



## **Consolidated Financial Statements**

Expressed in United States dollars  
For the years ended December 31, 2025 and 2024

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Inter-Rock Minerals Inc.

### *Opinion*

We have audited the consolidated financial statements of Inter-Rock Minerals Inc. (the "Group"), which comprise the consolidated balance sheets as at December 31, 2025 and 2024, and the consolidated statements of net and comprehensive income, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

### *Basis for Opinion*

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

### *Key Audit Matter*

A key audit matter is a matter that, in our professional judgement, was of most significance in our audit of the consolidated financial statements for the year ended December 31, 2025. This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

#### Revenue recognition - sales of dolomite products and dairy feed nutritional supplements

Refer to consolidated financial statements Note 3.3 – Material accounting policies – Revenue recognition; Note 4(i) Revenue.

Revenue from sales of dolomite products and dairy feed nutritional supplements totaled \$106,612,000 for the year ended December 31, 2025. The Group recognizes revenue when control of the goods is transferred to the buyer, which is either on shipment or delivery depending on the contract terms.

We identified the Group's recognition of revenue from these two revenue streams as a key audit matter because significant auditor judgment and auditor effort was required to evaluate when revenue should be recognized.

#### How our audit addressed the Key Audit Matter

Our audit procedures related to revenue recognized from sales of dolomite products and dairy feed nutritional supplements included the following, among others:

- We evaluated management's policies and procedures for revenue recognition to assess whether revenue is recognized in accordance with the applicable accounting standards; and



- We tested revenue recognized on a sample basis by agreeing sales transactions to the underlying sales invoice, customer order, shipping document and cash receipt.

#### *Other Information*

Management is responsible for the other information. The other information comprises the Management's Discussion and Analysis.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Octavio Cabral.

RSM Canada LLP

Chartered Professional Accountants  
Licensed Public Accountants  
April 10, 2026  
Toronto, Ontario

# Inter-Rock Minerals Inc.

## Consolidated Balance Sheets

As at December 31st

(Expressed in thousands of United States Dollars)

	Note	2025	2024
		\$	\$
<b>ASSETS</b>			
Current assets			
Cash		8,085	6,214
Accounts receivable		9,348	9,708
Inventories	7	3,584	2,717
Prepaid expenses and other assets		2,152	1,627
<b>Total Current Assets</b>		<b>23,169</b>	<b>20,266</b>
Non-current assets			
Investment	5	307	200
Properties, plant and equipment	8	5,263	5,480
Intangible assets	9	80	402
Goodwill	9	1,808	1,808
<b>Total Assets</b>		<b>30,627</b>	<b>28,156</b>
<b>LIABILITIES AND EQUITY</b>			
Current liabilities			
Accounts payable and accrued liabilities		8,921	8,674
Current portion of long term debt	10	555	644
Current portion of lease obligations	11	355	452
<b>Total Current Liabilities</b>		<b>9,831</b>	<b>9,770</b>
Non-current liabilities			
Long-term debt	10	357	538
Lease obligations	11	1,377	1,484
Asset retirement obligation	12	33	33
Deferred tax liability	16	510	449
Series A preferred shares	13	3,417	3,417
<b>Total Liabilities</b>		<b>15,525</b>	<b>15,691</b>
Equity			
Share capital	14	5,480	5,590
Contributed surplus		315	315
Retained earnings		9,307	6,560
<b>Total Equity</b>		<b>15,102</b>	<b>12,465</b>
<b>Total Liabilities and Equity</b>		<b>30,627</b>	<b>28,156</b>

Financial Commitments (Note 21)

Approved on behalf of the Board of Directors:

"Michael B. Crombie"

Director

"David R. Crombie"

Director

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

## Inter-Rock Minerals Inc.

Consolidated Statements of Net and Comprehensive Income

For the years ended December 31st

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

	Note	2025	2024
		\$	\$
<b>REVENUE</b>	6,18	<b>106,612</b>	99,143
<b>COST OF SALES</b>			
Operating costs	6	<b>91,897</b>	86,704
<b>GROSS PROFIT</b>		<b>14,715</b>	12,439
<b>OPERATING EXPENSES</b>			
Selling, general and administrative	6	<b>9,110</b>	8,453
Write-down of investment	5	-	435
Amortization and depletion	8	<b>934</b>	829
Amortization of intangible assets	9	<b>322</b>	322
<b>INCOME BEFORE FINANCING COSTS</b>		<b>4,349</b>	2,400
<b>FINANCING COSTS</b>			
Interest on Series A preferred shares	13	<b>248</b>	278
Interest on debt and lease obligations	10,11	<b>177</b>	166
<b>INCOME BEFORE INCOME TAXES</b>		<b>3,924</b>	1,956
<b>INCOME TAXES</b>			
Current	16	<b>1,116</b>	209
Deferred	16	<b>61</b>	(5)
<b>NET INCOME AND COMPREHENSIVE INCOME</b>		<b>2,747</b>	1,752
<b>Basic income per share</b>	15	<b>0.13</b>	0.08
<b>Diluted income per share</b>	15	<b>0.08</b>	0.05
<b>Weighted average number of shares outstanding</b>			
Basic		<b>21,801,853</b>	<b>21,954,353</b>
Diluted		<b>38,938,833</b>	<b>39,091,333</b>

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

## Inter-Rock Minerals Inc.

Consolidated Statements of Changes in Equity

For the years ended December 31, 2025 and 2024

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

---

---

	Share Capital (Note 14)	Contributed Surplus	Retained Earnings	Total
	\$	\$	\$	\$
Balance, December 31, 2023	5,621	315	4,808	10,744
Shares purchased for cancellation	(31)	-	-	(31)
Net and comprehensive income	-	-	1,752	1,752
<b>Balance, December 31, 2024</b>	<b>5,590</b>	<b>315</b>	<b>6,560</b>	<b>12,465</b>
Shares purchased for cancellation	(110)	-	-	(110)
Net and comprehensive income	-	-	2,747	2,747
<b>Balance, December 31, 2025</b>	<b>5,480</b>	<b>315</b>	<b>9,307</b>	<b>15,102</b>

