INTER-ROCK
MINERALS INC

# Consolidated Financial Statements

Expressed in United States dollars
For the six months ended June 30, 2026

## 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.**
**August 13, 2026**

## Inter-Rock Minerals Inc.

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

| ***UNAUDITED*** | Note | **June 30, 2026** | December 31, 2025 |
|---|---|---|---|
| | | **$** | $ |
| **ASSETS** | | | |
| Current assets | | | |
| Cash | | **9,808** | 8,085 |
| Accounts receivable | | **11,768** | 9,348 |
| Inventories | 7 | **2,730** | 3,584 |
| Prepaid expenses and other assets | | **2,270** | 2,152 |
| **Total Current Assets** | | **26,576** | 23,169 |
| Non-current assets | | | |
| Investment | 5 | **345** | 307 |
| Properties, plant and equipment | 8 | **5,711** | 5,263 |
| Intangible assets | 9 | **-** | 80 |
| Goodwill | 9 | **1,808** | 1,808 |
| **Total Assets** | | **34,440** | 30,627 |
| **LIABILITIES AND EQUITY** | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | | **11,476** | 8,921 |
| Current portion of long term debt | 10 | **531** | 555 |
| Current portion of lease obligations | 11 | **422** | 355 |
| **Total Current Liabilities** | | **12,429** | 9,831 |
| Non-current liabilities | | | |
| Long-term debt | 10 | **262** | 357 |
| Lease obligations | 11 | **1,555** | 1,377 |
| Asset retirement obligation | 12 | **33** | 33 |
| Deferred tax liability | | **510** | 510 |
| Series A preferred shares | 13 | **3,417** | 3,417 |
| **Total Liabilities** | | **18,206** | 15,525 |
| Equity | | | |
| Share capital | 14 | **5,426** | 5,480 |
| Contributed surplus | | **315** | 315 |
| Retained earnings | | **10,493** | 9,307 |
| **Total Equity** | | **16,234** | 15,102 |
| **Total Liabilities and Equity** | | **34,440** | 30,627 |

*Financial Commitments (Note 19)*

# 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 | For the three months ended June 30, 2026 | June 30, 2025 | For the six months ended June 30, 2026 | June 30, 2025 |
|---|---|---|---|---|---|
| | | $ | $ | $ | $ |
| **REVENUE** | 6 | **26,811** | **28,148** | **51,231** | **56,470** |
| **COST OF SALES** | | | | | |
| Operating costs | 6 | **23,174** | **24,000** | **44,109** | **48,870** |
| **GROSS PROFIT** | | **3,637** | **4,148** | **7,122** | **7,600** |
| **OPERATING EXPENSES** | | | | | |
| Selling, general and administrative | 6 | **2,357** | **2,221** | **4,923** | **4,681** |
| Amortization and depletion | 8 | **208** | **230** | **420** | **454** |
| Amortization of intangible assets | 9 | **-** | **80** | **80** | **161** |
| **INCOME BEFORE FINANCING COSTS** | | **1,072** | **1,617** | **1,699** | **2,304** |
| **FINANCING COSTS** | | | | | |
| Interest on Series A preferred shares | 13 | **-** | **128** | **58** | **128** |
| Interest on debt and lease obligations | 10,11 | **40** | **48** | **80** | **93** |
| **INCOME BEFORE INCOME TAXES** | | **1,032** | **1,441** | **1,561** | **2,083** |
| **INCOME TAXES** | | | | | |
| Current | 16 | **275** | **375** | **375** | **500** |
| **NET INCOME AND COMPREHENSIVE INCOME** | | **757** | **1,066** | **1,186** | **1,583** |
| **Basic income per share** | 15 | **0.03** | **0.05** | **0.05** | **0.07** |
| **Diluted income per share** | 15 | **0.02** | **0.03** | **0.03** | **0.04** |
| **Weighted average number of shares outstanding** | | | | | |
| **Basic** | | **21,713,844** | **21,734,311** | **21,713,844** | **21,734,311** |
| **Diluted** | | **38,850,824** | **38,871,291** | **38,850,824** | **38,871,291** |

# Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Changes in Equity
As at and for the periods ended June 30, 2026 and 2025
*(Expressed in thousands of United States Dollars except for per share information)*

| ***UNAUDITED*** | **Share Capital (Note 14)** | **Contributed Surplus** | **Retained Earnings** | **Total** |
|---|---|---|---|---|
| | **$** | **$** | **$** | **$** |
| Balance, December 31, 2024 | 5,590 | 315 | 6,560 | **12,465** |
| Shares purchased for cancellation | (110) | - | - | **(110)** |
| Net and comprehensive income | - | - | 1,583 | **1,583** |
| **Balance, June 30, 2025** | **5,480** | **315** | 8,143 | **13,938** |
| Balance, December 31, 2025 | 5,480 | 315 | 9,307 | **15,102** |
| Shares purchased for cancellation | (54) | - | - | **(54)** |
| Net and comprehensive income | - | - | 1,186 | **1,186** |
| **Balance, June 30, 2026** | **5,426** | **315** | **10,493** | **30,172** |

# Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Cash Flows

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

| | | For the three months ended | | For the six months ended | |
|---|---|---|---|---|---|
| ***UNAUDITED*** | Note | **June 30, 2026** | June 30, 2025 | **June 30, 2026** | June 30, 2025 |
| | | **$** | $ | **$** | $ |
| **CASH PROVIDED BY (USED IN) OPERATIONS** | | | | | |
| Net income | | **757** | 1,066 | **1,186** | **1,583** |
| Items not affecting cash | | | | | |
| Amortization and depletion | | **208** | 230 | **420** | **454** |
| Amortization of intangible assets | | **-** | 80 | **80** | **161** |
| Interest expense | | **98** | 176 | **138** | **221** |
| | | **1,063** | 1,552 | **1,824** | **2,419** |
| Net changes in non-cash working capital | | | | | |
| Accounts receivable | | **(4,295)** | 2,529 | **(2,420)** | 1,339 |
| Inventories | | **1,196** | (1,502) | **854** | (1,144) |
| Prepaid expenses | | **(165)** | 394 | **(118)** | 92 |
| Accounts payable and accrued liabilities | | **1,715** | (2,542) | **2,612** | (906) |
| **Cash generated by operating activities** | | **(486)** | 431 | **2,752** | 1,800 |
| | | | | | |
| **INVESTING** | | | | | |
| Purchase of properties, plant and equipment | 8 | **(202)** | (52) | **(451)** | (381) |
| Investment | 5 | **(35)** | (56) | **(35)** | (56) |
| **Cash used in investing activities** | | **(237)** | (108) | **(486)** | (437) |
| | | | | | |
| **FINANCING** | | | | | |
| Interest paid | | **(40)** | (48) | **(80)** | (93) |
| Interest on Series A preferred shares | 13 | **(58)** | (128) | **(116)** | (193) |
| Proceeds from financing | 10 | **40** | - | **40** | - |
| Repayment of long term debt | 10 | **(46)** | (145) | **(161)** | (188) |
| Repayment of lease obligations | 11 | **(83)** | (97) | **(172)** | (202) |
| Shares purchased for cancellation | 14 | **(25)** | (80) | **(54)** | (110) |
| **Cash provided by (used in) financing activities** | | **(212)** | (498) | **(543)** | (786) |
| | | | | | |
| **Net change in cash** | | **(935)** | (175) | **1,723** | 577 |
| **Cash, beginning of the period** | | **10,743** | 6,966 | **8,085** | 6,214 |
| **Cash, end of the period** | | **9,808** | 6,791 | **9,808** | 6,791 |

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

*(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

The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of the Interim Financial Statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. The 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, 2025, prepared in accordance with IAS as issued by the IASB. The Company confirms that it is in compliance with IAS 34 in the preparation and presentation of these condensed consolidated interim financial statements.

### 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, 2025.

### 2.3 Basis of consolidation

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

| Name of subsidiary | Country of Incorporation | Ownership |
|---|---|---|
| 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 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.

## 3. MATERIAL 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, 2025. The Company's material accounting policies are presented in Note 3 in the audited consolidated financial statements for the year ended December 31, 2025.

## 4. CRITICAL 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, 2025.

## 5. INVESTMENT

In February 2023, the Company provided a non-interest-bearing convertible loan of CHF 500,000 to a private Swiss company, ("Embion"), followed by an additional CHF 65,000 in January 2024 under the same terms, for total loans of $635. The loans matured on February 28, 2025 and were to automatically convert to shares upon the earlier of maturity or Embion completing a minimum CHF 1,500,000 financing. In accordance with the loan agreement, the loans were converted in October 2024 into 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 based on an equity financing at that time. During 2025, the Company made two additional equity investments in Embion totaling $107 and an additional investment of $35 in May 2026, increasing its ownership to 6.5%. There was no fair value adjustment or impairment for the period ending June 30, 2026.

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.

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

## 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 | Ownership |
|---|---|---|
| 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").

