



**Condensed Consolidated Interim Financial Statements
Unaudited**

Expressed in United States dollars
For the three months ended March 31, 2022

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of the Company 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.

**INTER-ROCK MINERALS INC.
MAY 26, 2022**

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Balance Sheets (Expressed in thousands of United States Dollars)

UNAUDITED	Note	March 31, 2022	December 31, 2021
		\$	\$
ASSETS			
Current assets			
Cash		4,279	2,266
Accounts receivable		8,832	5,161
Inventories	7	2,238	1,624
Prepaid expenses and other assets		691	1,110
Assets held for sale		-	6,595
Total Current Assets		16,040	16,756
Non-current assets			
Deferred tax asset		-	262
Properties, plant and equipment	8	2,388	2,354
Intangible assets	9	1,287	1,368
Goodwill	9	1,808	1,808
Total Assets		21,523	22,548
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		7,987	4,345
Current portion of long term debt	10	815	1,316
Current portion of lease obligations	11	310	330
Liabilities held for sale		-	3,837
Total Current Liabilities		9,112	9,828
Non-current liabilities			
Long term debt	10	76	280
Lease obligations	11	356	422
Deferred tax liability		672	-
Asset retirement obligation	12	26	26
Series A preferred shares	13	3,417	3,417
Total Liabilities		13,659	13,973
Equity			
Share capital	14	5,791	5,791
Contributed surplus		315	315
Retained earnings		1,758	2,469
Total Equity		7,864	8,575
Total Liabilities and Equity		21,523	22,548

Financial Commitments (Note 20)

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

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Net and Comprehensive Income

(Expressed in thousands of United States Dollars except for outstanding shares and per share amounts)

UNAUDITED	Note	March 31, 2022	March 31, 2021 (restated)
		\$	\$
REVENUE	6,18	17,553	16,871
COST OF SALES			
Operating costs	6	15,342	14,861
GROSS PROFIT		2,211	2,010
OPERATING EXPENSES			
Gain on sale of asset	5	(613)	-
Selling, general and administrative	6	1,656	1,215
Amortization and depletion	8	140	133
Amortization of intangible assets	9	81	82
INCOME BEFORE FINANCING COSTS		1,264	580
FINANCING COSTS			
Interest on debt and lease obligations	10,11	32	44
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES		915	536
INCOME TAXES			
Current		75	30
		75	30
NET INCOME AND COMPREHENSIVE INCOME FROM CONTINUING OPERATIONS		840	506
NET (LOSS) AND COMPREHENSIVE (LOSS) FROM DISCONTINUED OPERATIONS	5	-	(100)
NET INCOME AND COMPREHENSIVE INCOME		840	406
Basic income per share	15	0.04	0.02
Diluted income per share	15	0.02	0.01
Weighted average number of shares outstanding			
Basic		22,305,560	22,384,186
Diluted		39,442,540	39,521,166

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

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Changes in Equity
(Expressed in thousands of United States Dollars)

	Share Capital (Note 14)	Contributed Surplus	Retained Earnings	Total
	\$	\$	\$	\$
Balance, December 31, 2020	5,794	315	1,168	7,277
Net income and comprehensive income	(2)	-	-	(2)
Shares purchased for cancellation		-	406	406
Balance, March 31, 2021	5,792	315	1,574	7,681
Balance, December 31, 2021	5,791	315	2,469	8,575
Prior year cumulative subsidiary losses	-	-	(1,551)	(1,551)
Net income and comprehensive income	-	-	840	840
Balance, March 31, 2022	5,791	315	1,758	7,864

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

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Cash Flows
(Expressed in thousands of United States Dollars)

UNAUDITED	Note	March 31, 2022	March 31, 2021 (restated)
		\$	\$
CASH PROVIDED BY (USED IN) OPERATIONS			
Net income		840	406
Items not affecting cash		-	
Amortization and depletion		140	133
Amortization of intangible assets		81	82
Interest expense		32	44
Gain on sale of asset		(613)	-
Loss from discontinued operations		-	100
		480	765
Net changes in non-cash working capital			
Accounts receivable		(3,671)	(212)
Inventories		(614)	(61)
Prepaid expenses		419	(8)
Accounts payable and accrued liabilities		3,642	179
Cash generated by continuing operating activities		256	663
Cash generated by discontinued operating activities		-	192
Net cash from investing activities		256	855
INVESTING			
Purchase of properties, plant and equipment	8	(140)	(40)
Cash used in continuing investing activities		(140)	(40)
Cash used in discontinued investing activities		-	(531)
Net cash used in investing activities		(140)	(571)
FINANCING			
Interest paid		(32)	(44)
Net proceeds from sale of asset	10	3,530	-
Repayment of long term debt	10	(698)	(249)
Repayment of lease obligations	11	(86)	(71)
Shares purchased for cancellation	14	-	(2)
Cash provided by continuing financing activities		2,714	(366)
Cash used in discontinued financing activities		(817)	259
Net cash provided by financing activities		1,897	(107)
Net change in cash		2,013	177
Cash, beginning of the period		2,266	2,072
Cash, end of the period		4,279	2,249