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

## Inter-Rock Minerals Inc.

### Consolidated Statements of Cash Flows

For the years ended December 31, 2025 and 2024

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

	Note	2025	2024
<b>CASH PROVIDED BY (USED IN) OPERATIONS</b>			
Net income		2,747	1,752
Items not affecting cash			
Write-down of investment		-	435
Amortization and depletion		934	829
Amortization of intangible assets		322	322
Interest expense		425	444
Deferred income tax expense	16	61	(5)
		<b>4,489</b>	<b>3,777</b>
Net changes in non-cash working capital			
Accounts receivable		360	3,508
Inventories		(867)	(813)
Prepaid expenses		(525)	(496)
Accounts payable and accrued liabilities		250	(2,843)
<b>Cash provided by operating activities</b>		<b>3,707</b>	<b>3,133</b>
<b>INVESTING</b>			
Purchase of properties, plant and equipment	8	(533)	(1,210)
Disposal of properties, plant and equipment	8	71	-
Investment	5	(107)	(92)
<b>Cash used in investing activities</b>		<b>(569)</b>	<b>(1,302)</b>
<b>FINANCING</b>			
Interest paid		(173)	(166)
Interest on Series A preferred shares	13	(255)	(278)
Proceeds from financing	10	-	771
Repayment of long term debt	10	(270)	(103)
Repayment of lease obligations	11	(459)	(413)
Shares purchased for cancellation	14	(110)	(31)
<b>Cash used in financing activities</b>		<b>(1,267)</b>	<b>(220)</b>
<b>Net change in cash</b>		<b>1,871</b>	<b>1,611</b>
<b>Cash, beginning of the year</b>		<b>6,214</b>	<b>4,603</b>
<b>Cash, end of the year</b>		<b>8,085</b>	<b>6,214</b>

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

# Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

(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 67 Yonge Street, Suite 600 Toronto, Ontario, M5E 1J8, 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 U.S. 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 consolidated financial statements, including comparative balances for the year ended December 31, 2025, have been prepared in accordance with the IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The consolidated financial statements were approved by the Board of Directors of the Company on April 8, 2026.

### **2.2 Basis of measurement**

The consolidated 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.

### **2.3 Basis of consolidation**

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

<b>Name of subsidiary</b>	<b>Country of Incorporation</b>	<b>Ownership</b>
Secret Pass Gold, Inc.	United States	100%
MIN-AD, Inc.	United States	100%
Papillon Agricultural Company, Inc.	United States	100%

### **2.4 Functional currency and currency of presentation**

These consolidated 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 consolidated statements of net and comprehensive income.

# Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

## **3. MATERIAL ACCOUNTING POLICIES**

### **3.1 Inventories**

Inventories comprise finished goods, raw materials, stockpiled crushed ore and crushed ore in-circuit. All inventories are valued at the lower of cost and net realizable value. Cost includes production costs determined principally on an average cost basis for ore produced and processed. Cost includes blasting, crushing and transportation, costs of conversion and any other costs incurred in bringing inventories to their final processed condition. Costs not attributed to bringing inventories to their final processed condition, such as transportation costs subsequent to the completion of processing, storage costs and selling costs are expensed in the period incurred.

### **3.2 Properties, plant and equipment**

Properties, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. With the exception of spare parts, items are depreciated using the straight-line method over their estimated useful lives as follows:

---

Plant and equipment	3 - 15 years
Vehicles	5 - 7 years

---

Where components of an asset have a different useful life and cost that is significant to the total cost of the asset, depreciation is calculated on each separate component. Right-of-use assets are depreciated using the straight-line method over the shorter of the economic useful life of the asset or the term of the lease. Spare parts are carried at cost and transferred to the cost of the asset when the part is used to extend the life of the equipment; otherwise spare parts are expensed as repairs and maintenance when used. Estimates of useful lives, residual values and methods of depreciation are reviewed annually. The dolomite property is recorded at cost and depleted over the estimated economic life of the quarry on a unit of production method based on estimated recoverable tons of dolomitic limestone.

### **3.3 Revenue recognition**

The Company earns revenue from its sales of dairy feed nutritional supplements and dolomite products. Revenue from the sale of products is measured at the fair value of the consideration received or receivable, based upon the transaction price agreed under the terms of a sales contract. The Company typically receives payment within fifteen to thirty days of shipment or delivery.

Sales revenue is recognized when control of the goods has been transferred to the buyer. Control is generally transferred upon shipment (that is when the goods have been loaded and have left a manufacturing facility) or upon delivery (the goods arrive at a named place of destination). Revenue is recognized once shipment or delivery has been achieved. Once shipped or delivered, depending upon the contract terms, the customer has legal title to, physical possession of, and the risks and rewards of ownership of the product.

# Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

## **3. MATERIAL ACCOUNTING POLICIES (CONT'D)**

### **3.3 Revenue recognition (cont'd)**

For certain transactions, the Company arranges for transportation of the products on behalf of the customer. For each transaction, the Company assesses whether it is acting as a principal or agent with respect to arranging transportation. In cases where the Company is acting as principal (arranging for transportation and paying the freight), revenue and costs of sales are presented on a gross basis, so revenue includes the amount of freight charges recovered by the Company and the cost of sales includes the freight charges paid by the Company. In transactions where the Company is acting as principal with respect to freight, freight revenue is recognized when the Company has satisfied its performance obligation of arranging the freight, including acceptance of the freight rate by the customer. The Company has determined that, with respect to those transactions that include arranging transportation and freight, it is acting as principal in most cases.

### **3.4 Income taxes**

The tax expense for the year comprises current and deferred tax. Tax is recognized in the consolidated statements of net and comprehensive income for the year, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred income tax is recognized on the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled. Deferred income tax assets are recognized for all deductible temporary differences and carry forwards of unused tax losses, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and the carry forwards of unused tax losses can be utilized. Deferred income tax liabilities are provided on taxable temporary differences. Deferred taxes are not recognized for temporary differences related to goodwill.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is not probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred income tax asset to be recovered. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **3. MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.5 Income per share**

The basic income per share is computed by dividing the net income by the weighted average number of common shares outstanding during the year. The diluted income per share reflects the potential dilution of common share equivalents, such as outstanding stock options, share purchase warrants and the conversion of preferred shares in the weighted average number of common shares outstanding during the year.