Segment operating results are as follows:

| Period ending June 30, 2026 | MIN-AD | Papillon | Other | Eliminations | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | **$** |
| **REVENUE** | | | | | |
| Internal sales | 4,542 | - | 600 | (5,142) | **-** |
| External sales | 356 | 50,875 | - | - | **51,231** |
| **COST OF SALES** | | | | | |
| Operating costs | 3,637 | 45,014 | - | (4,542) | **44,109** |
| **GROSS PROFIT** | 1,261 | 5,861 | 600 | (600) | **7,122** |
| **OPERATING EXPENSES** | | | | | |
| Selling, general & administration | 835 | 4,013 | 675 | (600) | **4,923** |
| Amortization and depletion | 345 | 36 | 39 | - | **420** |
| Amortization of intangible assets | - | 80 | - | - | **80** |
| **INCOME (LOSS) BEFORE FINANCING COSTS** | 81 | 1,732 | (114) | - | **1,699** |
| **FINANCING COSTS** | | | | | |
| Interest on Series A preferred shares | - | - | 58 | - | **58** |
| Interest on debt and lease obligations | 70 | 7 | 3 | - | **80** |
| **INCOME (LOSS) BEFORE INCOME TAXES** | 11 | 1,725 | (175) | - | **1,561** |
| **INCOME TAXES** | | | | | |
| Current | - | 375 | - | - | **375** |
| **NET AND COMPREHENSIVE INCOME (LOSS)** | 11 | 1,350 | (175) | - | **1,186** |

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

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

| As at June 30, 2026 | MIN-AD | Papillon | Other | Eliminations | Total |
|---|---|---|---|---|---|
| **ASSETS** | $ | $ | $ | $ | **$** |
| Current assets | 1,181 | 23,375 | 2,362 | (342) | **26,576** |
| Non-current assets | 5,148 | 2,371 | 345 | - | **7,864** |
| | 6,329 | 25,746 | 2,707 | (342) | **34,440** |
| **LIABILITIES** | | | | | |
| Current liabilities | 1,595 | 11,037 | 139 | (342) | **12,429** |
| Non-current liabilities | 1,398 | 165 | 4,214 | - | **5,777** |
| | 2,993 | 11,202 | 4,353 | (342) | **18,206** |

| For the three month period ending June 30, 2026 | MIN-AD | Papillon | Other | Eliminations | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | **$** |
| **REVENUE** | | | | | |
| Internal sales | 2,132 | - | 300 | (2,432) | **-** |
| External sales | 194 | 26,617 | - | - | **26,811** |
| **COST OF SALES** | | | | | |
| Operating costs | 1,653 | 23,653 | - | (2,132) | **23,174** |
| **GROSS PROFIT** | 673 | 2,964 | 300 | (300) | **3,637** |
| **OPERATING EXPENSES** | | | | | |
| Selling, general & administration | 359 | 2,035 | 263 | (300) | **2,357** |
| Amortization and depletion | 172 | 18 | 18 | **-** | **208** |
| **INCOME BEFORE FINANCING COSTS** | 142 | 911 | 19 | - | **1,072** |
| **FINANCING COSTS** | | | | | |
| Interest on debt and lease obligations | 34 | 3 | 3 | - | **40** |
| **INCOME BEFORE INCOME TAXES** | 108 | 908 | 16 | - | **1,032** |
| **INCOME TAXES** | | | | | |
| Current | - | 275 | - | - | **275** |
| **NET AND COMPREHENSIVE INCOME** | 108 | 633 | 16 | | **757** |

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

*(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:

| For the six month period ending June 30, 2025 | MIN-AD | Papillon | Other | Eliminations | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | **$** |
| **REVENUE** | | | | | |
| Internal sales | 4,398 | - | 600 | (4,998) | **-** |
| External sales | 367 | 56,103 | - | - | **56,470** |
| **COST OF SALES** | | | | | |
| Operating costs | 3,415 | 49,853 | - | (4,398) | **48,870** |
| **GROSS PROFIT** | 1,350 | 6,250 | 600 | (600) | **7,600** |
| **OPERATING EXPENSES** | | | | | |
| Selling, general & administration | 865 | 3,897 | 519 | (600) | **4,681** |
| Amortization and depletion | 332 | 34 | 88 | - | **454** |
| Amortization of intangible assets | - | 161 | - | - | **161** |
| **INCOME (LOSS) BEFORE FINANCING COSTS** | 153 | 2,158 | (7) | - | **2,304** |
| **FINANCING COSTS** | | | | | |
| Interest on Series A preferred shares | - | - | 128 | - | **128** |
| Interest on debt and lease obligations | 81 | 9 | 3 | - | **93** |
| **INCOME (LOSS) BEFORE INCOME TAXES** | 72 | 2,149 | (138) | - | **2,083** |
| Inter-company dividend income | 450 | - | 2,000 | (2,450) | **-** |
| **INCOME TAXES** | | | | | |
| Current | - | 500 | - | - | **500** |
| **NET AND COMPREHENSIVE INCOME** | 522 | 1,649 | 1,862 | (2,450) | **1,583** |