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

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

1. CORPORATE INFORMATION

Inter-Rock Minerals Inc. (“Inter-Rock” or the “Company”) is domiciled in Canada and is continued under the Business Corporations Act (Ontario). The Company’s office is located at 2 Toronto Street, Suite 500 Toronto, Ontario, M5C 2B6, Canada. The Company’s shares are traded on the TSX Venture Exchange under the symbol “IRO”.

Inter-Rock owns two operating businesses: Papillon Agricultural Company Inc. (“Papillon”) and MIN-AD, Inc. (“MIN-AD”). Papillon is a US based marketer and distributor of toll manufactured premium dairy feed nutritional supplements, including MIN-AD’s products. MIN-AD is engaged in the production and marketing of high purity dolomite and clay, primarily to the animal feed industry in the United States.

2. BASIS OF PRESENTATION

2.1 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). These condensed consolidated interim financial statements should be read in conjunction with the Company’s audited annual consolidated financial statements for the year ended December 31, 2021 prepared, in accordance with IAS as issued by the international Accounting Standards Board (“IASB”).

2.2 Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3 of the Company’s audited financial statements for the year ended December 31, 2021.

2.3 Basis of consolidation

The condensed consolidated interim financial statements include the accounts of the Company and the following wholly-owned subsidiaries:

Entity	Place of Incorporation	Ownership
Secret Pass Gold Inc.	United States	100%
MIN-AD Inc.	United States	100%
Papillon Agricultural LLC	United States	100%
Papillon Agricultural Company Inc.	United States	100%

2.4 Functional currency and currency of presentation

These condensed consolidated interim financial statements are presented in United States dollars, which is the functional currency of the Company and all its subsidiaries. Transactions denominated in currencies other than the functional currency are recorded in the functional currency using the spot rate on the transaction date, and revalued using the exchange rate in effect at the end of each reporting date. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the reporting date. Non-monetary assets and liabilities are translated at the historical rate. Exchange gains and losses are included in the condensed consolidated interim statements of income and comprehensive income for the period.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

3. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements reflect the accounting policies applied by the Company in its audited financial statements for the year ended December 31, 2021. The Company's significant accounting policies are presented in Note 3 in the audited consolidated financial statements for the year ended December 31, 2021.

4. JUDGMENTS AND ESTIMATES

The preparation of the Company's condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim financial statements and reported amounts of revenue and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual results could differ from these estimates.

These condensed consolidated interim financial statements reflect the judgements and estimates outlined by the Company in Note 4 of its audited consolidated financial statements for the year ended December 31, 2021.

5. MILL CREEK SALE

On February 9 2022, Inter-Rock closed the sale of its Oklahoma based dolomite business, Mill Creek Dolomite LLC ("Mill Creek"). The business was sold to United States Lime & Minerals Inc. for U.S.\$6.40 million in cash, excluding Mill Creek debt and accrued interest of U.S.\$2.24 million that was repaid at closing with a portion of the proceeds of the sale in accordance with the terms of the sale agreement. After the repayment of debt and working capital adjustments, the Company received net cash of U.S.\$3.31 million.

6. SUBSIDIARIES AND BUSINESS SEGMENTS

Inter-Rock has two operating businesses. Each business is an operating segment for financial reporting purposes. Certain costs are managed on a consolidated basis and are therefore not reflected in segment income. Operating segments of the Company are as follows:

Name of subsidiary	Country of incorporation	
MIN-AD Inc.	United States	100%
Papillon Agricultural Company Inc.	United States	100%

The Company's management evaluates the performance of these segments and allocates resources to them based on certain performance measures.

Segment earnings correspond to each business' earnings from operations. The Company's management reporting system evaluates performance based on a number of factors; however, the primary profitability measure is the earnings from operations before depreciation, amortization, net financing income or expense and income taxes ("EBITDA").