#### **3.6 Asset retirement obligation**

The Company recognizes a liability for its legal obligations associated with the retirement of its dolomite property. Reclamation liabilities are recognized at the time an environmental disturbance occurs. The liability is measured using the Company's best estimate of the future cost required to reclaim the disturbance of the operation. The estimates are adjusted for inflation and subsequently discounted to their present value using an estimate of the Company's pricing in the market to obtain debt. Upon recognition of the initial reclamation liability, the corresponding cost is capitalized to the asset as it represents a portion of the cost of acquiring the future economic benefit of the property. Reclamation liabilities may be adjusted to reflect changes in the estimates of the costs of reclamation. Such adjustments are accounted for as a change in the corresponding capitalized cost in properties, plant and equipment.

#### **3.7 Intangible assets**

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date. The Company's intangible assets comprise customer relationships, distribution rights and the brand. Intangible assets with finite useful lives are subsequently carried at cost less accumulated amortization and impairment losses. These assets are amortized on a straight-line basis over their estimated useful lives. Intangibles with indefinite lives are measured at cost less any accumulated impairment losses and are not amortized.

Estimated useful lives are as follows:

Customer relationships	10 years
Distribution rights	10 years
Brand	10 years

Estimates of useful lives, residual values and methods of amortization are reviewed annually.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **3. MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.8 Goodwill**

The Company measures goodwill as the fair value of the cost of the acquisition less the fair value of the identifiable net assets acquired, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.

Goodwill is not amortized but is tested for impairment on an annual basis or more frequently if there are indications that goodwill may be impaired. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash generating units ("CGU") that are expected to benefit from the synergies of the acquisitions. If the recoverable amount of the CGU is less than the carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to other assets of the CGU.

#### **3.9 Financial Instruments**

The Company's financial instruments, from which financial risk arises, are cash, trade accounts receivables, investment, accounts payable and accrued liabilities, floating and fixed rate debt, lease obligations and the Series A preferred shares. At initial recognition, a financial instrument is measured at fair value, including transaction costs, unless the financial instrument is carried at fair value through profit or loss ("FVTPL"), in which case the transaction costs are recognized in profit or loss. At December 31, 2025, the Company had an investment in unquoted equity securities. The Company was not a party to any derivative contracts.

The Company's financial instruments are classified and subsequently measured as follows under IFRS 9:

<b>Asset/Liability</b>	<b>IFRS 9</b>
Cash	Amortized cost
Accounts receivable	Amortized cost
Investment	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Debt	Amortized cost
Lease obligations	Amortized cost
Series A preferred shares	Amortized cost

The Company's accounting policy for financial instruments is as follows:

#### *Financial assets*

Financial assets are classified as either financial assets at amortized cost, financial assets at fair value through profit or loss, ("FVTPL"), or fair value through other comprehensive income.

i) Amortized cost: financial assets are classified at amortized cost if both the following criteria are met and the financial assets are not designated as at FVTPL: (a) the object of the Company's business model for these financial assets is to collect their contractual cash flows and (b) the asset's contractual cash flows represent "solely payments of principal and interest". The Company's cash and accounts receivables are recorded at amortized cost as they meet the required criteria.

1

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **3. MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.9 Financial Instruments (cont'd)**

ii) Financial assets recorded at FVTPL: financial assets are initially recorded and subsequently measured at fair value if they are acquired for the purpose of selling in the near term. The Company's investment is recorded at FVTPL.

iii) Fair value through other comprehensive income: for investments in equity securities that are not held for trading, an irrevocable election can be made at initial recognition to classify the securities at fair value through other comprehensive income, with all subsequent changes in fair value being recognized in other comprehensive income.

#### *Financial liabilities*

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL, (for example, liabilities held for the purpose of trading) or the Company has elected to measure them at FVTPL. The Company's accounts payable and accrued liabilities, lease obligations, as well as long term debt and Series A preferred shares are initially recognized at fair value, net of any transaction costs and subsequently measured at amortized cost. Financial liabilities are derecognized when the obligation specified in the contract is discharged, canceled, or expired.

Although accounts receivable and accounts payable with no stated interest rate are measured at amortized cost subsequent to initial recognition, in practice, they continue to be measured at their invoiced amount as the effect of discounting would be immaterial due to the terms of payment being between 15 - 30 days.

#### *Derivatives*

The Company does not utilize derivative instruments to mitigate exposures to commodity, currency, interest risk or other exposures.

#### **3.10 Impairment of non-financial assets**

At the end of each reporting period, the Company assesses whether there is any indication that the carrying value of long term assets may be impaired. If an indicator of impairment exists, the recoverable amount of the asset is calculated in order to determine if any impairment charge is required. The recoverable amount is the higher of fair value less costs of disposal and value in use. Fair value is the price that would be received in an arm's length transaction between market participants at the measurement date. Costs of disposal are incremental costs directly attributable to disposal. Value in use is equal to the present value of future cash flows expected to be derived from the asset.

Impairment losses may be reversed, except for goodwill, in a subsequent period where the impairment no longer exists or has decreased. The carrying amount after a reversal must not exceed the carrying amount (net of depreciation) that would have been determined had no impairment loss been recognized. A reversal of impairment loss is recognized in the consolidated statements of net and comprehensive income.

## **Inter-Rock Minerals Inc.**

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **3. MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.10 Impairment of non-financial assets (cont'd)**

The Company performs goodwill impairment tests on an annual basis as at December 31 each year or more frequently if there are indications that goodwill may be impaired. If the carrying value of the CGU or group of CGUs to which goodwill is assigned exceeds its recoverable amount, an impairment loss is recognized. Goodwill impairment losses are not reversed. The recoverable amount of a CGU or group of CGUs is measured as the higher of fair value less costs of disposal and value in use. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGUs, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis, restricted to fair value of individual assets. Goodwill impairment loss is recognized in the consolidated statements of net and comprehensive income.

#### **3.11 Impairment of financial assets**

Under IFRS 9, the impairment model for financial assets measured at amortized cost reflects expected credit losses. The Company recognizes loss allowances for expected credit losses. Trade receivables are assessed to determine if they are credit impaired at each reporting date. A provision or loss allowance is established based on the Company's credit loss experience and factors specific to the debtor and the economic environment. Loss allowances are deducted from the carrying amount of the assets. The gross carrying amount of a financial asset is written off to the extent that there is no realistic prospect of recovery. No impairment losses or allowances for expected credit losses were recognized in 2025 and 2024.

#### **3.12 Segment reporting**

The Company has two reportable segments, which are those operations whose operating and financial results are regularly reviewed by the Company's management for the purpose of assessing performance. Each of the Company's two operating businesses are considered to be a separate operating segment.

