>204</b>	269
Repayments on principal and interest in the period	-	(84)
Finance expense in the period	<b>4</b>	19
<b>Total lease liabilities</b>	<b>208</b>	204
Less:		
Current portion	<b>(71)</b>	(70)
Long-term portion	<b>137</b>	134

The following table summarizes the Company's lease maturities:

Maturity analysis	Total
Less than one year	84
Two to five years	145
Total undiscounted lease liabilities as at March 31, 2025	229
Less: implicit interest	(21)
<b>Total lease liabilities as at March 31, 2025</b>	<b>208</b>

## 7. REVOLVING DEMAND CREDIT FACILITY

The Company has a demand facility of \$5.0 million borrowing limit and is secured through a charge on all the assets of the Company and its material subsidiaries. There have been no draws on the facility since it was put in place in the first quarter of 2024.

Interest is calculated based on the lender's prime loan rate, or USBR loan, or term CORRA, or term SOFR, plus an applicable margin based on the type of loan. At March 31, 2025, the applicable interest rate for the prime loan was 5.45 percent.

The revolving demand credit facility also includes the following financial covenants:

### (1) MAXIMUM TOTAL DEBT TO ADJUSTED EBITDA RATIO

The total debt to adjusted EBITDA ratio shall not be greater than 3.0:1.

### (2) MINIMUM INTEREST COVERAGE RATIO

The minimum interest coverage ratio is defined as the ratio of adjusted EBITDA to interest expense.

The minimum interest coverage ratio shall not be less than 2.5:1.

The Company was in compliance with all covenants at March 31, 2025.

## 8. INCOME TAX

Income tax expense differs from the amount that would be computed by applying the basic combined federal and provincial statutory income tax rate to earnings before income taxes. The reasons for the differences are as follows:

Three months ended March 31	2025	2024
Earnings before income tax	17,892	4,078
Combined federal and provincial income tax rate	23%	23%
Expected income tax expense	4,115	938
Effects of difference:		
Scientific research and experimental development investment tax credits	(38)	-
Permanent difference related to the seismic data library	458	458
Others	(18)	1
Actual income tax expense	4,517	1,397

## 9. SHARE CAPITAL

### (A) SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common and an unlimited number of preferred shares, issuable in series. No preferred shares have been issued. All common shares are entitled to receive dividends as declared and are entitled to one vote per share at Company meetings.

On February 24, 2025, the Company renewed its normal course issuer bid (NCIB). The Company is allowed to purchase, for cancellation, up to a maximum of 2,770,658 common shares, equal to 10 percent of the public float of 27,706,584 common shares as at February 17, 2025. Under the NCIB, the Company is limited to purchase no more than 2,866 common shares on any given day, subject to the block purchase exemption under the TSX rules. The NCIB will continue until February 23, 2026. Purchases were made on the open market through the TSX or alternative platforms at the market price of such shares. All shares purchased under the NCIB were cancelled.

On February 24, 2025, the Company also entered into automatic share purchase plans (ASPP) to facilitate repurchases of common shares under its NCIB. The ASPP enables the Company to purchase common shares at times when the Company would not be active in the market due to regulatory restrictions, including insider trading rules and the Company's own internal trading blackout periods. Purchases were made by the Company's broker based on parameters set by the Company when it was not in possession of any material non-public information about the Company or its securities, and in accordance with the limits and other terms of the ASPP. The ASPP was entered into in accordance with the requirements of applicable Canadian securities laws. The ASPP expires with the related NCIB on February 23, 2026.

During the three months ended March 31, 2025, the Company purchased for cancellation 43,300 common shares pursuant to its NCIB (three months ended March 31, 2024 - 627,300 common shares) at a weighted average price of \$2.43 per share (three months ended March 31, 2024 - \$1.89 per share), including brokerage fees, for a total cost of \$106,000 (three months ended March 31, 2024 - \$1.2 million). The total cost paid, including fees, was first charged to share capital to the extent of the average carrying value of the common shares purchased and the excess of \$46,000 was charged to the deficit (three months ended March 31, 2024 - \$315,000).