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

6. SUBSIDIARIES AND BUSINESS SEGMENTS (CONT'D)

Segment operating results are as follows:

Period ended March 31, 2022	MIN-AD	Papillon	Other	Eliminations	Total
REVENUE					
Internal sales	1,117	16,436		-	17,553
External sales	898	41	150	(1,089)	-
COST OF SALES					
Operating costs	1,614	14,625	-	(897)	15,342
GROSS PROFIT	401	1,852	150	(192)	2,211
OPERATING EXPENSES					
Gain on sale of asset	(613)	-	-	-	(613)
Selling, general & administration	350	1,280	452	(426)	1,656
Amortization and depletion	90	11	39		140
Amortization of intangible assets	-	81	-	-	81
INCOME (LOSS) BEFORE FINANCING	574	480	(341)	234	1,264
FINANCING COSTS					
Interest on debt and lease obligations	18	15	2	(3)	32
INCOME (LOSS) BEFORE INCOME TAXES	556	465	(343)	237	915
INCOME TAXES					
Current	-	75	-	-	75
NET COMPREHENSIVE INCOME (LOSS)	556	390	(343)	237	840
As at March 31, 2022					
ASSETS					
Current assets	3,343	12,256	689	(248)	16,040
Non-current assets	1,981	3,398	104	-	5,483
	5,324	15,654	793	(248)	21,523
LIABILITIES					
Current liabilities	1,023	7,949	388	(248)	9,112
Non-current liabilities	182	276	4,089	-	4,547
	1,205	8,225	4,477	(248)	13,659

Adjustments and eliminations include: (i) inter-segment revenues are eliminated on consolidation (ii) unallocated assets related to deferred tax assets (iii) unallocated liabilities related to deferred taxes and current taxes payable.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

6. SUBSIDIARIES AND BUSINESS SEGMENTS (CONT'D)

Segment balances for the prior period are as follows:

Period ended March 31, 2021	MIN-AD	Papillon	Other	Elimi- nations	Total	
REVENUE						
Internal sales	854	44	162	(1,060)	-	
External sales	1,116	15,755	-	-	16,871	
COST OF SALES						
Operating costs	1,457	14,108	-	(704)	14,861	
GROSS PROFIT	513	1,691	162	(356)	2,010	
OPERATING EXPENSES						
Selling, general & administration	277	1,073	71	(206)	1,215	
Amortization and depletion	81	11	41	-	133	
Amortization of intangible assets	-	82	-	-	82	
INCOME (LOSS) BEFORE FINANCING	155	525	50	(150)	580	
FINANCING COSTS						
Interest on debt and lease obligations	15	25	4	-	44	
INCOME (LOSS) BEFORE INCOME TAXES	140	500	46	(150)	536	
INCOME TAXES						
Current	-	30	-	-	30	
NET COMPREHENSIVE INCOME (LOSS)	140	470	46	(150)	506	
As at March 31, 2021						
	Mill Creek	MIN-AD	Papillon	Other	Elimi- nations	Total
ASSETS						
Current assets	1,963	1,622	8,843	114	(491)	10,088
Non-current assets	4,284	1,876	3,710	230	-	5,816
	6,247	3,498	12,553	344	(491)	15,904
LIABILITIES						
Current liabilities	1,760	1,501	5,171	202	(491)	6,383
Non-current liabilities	747	325	1,426	3,829	-	5,580
	2,507	1,826	6,597	4,031	(491)	11,963

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

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(Expressed in thousands of United States Dollars except for per share information)

7. INVENTORIES

	March 31, 2022	December 31, 2021
	\$	\$
Raw materials and consumables	500	424
Finished goods	1,738	1,200
Total inventories	2,238	1,624

8. PROPERTIES, PLANT AND EQUIPMENT

Cost	Land	Dolomite Properties	Plant and Equipment	Right of Use Assets	Vehicles	Spare Parts	Total
Balance, December 31, 2020	515	2,051	14,111	2,838	490	328	20,333
Transferred to assets classified as held for sale	(515)	(297)	(5,024)	(1,413)	(207)	(73)	(7,529)
Additions in the year	-	-	328	110	-	19	457
Disposals in the year	-	-	-	-	-	-	-
Balance, December 31, 2021	-	1,754	9,415	1,535	283	274	13,261
Additions in the year	-	-	144	-	-	30	174
Disposals in the year	-	-	-	-	-	-	-
Balance, March 31, 2022	-	1,754	9,559	1,535	283	304	13,435