Information regarding the results of each reportable segment is included in Note 6. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Company's management. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

#### **3.13 Leases**

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In instances where a contract contains a lease, the Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease.

Right-of-use assets are initially measured at cost, which is the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received. The right-of-use assets are included in the cost of property, plant and equipment for the associated operation. Right-of-use assets are subsequently depreciated, in accordance with the Company's existing accounting policy, from the commencement date of the lease to the earlier of the end of the lease term or the end of the useful life of the asset. Right-of-use assets may also be reduced due to impairment losses and adjusted for any re-measurements of the lease liability.

## **Inter-Rock Minerals Inc.**

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **3. MATERIAL ACCOUNTING POLICIES (CONT'D)**

#### **3.13 Leases (cont'd)**

At the commencement of the lease, the lease liability is recognized and is measured at the present value of the lease payments to be made over the term of the lease, discounted using the interest implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The incremental borrowing rate reflects the rate of interest the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions. After the commencement date, the lease liability is carried at amortized cost.

The carrying amount is re-measured if there is a modification to the lease contract, including a change to the lease term, a change in the amount of the fixed lease payments or a change in the assessment to purchase the underlying asset. Where the lease contains an extension or purchase option, the costs associated with the option are included if it is reasonably expected to be exercised by the Company. Lease liabilities are presented as lease obligations on the consolidated balance sheets.

The Company does not recognize right-of-use assets and lease liabilities for low value leases or for leases that have a lease term of 12 months or less at inception of the lease. Lease payments for these types of leases will be recognized as an expense over the lease term.

#### **3.14 Accounting standards issued but not effective**

##### *IFRS 18 – Presentation and Disclosure in Financial Statements*

In April 2024, IFRS 18, "Presentation and Disclosure in Financial Statements" was issued to achieve comparability of the financial performance of similar entities. The standard, which replaces IAS 1, "Presentation of Financial Statements", impacts the presentation of primary financial statements and notes, including the statement of earnings where companies will be required to present separate categories of income and expense for operating, investing, and financing activities with prescribed subtotals for each new category. The standard will also require management-defined performance measures to be explained and included in a separate note within the consolidated financial statements.

The standard is effective for annual reporting periods beginning on or after January 1, 2027, including interim financial statements, and requires retrospective application. The Company is currently assessing the impact of the new standard.

##### *IFRS 9 – Financial Instruments and IFRS 7 – Financial Instrument Disclosures*

In May 2024, amendments to IFRS 9, "Financial Instruments Disclosures: were issued. The amendments clarify the timing of recognition and derecognition for a financial asset or financial liability, including clarifying that a financial liability is derecognized on the settlement date. Further, the amendments introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date, if specific conditions are met. In addition, the amendments clarify the classification of financial assets with features linked to environment, social and corporate governance. The amendments also require additional disclosures for financial instruments with contingent features and investments in equity instruments classified at fair value through other comprehensive income.

## **Inter-Rock Minerals Inc.**

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **3. MATERIAL ACCOUNTING POLICIES (CONT'D)**

These amendments are effective for annual reporting periods beginning on or after January 1, 2026. Early adoption is permitted, with an option to early adopt only the amendments related to the classification of financial assets. The adoption is not expected to have a material impact on the Company's consolidated financial statements.

### **4. CRITICAL JUDGMENTS AND ESTIMATES**

The preparation of the Company's consolidated 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 consolidated 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.

The areas which require management to make significant estimates and assumptions in applying the Company's accounting policies in determining carrying values include:

#### *(i) Revenue*

The Company makes judgments in determining whether a performance obligation is distinct (i.e. if a service is separately identifiable from other services provided and if the customer can benefit from it.) Performance obligations are accounted for separately if they are distinct.

Judgments are required when evaluating when a performance obligation is satisfied and revenue may be recognized. In making its judgments, management considers when a customer obtains control of the goods promised in a contract and whether another entity fulfilling remaining services would need to re-perform work completed to date.

The Company makes judgments in determining whether the Company acts as principal or agent on certain sales to customers. The judgments made include determining whether the Company or a third-party control the goods or services provided.

#### *(ii) Income Taxes*

In assessing the probability of realizing deferred income tax assets, the Company makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, the Company gives additional weight to evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers relevant tax planning opportunities that are within the Company's control, are feasible and within management's ability to implement. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax asset at each reporting period.

## **Inter-Rock Minerals Inc.**

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **4. CRITICAL JUDGMENTS AND ESTIMATES (CONT'D)**

#### *(iii) Dolomite property*

The Company's estimate of recoverable dolomite requires significant assumptions and judgments in engineering and geological interpretation. Changes in the assumptions and judgments will impact estimates of recoverable dolomite. Changes in the recoverable dolomite estimates may impact the carrying value of the dolomite property and the depletion expense and asset retirement obligations.

#### *(iv) Impairment of goodwill and long-lived assets*

Goodwill is tested for impairment annually or more frequently if there is an indication of impairment. The carrying value of property, plant and equipment is reviewed each reporting period to determine whether there is any indication of impairment. Where an indicator of impairment exists, an estimate of the recoverable amount of the asset is determined. The recoverable amount is the higher of the fair value less costs of disposal of the asset and the value in use. If the recoverable amount of the respective non-financial asset is less than its carrying amount, it is considered to be impaired. In the process of measuring the recoverable amount, management makes assumptions about future events, such as commodity prices, future capital requirements, useful lives and future operating performance. These estimates and assumptions are subject to uncertainty. Therefore, there is a possibility that changes in circumstances will have an impact on these projections, which may impact the recoverable amount of assets or CGUs.

Accordingly, it is possible that some or the entire carrying amount of the assets or CGUs may be further impaired with the impact recognized in the consolidated statements of net and comprehensive income. Fair value represents the amount that would be obtained from a sale of the asset in an arm's length transaction between willing parties. Whereas, value in use is generally determined to be the present value of estimated future cash flows arising from the continued use of the asset. Changes in any of the assumptions used in discounting the future cash flows in the value in use calculation could impact the impairment analysis.

#### *(v) Inventory valuation*

Inventories are recorded at the lower of cost and net realizable value. The use of estimates is required in allocating costs to inventories of crushed ore in stockpiles at the quarry and the plant as well as in-circuit crushed ore. Actual results can vary from estimates used in the determination of the carrying value of inventories.