### (B) DIVIDENDS

On February 13, 2025, the Company approved a quarterly dividend of \$0.015 per common share and also approved a special dividend of \$0.20 per common share. The dividend, totalling \$10.9 million was paid on March 13, 2025, to shareholders of record at the close of business on February 28, 2025.

## 10. SHARE-BASED COMPENSATION

The Company's long-term incentive plan (LTIP) for employees, officers and directors is designed to align the Company's long-term incentive compensation with its performance.

The LTIP awards consist of restricted share units (RSU) and performance share units (PSU) for employees and deferred share units (DSU) for directors. Upon vesting, each RSU, PSU and DSU entitles the holder to one common share of the Company. RSUs, PSUs and DSUs have accompanying dividend-equivalent rights and, therefore, additional RSUs, PSUs and DSUs are issued to reflect dividends declared on the common shares.

In determining the amount of share-based compensation related to PSUs, management makes estimates about future results and vesting criteria. It is reasonably possible that future outcomes could differ from the estimates, which are based on current knowledge, and require a material adjustment to the share-based compensation expense recorded in future periods. The impact of any change in the number of PSUs expected to vest is recognized in the period the estimate is revised.

In February 2024, the Board of Directors approved an amendment to the employee LTIP. The share-based plan has previously been equity-settled, with shares purchased on the open market and distributed to unit holders. The amendment allows the Board of Directors, at its discretion, to choose to settle the vested units with either equity or with an equivalent cash payment.

The Director LTIP was amended in February 2025. The RSUs held in notional accounts for each director have been replaced by DSUs. DSUs are awarded annually to each Director, at the discretion of the board. DSUs are held in the notional account until the Director's term on the board terminates. The fair value of the DSUs will be calculated and paid in cash to each individual at the appropriate date, less the related payroll tax.

On March 31, 2025, 400,911 RSUs and 457,526 PSUs will be eligible to vest in the employee LTIP. The Company's performance in 2024 achieved certain predetermined minimum performance benchmarks and, consequently, 31% of the PSUs were eligible to vest, or 139,947 PSUs vested on March 31, 2025. RSUs vest automatically based on time and, consequently, all eligible RSUs vested on March 31, 2025. The Board of Directors elected to cash-settle the 2024 employee LTIP awards upon vesting on March 31, 2025.

For the three months ended March 31, 2025, the Company recognized \$683,000 (three months ended March 31, 2024 - \$809,000) in compensation expense related to the LTIP in salaries, internal commissions and benefits on the consolidated statement of comprehensive earnings.

At March 31, 2025, the obligation related to the cash-settled LTIP was \$2.8 million (March 31, 2024 - \$1.5 million) with \$1.3 million (March 31, 2024 - \$958,000) included in accounts payable and accrued liabilities and \$1.5 million (March 31, 2024 - \$531,000) included in share-based compensation payable. The amendment to the employee LTIP to allow for cash-settlement of vested RSUs and PSUs, as well as the amendment to the director LTIP which replaced the RSUs with DSUs and will ultimately be cash settled, results in the total estimated number of notional units expected to vest, to be fair valued on each balance sheet date and reported in current and long-term liabilities.

The following summarizes activity in the Company's LTIP during the periods ended March 31, 2025 and 2024:

Three months ended March 31, 2025

	RSUs	PSUs	DSUs
Outstanding, beginning of period	996,746	1,194,012	-
Granted	206,999	324,432	115,300
Dividends reinvested	75,529	101,789	9,683
Replaced with DSUs	(115,300)	-	-
Outstanding, end of period	1,163,974	1,620,233	124,983

Three months ended March 31, 2024

	RSUs	PSUs	DSUs
Outstanding, beginning of period	1,102,971	1,192,080	-
Granted	213,515	314,942	-
Dividends reinvested	119,325	128,965	-
Outstanding, end of period	1,435,811	1,635,987	-

The 400,911 RSUs and 139,947 PSUs that vested on March 31, 2025 will be settled in the second quarter of 2025.