Accumulated Amortization and Depletion	Land	Dolomite Properties	Plant and Equipment	Right of Use Assets	Vehicles	Spare Parts	Total
Balance, December 31, 2020	-	(1,352)	(10,768)	(1,411)	(405)	-	(13,936)
Transferred to assets classified as held for sale	-	117	2,418	875	156	-	3,566
Additions in the year	-	(37)	(166)	(309)	(25)	-	(537)
Disposals in the year	-	-	-	-	-	-	-
Balance, December 31, 2021	-	(1,272)	(8,516)	(845)	(274)	-	(10,907)
Additions in the year	-	(9)	(50)	(79)	(2)	-	(140)
Disposals in the year	-	-	-	-	-	-	-
Balance, March 31, 2022	-	(1,281)	(8,566)	(924)	(276)	-	(11,047)

Net Book Value

As at December 31, 2021	-	482	899	690	9	274	2,354
As at March 31, 2022	-	473	993	611	7	304	2,388

For the period ending March 31, 2022 there were no indicators of impairment in the carrying value of the Company's dolomite properties, plant and equipment and right-of-use assets.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

9. INTANGIBLE ASSETS AND GOODWILL

Intangible assets and goodwill comprise the following:

	Customer relationships (a)	Distribution rights (b)	Non-compete (c)	Brand (d)	Total Intangibles	Goodwill
	\$	\$	\$	\$	\$	\$
Balance December 31, 2020	969	676	-	46	1,691	1,808
Less: amortization	(185)	(127)	(3)	(11)	(326)	-
Balance December 31, 2021	784	549	-	35	1,368	1,808
Less: amortization	(47)	(32)	-	(2)	(81)	-
Balance, March 31, 2022	737	517	-	33	1,287	1,808

Amortization of intangible assets is presented within amortization of intangibles on the condensed consolidated interim statement of income and comprehensive income. As at period-end there were no impairment losses recognized in income.

- Customer relationships, which are long-standing relationships with many specialty feed ingredient suppliers, toll manufacturers and customers in the dairy industry.
- Distribution rights, which are exclusive rights of the Company to produce and distribute specialty feed ingredients to the dairy industry.
- Non-compete arrangements, which serve to protect the Company's sensitive and confidential information. These agreements may apply to employees as well as any person or company that interacts with the business and encounters confidential information. The agreements have to be reasonable in scope and duration in order to be upheld in court.
- Brand, where the value of a brand is determined by the consumers' perception of the brand. Positive brand equity is achieved when consumers are willing to pay more for a product with a recognizable brand name than they would pay for a generic version of the product.

Goodwill is measured as the fair value of consideration paid less the fair value of the net assets acquired and liabilities assumed on the acquisition date. Goodwill is tested at least annually for impairment or more frequently when impairment indicators are identified. In accordance with IAS 36, if some or all of the goodwill allocated to a cash-generating unit was acquired in a business combination during the current annual period, that unit shall be tested for impairment before the end of the current annual period.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

10. DEBT

Bank debt and equipment purchase financings comprise the following:

	March 31, 2022	December 31, 2021
	\$	\$
<u>Aggregate debt facilities</u>		
(i) Revolving credit facility	-	498
(ii) Mill Creek term loan	-	922
(iii) Papillon term loan	867	1,067
(iv) Equipment financings	24	1,398
Transferred to liabilities held for sale	-	(2,289)
	891	1,596
<u>Less: current portions of</u>	-	
Long term debt	(800)	(1,298)
Equipment financing	(15)	(18)
Total long term debt	76	280

Debt facilities

The Company's debt facilities at March 31, 2022 are described below.

- (i) \$500 Revolving Credit Facility – a one-year, secured revolving credit facility (“RC”) in the amount of the lesser of \$500 or 75% of accounts receivable at MIN-AD, bearing interest at the U.S. bank prime rate plus 1.00% per annum. The \$498 RC was amended to remove Mill Creek as a borrower, leaving MIN-AD as the sole borrower. The amendment required a repayment of at least \$100 be made within 30 days of closing the sale of Mill Creek. A repayment of \$498 was made on March 9, 2022 with a portion of Mill Creek sales proceeds. At March 31, 2022, \$Nil (March 31, 2021 - \$460) was outstanding under the RC facility. In addition, the borrowing base calculation for the revolving credit facility was amended so that advances under the line are capped at 50% of MIN-AD's account receivables plus 75% of inventory.