#### *(vi) Depreciation of plant and equipment and amortization of intangible assets*

Tangible assets, such as buildings, plant equipment and other equipment are depreciated on a straight-line basis over their useful lives. Similarly, intangible assets, including customer relationships, brand recognition and distribution rights are amortized on a straight-line basis over their useful lives. Judgment is required in the determining of the useful life for the calculation of depreciation and amortization and the actual useful lives may differ significantly from current assumptions.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **5. INVESTMENT**

In February 2023, the Company provided a convertible loan to a private Swiss company (“Embion”) in the amount of CHF 500,000. In January 2024, the Company made an additional non-interest bearing loan of CHF 65,000. The second tranche was provided under the same terms and conditions as the original loan. The Company’s two loans totaled \$635.

The convertible loans were non-interest bearing and had a maturity date of February 28, 2025. The loans would automatically convert to shares of Embion at the earlier of the maturity date and the completion by Embion to finance a minimum of CHF 1,500,000. In accordance with the terms of the loan agreement, in October 2024, the loans were converted to 113,000 shares of Embion, representing a 4.6% ownership interest.

The investment in Embion shares was written down by \$435 to its fair value of \$200 at December 31, 2024 due to an observable transaction in the form of a recent equity financing, reflecting current market conditions and the estimated fair value of the Company’s investment in Embion shares.

Embion is a start-up company developing a novel catalytic process to break down waste biomass, such as brewer’s grains. The process can be adapted to convert certain carbohydrates that can be utilized by bacteria in the gastrointestinal tracts of animals.

During the year, the Company made two additional equity investments in Embion totaling \$107 and increasing its ownership to 6.3%. There was no fair value adjustment or impairment for the period ending December 31, 2025.

### **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:

<b>Name of subsidiary</b>	<b>Country of Incorporation</b>	<b>Ownership</b>
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.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### 6. SUBSIDIARIES AND BUSINESS SEGMENTS (CONT'D)

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").

Segment operating results are as follows:

Year ended December 31, 2025	MIN-AD	Papillon	Other	Eliminations	Total
<b>REVENUE</b>					
Internal sales	8,776	-	1,200	(9,976)	-
External sales	660	105,952	-	-	<b>106,612</b>
<b>COST OF SALES</b>					
Operating costs	6,895	93,778	-	(8,776)	<b>91,897</b>
<b>GROSS PROFIT</b>	<b>2,541</b>	<b>12,174</b>	<b>1,200</b>	<b>(1,200)</b>	<b>14,715</b>
<b>OPERATING EXPENSES</b>					
Selling, general & administration	1,602	7,850	858	(1,200)	<b>9,110</b>
Amortization and depletion	686	70	178	-	<b>934</b>
Amortization of intangible assets	-	322	-	-	<b>322</b>
<b>INCOME BEFORE FINANCING COSTS</b>	<b>253</b>	<b>3,932</b>	<b>164</b>	<b>-</b>	<b>4,349</b>
<b>FINANCING COSTS</b>					
Interest on Series A preferred shares	-	-	248	-	<b>248</b>
Interest on debt and lease obligations	155	17	5	-	<b>177</b>
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	<b>98</b>	<b>3,915</b>	<b>(89)</b>	<b>-</b>	<b>3,924</b>
Inter-company dividend income	7,095	-	6,616	(13,711)	-
<b>INCOME TAXES</b>					
Current	-	1,116	-	-	<b>1,116</b>
Deferred	-	-	61	-	<b>61</b>
<b>NET AND COMPREHENSIVE INCOME</b>	<b>7,193</b>	<b>2,799</b>	<b>6,466</b>	<b>(13,711)</b>	<b>2,747</b>
<b>As at December 31, 2025</b>					
<b>ASSETS</b>					
Current assets	1,478	19,391	2,604	(304)	<b>23,169</b>
Non-current assets	5,004	2,444	10	-	<b>7,458</b>
	<b>6,482</b>	<b>21,835</b>	<b>2,614</b>	<b>(304)</b>	<b>30,627</b>
<b>LIABILITIES</b>					
Current liabilities	1,554	8,445	242	(410)	<b>9,831</b>
Non-current liabilities	1,572	195	3,927	-	<b>5,694</b>
	<b>3,126</b>	<b>8,640</b>	<b>4,169</b>	<b>(410)</b>	<b>15,525</b>

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### 6. SUBSIDIARIES AND BUSINESS SEGMENTS (CONT'D)

Adjustments and eliminations include inter-segment revenues and expenses which are eliminated on consolidation.

Segment balances for the prior year are as follows:

Year ended December 31, 2024	MIN-AD	Papillon	Other	Eliminations	Total
<b>REVENUE</b>					
Internal sales	6,725	51	960	(7,736)	-
External sales	1,690	97,453	-	-	<b>99,143</b>
<b>COST OF SALES</b>					
Operating costs	6,216	87,213	-	(6,725)	<b>86,704</b>
<b>GROSS PROFIT</b>	<b>2,199</b>	<b>10,291</b>	<b>960</b>	<b>(1,011)</b>	<b>12,439</b>
<b>OPERATING EXPENSES</b>					
Selling, general & administration	1,623	6,922	919	(1,011)	<b>8,453</b>
Writedown of investments	-	435	-	-	<b>435</b>
Amortization and depletion	591	63	175	-	<b>829</b>
Amortization of intangible assets	-	322	-	-	<b>322</b>
<b>INCOME (LOSS) BEFORE FINANCING COST:</b>	<b>(15)</b>	<b>2,549</b>	<b>(134)</b>	<b>-</b>	<b>2,400</b>
<b>FINANCING COSTS</b>					
Interest on Series A preferred shares	-	-	278	-	<b>278</b>
Interest on debt and lease obligations	123	31	12	-	<b>166</b>
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	<b>(138)</b>	<b>2,518</b>	<b>(424)</b>	<b>-</b>	<b>1,956</b>
Inter-company dividend income	200	-	600	(800)	-
<b>INCOME TAXES</b>					
Current	-	209	-	-	<b>209</b>
Deferred	-	-	(5)	-	<b>(5)</b>
<b>NET AND COMPREHENSIVE INCOME</b>	<b>62</b>	<b>2,309</b>	<b>181</b>	<b>(800)</b>	<b>1,752</b>
<b>As at December 31, 2024</b>					
<b>ASSETS</b>					
Current assets	1,496	18,636	652	(518)	<b>20,266</b>
Non-current assets	5,030	2,721	139	-	<b>7,890</b>
	<b>6,526</b>	<b>21,357</b>	<b>791</b>	<b>(518)</b>	<b>28,156</b>
<b>LIABILITIES</b>					
Current liabilities	1,804	8,148	336	(518)	<b>9,770</b>
Non-current liabilities	1,793	251	3,877	-	<b>5,921</b>
	<b>3,597</b>	<b>8,399</b>	<b>4,213</b>	<b>(518)</b>	<b>15,691</b>

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### 7. INVENTORIES

	2025	2024
	\$	\$
Raw materials and consumables	244	388
Finished goods	3,340	2,329
Total inventories	3,584	2,717

During the year ended December 31, 2025, the cost of inventory recognized as an expense in cost of sales amount to \$91,897 (2024 - \$86,704).