## 11. EARNINGS PER SHARE

### (A) BASIC EARNINGS PER SHARE

The calculation of basic earnings per share was based on the net earnings attributable to common shareholders of \$13.4 million for the three months ended March 31, 2025 (three months ended March 31, 2024 - \$2.7 million) and a weighted average number of common shares of 50,829,404 (2024 - 52,122,006).

Three months ended March 31	2025	2024
Common shares outstanding, January 1	<b>50,837,863</b>	52,621,863
Effect of shares issued, purchased and cancelled	<b>(8,459)</b>	(499,857)
Weighted average number of common shares	<b>50,829,404</b>	52,122,006

### (B) DILUTED EARNINGS PER SHARE:

The Company does not have any dilutive instruments.

## 12. NET CHANGE IN NON-CASH OPERATING WORKING CAPITAL

Three months ended March 31	2025	2024
Trade and other receivables	<b>(2,862)</b>	5,987
Prepaid expenses	<b>(89)</b>	(68)
Accounts payable and accrued liabilities	<b>(172)</b>	(1,144)
Share-based compensation payable	<b>689</b>	194
Others	<b>(95)</b>	6
Net change in non-cash operating working capital	<b>(2,529)</b>	4,975

## 13. FINANCIAL INSTRUMENTS AND FAIR VALUE

The fair values of cash and cash equivalents, trade and other receivables and accounts payable and accrued liabilities approximate their carrying amount largely due to the short-term maturities of these instruments.

## 14. SUBSEQUENT EVENT

On April 22, 2025, Pulse's Board of Directors approved a 17% increase to the regular quarterly dividend. The declared dividend of \$0.0175 per share represents an annualized dividend of \$0.07 per share. The total of the dividend will be approximately \$889,000 based on Pulse's 50,794,563 common shares outstanding as of April 22, 2025, and will be paid on May 20, 2025, to shareholders of record on May 12, 2025.

## Corporate Information

Pulse is a market leader in the acquisition and licensing of 2D and 3D seismic data to the western Canadian energy sector. Pulse owns the largest licensable seismic data library in Canada, currently consisting of 65,310 net square kilometres of 3D seismic and 829,207 net kilometres of 2D seismic. The library extensively covers the Western Canada Sedimentary Basin where most of Canada's oil and natural gas exploration and development occur.

### OFFICERS

**Neal Coleman**  
President and CEO

**Pamela Wicks**  
Vice President, Finance and CFO

**Trevor Meier**  
Vice President, Sales and Marketing

**Catherine Samuel**  
Corporate Secretary

### BOARD OF DIRECTORS

**Robert Robotti** <sup>(2) (3)</sup>  
Chair

**Paul Crilly** <sup>(1) (3)</sup>  
Director

**Dallas Droppo** <sup>(1) (2) (3)</sup>  
Director

**Patrick R. Ward** <sup>(2) (4)</sup>  
Director

**Melanie Westergard** <sup>(1) (2) (4)</sup>  
Director

**Neal Coleman** <sup>(4)</sup>  
Director

(1) Member of the Audit and Risk Committee

(2) Member of the Compensation Committee

(3) Member of the Corporate Governance and Nominating Committee

(4) Member of the ESG-Health Committee

### BANKERS

The Toronto-Dominion Bank  
Calgary, Alberta

### REGISTRAR AND TRANSFER AGENT

Computershare Trust Company of Canada  
Calgary, Alberta

### SOLICITORS

McCarthy Tétrault LLP  
Calgary, Alberta

### AUDITORS

MNP LLP  
Calgary, Alberta

### STOCK EXCHANGE LISTING

TSX: PSD  
OTCQX: PLSDF

### HEAD OFFICE

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**PULSE**

Energy Data. On Demand.

**Q1**

For the three months ended  
March 31, 2025

TSX: PSD  
OTCQX:PLSDF