The facility is secured by the assets of MIN-AD and is guaranteed by both the Company and its subsidiary Secret Pass Gold Inc. The facility contains certain covenants that limit, among other things, the ability of MIN-AD to incur new indebtedness, sell material assets and make acquisitions. There is also a requirement to maintain a minimum debt service cover ratio (“DSCR”). The DSCR is calculated at period end based on the consolidated results of the Company.

- (ii) In accordance with the terms of the Mill Creek sale agreement, the Mill Creek term loan and Mill Creek Volvo equipment term loans were repaid in full on February 9, 2022 with a portion of the Mill Creek sale proceeds.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

10. DEBT (CONT'D)

- (iii) \$4,000 Papillon Term Loan - five year secured term loan bearing interest at a fixed rate of 4.75% per annum. The loan is secured against all the present and future assets of Papillon and Papillon Agricultural LLC, and is guaranteed by the Company and its subsidiaries, Secret Pass Gold Inc. and Papillon. The loan contains various covenants customary for a facility of this nature, including restrictions on new indebtedness, asset dispositions and acquisitions. The loan also contains financial covenants including a minimum DSCR of 1.15 and a requirement that 80% of accounts receivable plus cash must be equal to or greater than the outstanding loan balance. At March 31, 2022, \$800 (March 31, 2021 - \$800) was recorded as the current portion of long term debt and the balance of \$67 (March 31, 2021- \$867) was recorded as long term debt.

At March 31, 2022, the Company was in compliance with all bank debt covenant requirements.

- (iv) MIN-AD Vehicle loans – the company finances the purchase of company vehicles for use by a number of employees. The total amount outstanding under these facilities at March 31, 2022 was \$24 (March 31, 2021 - \$78) of which \$9 (March 31, 2021 - \$35) was current. The loans are secured by the vehicles and the interest rate on the facilities ranges from 5.00% to 5.5% per annum.

11. LEASE OBLIGATIONS

The Company leases rail cars, and office space. At March 31, 2022, the Company's lease obligations consist of the following:

	March 31, 2022	December 31, 2021
Movement in lease obligations:		
Lease obligations, beginning	\$ 752	\$ 1,560
Additions during the year	-	110
Payments during the year	(86)	(589)
Transferred to liabilities held for sale	-	(329)
Lease obligations, ending	666	752
Less: current portion	(310)	(330)
Total long term lease obligations	\$ 356	\$ 422

During the period, the Company recognized interest expense of \$10 (March 31, 2021 - \$22) on lease liabilities.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

12. ASSET RETIREMENT OBLIGATION

The Company is required to satisfy certain asset retirement obligations including the removal of any equipment and the restoration of the land and premises. This liability is management's estimate of the requirements for restoration and rehabilitation of the Company's MIN-AD dolomite quarrying operations. The Company's liability for reclamation of the property has been discounted to its present value based on an estimate of the Company's pricing in the market to obtain debt.

13. SERIES A PREFERRED SHARES

On December 5, 2008, the Company issued 17,136,980 Series A preferred shares ("Preferred Shares") to settle debt and unpaid interest owing to a shareholder in the amount of \$3,417.

Each Preferred Share is entitled to one vote, is redeemable and retractable on demand at a value of \$0.20, pays a non-cumulative quarterly dividend at a rate equivalent to the US prime interest rate, and is convertible into one common share.

There is no certainty of retraction of the Preferred Shares as there is no fixed or determinable date for their retraction nor are any future events defined that would trigger retraction. The shareholder has agreed to waive its right to retract the Preferred Shares for the year ending December 31, 2022, so the liability has been presented in these condensed consolidated interim financial statements as long term.

14. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares. The number of common shares issued and outstanding is as follows:

	Number	Amount
Balance, March 31, 2022 and December 31, 2021	22,303,311	\$5,791

Normal Course Issuer Bid

On February 19, 2021, the Company received approval from the TSXV to renew its NCIB to purchase for cancellation up to 1,000,000 common shares, representing 4.4% of the outstanding common shares of the Company. The renewal allowed for the purchase of common shares under the NCIB over the twelve-month period beginning on or about February 25, 2021. The NCIB terminated on February 25, 2022 and has not been renewed. The NCIB terminated upon the earliest of (i) the Company purchasing 1,000,000 common shares, (ii) the Company providing notice of termination of the NCIB and (iii) the date that is 12 months following the commencement of the NCIB.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