### 8. PROPERTIES, PLANT AND EQUIPMENT

	Dolomite Property	Plant and Equipment	Right of Use Assets	Vehicles	Spare Parts	Total
Balance, December 31, 2023	1,754	11,015	2,332	300	409	15,810
Additions in the year	-	1,002	1,484	87	121	2,694
Disposals in the year	-	-	-	-	-	-
<b>Balance, December 31, 2024</b>	1,754	12,017	3,816	387	530	18,504

Additions in the year	-	526	255	-	7	788
Disposals in the year	-	-	-	-	(71)	(71)
<b>Balance, December 31, 2025</b>	1,754	12,543	4,071	387	466	19,221

Accumulated Amortization and Depletion	Dolomite Property	Plant and Equipment	Right of Use Assets	Vehicles	Spare Parts	Total
Balance, December 31, 2023	(1,372)	(9,025)	(1,504)	(294)	-	(12,195)
Amortization and depletion in the year	(48)	(321)	(445)	(15)	-	(829)
<b>Balance, December 31, 2024</b>	(1,420)	(9,346)	(1,949)	(309)	-	(13,024)
Amortization and depletion in the year	(58)	(387)	(472)	(17)	-	(934)
<b>Balance, December 31, 2025</b>	(1,478)	(9,733)	(2,421)	(326)	-	(13,958)

#### Net Book Value

As at December 31, 2024	334	2,671	1,867	78	530	5,480
As at December 31, 2025	276	2,810	1,650	61	466	5,263

For the years ending December 31, 2025 and 2024, there were no indicators of impairment in the carrying value of the Company's dolomite property, plant and equipment and right-of-use assets.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### 8. PROPERTIES, PLANT AND EQUIPMENT (CONT'D)

The right-of-use depreciation expense and carrying amount relates to the following types of assets:

	2025		2024	
	Depreciation Expense	Carrying amount	Depreciation expense	Carrying amount
Rail Cars	\$ 287	\$ 1,417	\$ 260	\$ 1,449
Office Space	185	233	185	418
	\$ 472	\$ 1,650	\$ 445	\$ 1,867

### 9. INTANGIBLE ASSETS AND GOODWILL

Intangible assets and goodwill comprise the following:

	Customer relationships (a)	Distribution rights (b)	Brand (c)	Total Intangibles	Goodwill
Balance December 31, 2023	\$ 414	\$ 295	\$ 15	\$ 724	\$ 1,808
Less: amortization	(185)	(127)	(10)	(322)	-
<b>Balance, December 31, 2024</b>	<b>229</b>	<b>168</b>	<b>5</b>	<b>402</b>	<b>1,808</b>
Less: amortization	(185)	(132)	(5)	(322)	-
<b>Balance, December 31, 2025</b>	<b>44</b>	<b>36</b>	<b>-</b>	<b>80</b>	<b>1,808</b>

Amortization of intangible assets is presented within amortization of intangibles on the consolidated statements of income and comprehensive income. At year-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.
- 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 Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### 9. INTANGIBLE ASSETS AND GOODWILL (cont'd)

The goodwill impairment analysis performed by the Company concluded there was no impairment of goodwill as at December 31, 2025 or 2024, as the fair value of Papillon Agricultural Company Inc. exceeded its carrying value. Papillon's recoverable amount was determined based on using a 5-year discounted cash flow model.

Key assumptions used in the discounted cash flows are: (a) projected cash flow was estimated using current results with a growth rate of 2% and a terminal growth rate of 4 times EBITDA, (b) taxes were estimated using current rates, (c) an estimate of working capital was based on historical requirements, (Papillon has historically not incurred material capital expenditures) and (d) a discount rate of 20% was used in the cash flow model.

### 10. DEBT

Bank debt and equipment purchase financings comprise the following:

	2025	2024
<u>Aggregate debt facilities</u>	\$	\$
(i) Revolving credit facility	370	470
(ii) MIN-AD term loan	463	597
(iii) Equipment financing	79	115
	912	1,182
<u>Less current portions of:</u>		
Long term debt	(514)	(605)
Equipment financing	(41)	(39)
<b>Total long term debt</b>	<b>357</b>	<b>538</b>

The Company's debt facilities are described below. At December 31, 2025, the Company was in compliance with all debt covenants.

- (i) \$500 Revolving Credit Facility – a one-year, secured revolving credit facility (“RC”) in the amount of \$500 bearing interest at the U.S. bank prime rate plus 1.00% per annum. At December 31, 2025 - \$370 (2024 - \$470) was recorded as current portion of long term debt.

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 annually based on the annual audited consolidated results of the Company.

- (ii) \$800 MIN-AD Term Loan – an equipment financing facility of up to \$800 with a nine-month drawdown period, which ended March 2, 2024, followed by a fifty-seven month amortization period commencing April 2024. A total of \$692 was advanced during the drawdown period, the interest rate was the U.S. prime rate plus 50bps and during the amortization period the interest rate is fixed at 6.75%. Only interest was paid during the drawdown period. The loan is secured by the equipment and is guaranteed by Secret Pass Gold Inc. and the Company. At December 31, 2025 - \$144 (2024 - \$135) was recorded as current portion of long term debt and the balance of \$319 (2024 - \$462) was recorded as long term debt.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### 10. DEBT (cont'd)

- (iii) Equipment financing loans – the Company periodically finances the purchase of equipment and company vehicles. At December 31, 2025 - \$41 (2024 - \$39) was recorded as current portion of long term debt and the balance of \$38 (2024 – \$76) is recorded as long term debt. The loans are secured by the equipment, and the interest rates range between 0.9% and 9% per annum.
- (iv) Papillon \$1.0 million revolving credit facility – a one-year revolving credit facility bearing interest at the secured overnight financing rate (“SOFR”) plus a spread of 1.88%. The facility matures on June 30, 2026, and can be renewed annually at the discretion of the lender. The facility is secured by the assets of Papillon. There was no outstanding debt at December 31, 2025.

### 11. LEASE OBLIGATIONS

The Company leases rail cars and office space. The Company’s lease obligations at December 31, 2025 consist of the following:

	2025		2024
<b>Movement in lease obligations:</b>			
Lease obligations, beginning	\$ 1,936	\$	863
Additions during the year	255		1,486
Payments during the year	(459)		(413)
Lease obligations, ending	1,732		1,936
Less: current portion	(355)		(452)
<b>Total long term lease obligations</b>	<b>\$ 1,377</b>	<b>\$</b>	<b>1,484</b>

During the year, the Company recognized interest expense of \$98 (2024 - \$76) on lease liabilities.

MIN-AD has a number of rail car leases with maturity dates ranging from 2026 to 2033. In the normal course of business, MIN-AD renews the rail car leases as demand requires. The rail car leases typically have terms of 3 or 5 years. The Company does not have any low value or short term leases and does not capitalize leases with these attributes.

### 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.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **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 shareholders agreed to waive their right to retract the Preferred Shares for the year ending December 31, 2026, so the liability has been presented in these consolidated financial statements as long term. During the year, the Board of Directors of the Company declared quarterly preferred share dividends totaling \$248 (2024 - \$278). The dividends are recorded as interest expense.

### **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, December 31, 2023	21,972,311	\$5,621
Purchased for cancellation	(53,500)	(31)
Balance, December 31, 2024	21,918,811	\$5,590
Purchased for cancellation	(185,000)	(110)
<b>Balance, December 31, 2025</b>	<b>21,733,811</b>	<b>\$5,480</b>

#### **Normal Course Issuer Bid (NCIB)**

The Company’s previous NCIB expired on August 18, 2025. A total of 185,000 common shares were repurchased and cancelled.

On August 25, 2025, the Company received approval to commence a NCIB to purchase for cancellation up to 1,000,000 common shares, representing 4.6% of the outstanding common shares of the Company. The Company may purchase common shares under the NCIB over the twelve-month period beginning on or about August 25, 2025. The NCIB will terminate upon the earliest of (i) the Company purchasing 1,000,000 common shares, (ii) the Company providing termination of the NCIB and (iii) the date that is 12 months following the commencement of the NCIB.

Any purchases under the NCIB will be conducted on the open market through the facilities of the TSXV or alternative Canadian trading systems. The price paid for any common shares repurchased under the NCIB will be the prevailing market price at the time of purchase. All common shares purchased by the Company will be cancelled. Since commencement of the current NCIB, the Company has purchased and cancelled 28,700 shares. These purchases were made subsequent to year end.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

(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:

	2025	2024
<b>Basic income per share</b>		
Income available to common shares	2,747	1,752
Weighted average common shares (in thousands)	21,802	21,954
	0.13	0.08
<b>Diluted income per share</b>		
Income available to common shares	2,747	1,752
Interest on Series A preferred shares	248	278
Income available to common shares, assuming dilution	2,995	2,030
Weighted average common shares outstanding	21,802	21,954
Preferred shares converted to common shares	17,137	17,137
Adjusted weighted average common shares outstanding	38,939	39,091
	0.08	0.05

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

	2025	2024
	\$	\$
Income from operations before income taxes per financial statements	3,924	1,956
United States statutory tax rate	27%	27%
Income tax	1,059	528
Non-deductible and other	(18)	(227)
Adjust to prior years provision versus statutory tax returns and other	143	-
Change in unrecognized deductible temporary differences	(7)	(97)
Income tax	1,177	204
	2025	2024
Income tax expense:	\$	\$
Current	1,116	209
Deferred	61	(5)
Total	1,177	204

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### 16. INCOME TAXES (CONT'D)

	2025	2024
	\$	\$
Carrying value of mineral properties, plant and equipment for accounting purposes in excess of carrying value for tax purposes	(621)	(642)
Carrying value of intangibles for tax purposes in excess of carrying value	(27)	61
Other temporary differences	79	73
Investment	59	59
Deferred income tax liability	(510)	(449)

At December 31, 2025, 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 tax losses for which a tax benefit has not been recorded expire as follows:

Incurred	Expires	Amount
		C\$
2007	2027	144
2008	2028	377
2009	2029	261
2010	2030	319
2011	2031	327
2012	2032	303
2013	2033	249
2014	2034	169
2015	2035	166
2016	2036	200
2017	2037	262
2018	2038	118
2019	2039	144
2020	2040	-
2021	2041	82
2022	2042	639
2023	2043	-
2024	2044	243
2025	2045	-
		4,003

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### **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:

	<b>2025</b>	<b>2024</b>
	\$	\$
Short term benefits including salaries, consulting and director fees	<b>1,450</b>	1,323

### **18. REVENUE SUPPLEMENTAL INFORMATION**

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

	<b>2025</b>	<b>2024</b>
	\$	\$
<b>MIN-AD</b>		
Dolomite sales	<b>660</b>	1,503
Freight charges	-	142
Fuel charges	-	45
	<b>660</b>	1,690
<b>Papillon</b>		
Animal feed sales	<b>103,091</b>	94,169
Freight charges	<b>2,861</b>	3,284
	<b>106,612</b>	99,143

### **19. FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a number of financial risks including, (i) credit risk; (ii) market risk (including interest rate risk and foreign exchange risk) and (iii) liquidity risk. The objective of the Company's risk management policy is to properly identify financial risks and minimize adverse effects by ensuring that the Company maintains adequate capital in relation to the risks. Management designs and implements strategies for managing financial risks, as summarized below:

#### **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss to the Company. The Company is exposed to credit risk primarily from trade receivables, its financing activities, including deposits with banks, and its investment in Embion.

For cash and accounts receivables, credit risk exposure equals the carrying amount on the consolidated balance sheets. The Company's historical accounts receivables defaults have been negligible, resulting in a low level of credit risk.