15. INCOME PER SHARE

Basic and diluted income per share have been calculated as follows:

	March 31, 2022	March 31, 2021
Basic income per share		
Income available to common shares	840	406
Weighted average common shares (in thousands)	22,306	22,384
	0.04	0.02
Diluted income per share		
Income available to common shares	840	406
Income available to common shares, assuming dilution	840	406
Weighted average common shares outstanding	22,306	22,384
Preferred shares converted to common shares	17,137	17,137
Adjusted weighted average common shares outstanding	39,443	39,521
	0.02	0.01

Each Preferred Share (Note 13) is convertible into one common share of the Company, the dilutive effect of the conversion of Preferred Shares is 17,136,980 additional common shares.

16. INCOME TAXES

At March 31, 2022, the Company had Canadian tax losses which are not recognized as deferred tax assets. The Company recognizes the tax benefit of the tax losses only to the extent of anticipated future Canadian taxable income that can be reduced by tax losses. The gross amount of the tax losses for which a tax benefit has not been recorded expire as follows:

Incurred	Expires	Amount
		C\$
2007	2027	464
2008	2028	377
2009	2029	262
2010	2030	319
2011	2031	328
2012	2032	303
2013	2033	249
2014	2034	169
2015	2035	166
2016	2036	199
2017	2037	262
2018	2038	116
2019	2039	145
2020	2040	50
2021	2041	162
		3,570

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

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17. RELATED PARTY TRANSACTIONS

Key management remuneration

The Company's related parties as defined by IAS 24, Related Party Disclosures, include the key management of the Company and its subsidiaries. Key management includes directors, the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), the Vice-President of Operations and the President of Papillon.

The compensation paid to key management for services is shown below:

	March 31, 2022	March 31, 2021
	\$	\$
Short term benefits including salaries, consulting and director fees	490	235

18. REVENUE SUPPLEMENTAL INFORMATION

The Company's revenue by type is broken down as follows in the condensed consolidated interim statements of income and comprehensive income.

	March 31, 2022	March 31, 2021
	\$	\$
<u>MIN-AD</u>		
Dolomite sales	736	774
Freight charges	286	294
Fuel charges	95	48
	1,117	1,116
<u>Papillon</u>		
Animal feed sales	15,624	15,526
Freight charges	812	229
	17,553	16,871

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended March 31, 2022 and 2021

(Expressed in thousands of United States Dollars except for per share information)

19. FINANCIAL RISK MANAGEMENT

Coronavirus (COVID-19)

Coronavirus disease is an infectious respiratory disease caused by a new virus. On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. As a consequence, governments worldwide have enacted emergency measures to reduce the spread of the disease. The measures include travel bans, physical distancing, quarantine periods for people that have the disease and those that have travelled, closing of social, cultural and educational facilities, and in some jurisdictions, the closing of all non-essential businesses. Global equity markets have experienced extreme volatility. Governments are providing substantial monetary and fiscal measures in an effort to stabilize economic conditions; however, it is not clear to what extent these measures will mitigate and stabilize the serious negative economic consequences resulting from the emergency measures imposed to combat COVID-19.

COVID-19 could have a substantial negative impact on the operations of the Company, its suppliers and its customers. Any labour quarantines or other disruptions to the Company's operations may impact its ability to provide products to its customers and, as a consequence, negatively impact the Company's revenues and cash flow. Similarly, the closure of one of the Company's quarrying and processing operations or its toll manufacturing facilities could severely limit the Company's production and its ability to supply its customers. Moreover, a widespread health crisis in the United States could have a material impact on the economy and lead to a prolonged recession that could seriously depress the demand for the Company's products. It is not possible to reliably estimate the length and severity of the economic consequences of the COVID-19 pandemic and the impact on the operations and financial results of the Company.

20. FINANCIAL COMMITMENTS

The Company is committed to \$1,651 (March 31, 2021 - \$5,469) for obligations and financial commitments in the normal course of operations and financing activities. At March 31, 2022 the Company had the following financial commitments related to its continuing operations:

	Total	2022	2023	2024	2025	Thereafter
	\$	\$	\$	\$	\$	\$
Bank principal repayments	867	602	265	-	-	-
Equipment financing	26	14	12	-	-	-
Lease obligations	758	274	200	129	49	106
Total	1,651	890	477	129	49	106

Debt repayments represent the principal only. Lease obligations represent the undiscounted amount of the lease commitments. Leases commenced subsequent to period end are not included in the lease liability recorded at period end.