## **Inter-Rock Minerals Inc.**

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### **19. FINANCIAL RISK MANAGEMENT (CONT'D)**

#### **Credit risk (cont'd)**

The Company mitigates accounts receivable credit risk by dealing with creditworthy counterparties and limiting concentration risk. The Company has adopted a credit policy under which each new customer is analyzed individually for credit worthiness before the Company's standard payment terms and conditions are offered. The Company's exposure to credit risk with its customers is influenced mainly by the individual characteristics of each customer. All of the Company's customers are located in either Canada or the United States. When available, the Company reviews credit bureau ratings, bank accounts and financial information for each new customer.

Credit risk from deposits with banks is managed by maintaining cash balances at several financial institutions in North America.

#### **Liquidity risk**

Liquidity risk is the risk that the Company will not have sufficient cash to meet its financial obligations as they come due. See Note 21. The Company manages liquidity risk by continuously monitoring forecasted and actual cash flows, cash balances and liabilities to ensure adequate cash is available to meet its liabilities. The Company is growing and in order to meet its longer-term working capital requirements, the Company will attempt, if necessary, to secure further financing.

#### **Market risk**

Market risk is the risk that changes in market factors, such as interest rates or foreign exchange rates, will affect the value of the Company's financial instruments. The Company can either accept market risk or attempt to mitigate it using derivatives or other hedging strategies. The Company is exposed to interest rate risk related to its Preferred Shares, if dividends are declared and, to the extent that it uses them, the revolving credit facilities since the interest rates or dividend payment on these instruments fluctuates with the general level of interest rates. The majority of the Company's debt is fixed rate. Of the financial instruments held at year-end, a one percent change in interest rates would affect the profitability of the Company by an immaterial amount.

The majority of the Company's revenues, expenses, cash holdings and debt instruments are denominated in U.S. dollars, accordingly, foreign exchange risk is minimal. The Company has relatively small amounts of cash, accounts payable and accrued liabilities denominated in Canadian dollars. Changes in the exchange rate between the United States and Canadian dollars would not have a material impact on the Company's earnings.

#### **Fair value measurement of financial instruments**

Fair value is the price that would be received to sell an asset or settle a liability in an orderly transaction between willing, knowledgeable parties in an arm's length transaction at the measurement date.

Fair values of financial instruments traded in active markets are determined based on quoted market prices, where available. For financial instruments not traded in an active market, fair values are determined based on appropriate valuation techniques. Such techniques may include discounted cash flow analysis, using recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, and other valuation models.

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

---

### 19. FINANCIAL RISK MANAGEMENT (CONT'D)

#### Fair value measurement of financial instruments (cont'd)

The Company applies a hierarchy to classify valuation methods used to measure financial instruments carried at fair values subsequent to initial recognition. Levels 1 to 3 are defined based on the degree to which fair value inputs are observable, as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 valuation techniques use significant observable inputs, either directly (i.e. prices) or indirectly (i.e. derived from prices), or valuations are based on quoted prices for similar instruments; and

Level 3 valuation techniques use significant inputs that are unobservable (supported by little or no market activity).

The Company's financial assets and liabilities include cash, accounts receivable, accounts payable and accrued liabilities, lease obligations, long term debt and the Series A preferred shares, none of which are measured at fair value subsequent to initial recognition. Due to their short-term nature, the carrying value of cash, accounts receivable and accounts payables and accrued liabilities approximates their fair value. Long term debt and lease obligations are recorded on the Company's consolidated balance sheet at amortized cost, which approximates their fair value as all debt and lease obligations carry market rates of interest. The Company's investment in Embion is carried at fair value through profit and loss using level 3 inputs. There were no transfers between levels 1, 2 or 3 in 2025 or 2024.

---

	2025	2024
	\$	\$
<b>Financial assets measured at amortized cost</b>		
Cash	8,085	6,214
Accounts receivable	9,348	9,708
<b>Financial assets measured at FVTPL</b>		
Investment	307	200
<b>Financial liabilities measured at amortized cost</b>		
Series A preferred shares	3,417	3,417
Accounts payable and accrued liabilities	8,921	8,674
Long-term debt - current portion	555	644
Long-term debt - non-current portion	357	538
Lease obligations - current portion	355	452
Lease obligations - non-current portion	1,377	1,484

---

## Inter-Rock Minerals Inc.

Notes to the Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

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

### **20. MANAGEMENT OF CAPITAL**

The Company considers its capital structure at December 31, 2025 to include shareholders' equity which totaled \$15,102 (2024-\$12,465); preferred shares of \$3,417 (2024-\$3,417) and long term debt of \$357 (2024-\$538) (Note 10).

The Company manages capital through an annual budgeting process and regular reviews of working capital requirements. The Company's objective when managing capital is to ensure adequate liquidity to continue operations, including funding of future growth opportunities and the pursuit of acquisitions. The Company seeks to ensure that cash from operations is sufficient to meet all operating expenses, sustaining capital expenditures, and debt service obligations. Funds for significant capital improvements are primarily secured through long term debt. There is no assurance that bank debt will be available. There were no changes in capital management in the year.

The Company's long term capital is subject to external restrictions including continued listing requirements of the TSX Venture Exchange and certain debt covenants as described in Note 10.

### **21. FINANCIAL COMMITMENTS**

The Company is committed to \$3,317 (2024 - \$3,534) for obligations and financial commitments in the normal course of operations and financing activities. At December 31, 2025, the Company had the following financial commitments:

	<b>Total</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>Thereafter</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Bank debt repayments	<b>912</b>	557	189	166	-	-
Lease obligations	<b>2,405</b>	488	505	498	402	512
<b>Total</b>	<b>3,317</b>	<b>1,045</b>	<b>694</b>	<b>664</b>	<b>402</b>	<b>512</b>

Debt repayments represent the principal only. Lease obligations represent the undiscounted amount of the lease commitments.

In accordance with the terms of a protein manufacturing agreement, Papillon has committed to purchasing a minimum annual value of protein products over a five-year period, with an aggregate value over the five years of \$1,000. If the value of the protein purchases is less than \$1,000 Papillon must pay the difference between the minimum required and the value of the actual amount purchased. The manufacturer can choose to reconcile the account annually or carry forward any differences.

During the fourth quarter of 2025, the Company signed a new five-year lease for corporate office space in Toronto. The lease commences on January 1, 2026 and expires on May 31, 2031.