| As at June 30, 2025 | MIN-AD | Papillon | Other | Eliminations | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | **$** |
| **ASSETS** | | | | | |
| Current assets | 1,386 | 17,273 | 2,376 | (479) | **20,556** |
| Non-current assets | 5,120 | 2,585 | 75 | - | **7,780** |
| | 6,506 | 19,858 | 2,451 | (479) | **28,336** |
| **LIABILITIES** | | | | | |
| Current liabilities | 1,471 | 7,484 | 174 | (479) | **8,650** |
| Non-current liabilities | 1,659 | 223 | 3,866 | - | **5,748** |
| | 3,130 | 7,707 | 4,040 | (479) | **14,398** |

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

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

| For the three month period ending June 30, 2025 | MIN-AD | Papillon | Other | Eliminations | Total |
|---|---|---|---|---|---|
| | $ | $ | $ | $ | **$** |
| **REVENUE** | | | | | |
| Internal sales | 2,350 | - | 300 | (2,650) | **-** |
| External sales | 174 | 27,974 | - | - | **28,148** |
| **COST OF SALES** | | | | | |
| Operating costs | 1,712 | 24,638 | - | (2,350) | **24,000** |
| **GROSS PROFIT** | 812 | 3,336 | 300 | (300) | **4,148** |
| **OPERATING EXPENSES** | | | | | |
| Selling, general & administration | 381 | 1,924 | 216 | (300) | **2,221** |
| Amortization and depletion | 169 | 18 | 43 | - | **230** |
| Amortization of intangible assets | - | 80 | - | - | **80** |
| **INCOME BEFORE FINANCING COSTS** | 262 | 1,314 | 41 | - | **1,617** |
| **FINANCING COSTS** | | | | | |
| Interest on Series A preferred shares | - | - | 128 | - | **128** |
| Interest on debt and lease obligations | 43 | 4 | 1 | - | **48** |
| **INCOME (LOSS) BEFORE INCOME TAXES** | 219 | 1,310 | (88) | - | **1,441** |
| **INCOME TAXES** | | | | | |
| Current | - | 375 | - | - | **375** |
| **NET AND COMPREHENSIVE INCOME (LOSS)** | 219 | 935 | (88) | | **1,066** |

## 7. INVENTORIES

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| | **$** | $ |
| Raw materials and consumables | **267** | 244 |
| Finished goods | **2,463** | 3,340 |
| Total inventories | **2,730** | 3,584 |

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

## 8. PROPERTIES, PLANT AND EQUIPMENT

| | Dolomite Property | Plant and Equipment | Right of Use Assets | Vehicles | Spare Parts | Total |
|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | **$** |
| Balance, December 31, 2024 | 1,754 | 12,017 | 3,816 | 387 | 530 | **18,504** |
| Additions in the year | - | 526 | 255 | - | 7 | **788** |
| Disposals in the year | - | - | - | - | (71) | **(71)** |
| **Balance, December 31, 2025** | 1,754 | 12,543 | 4,071 | 387 | 466 | **19,221** |
| Additions in the period | - | 390 | 417 | - | 61 | **868** |
| **Balance, June 30, 2026** | 1,754 | 12,933 | 4,488 | 387 | 527 | **20,089** |

| **Accumulated Amortization and Depletion** | Dolomite Property | Plant and Equipment | Right of Use Assets | Vehicles | Spare Parts | Total |
|---|---|---|---|---|---|---|
| Balance, December 31, 2024 | (1,420) | (9,346) | (1,949) | (309) | - | **(13,024)** |
| Amortization and depletion in the year | (58) | (387) | (472) | (17) | - | **(934)** |
| **Balance, December 31, 2025** | (1,478) | (9,733) | (2,421) | (326) | - | **(13,958)** |
| Amortization and depletion in the period | (27) | (180) | (205) | (8) | - | **(420)** |
| **Balance, June 30, 2026** | (1,505) | (9,913) | (2,626) | (334) | - | **(14,378)** |

| **Net Book Value** | | | | | | |
|---|---|---|---|---|---|---|
| As at December 31, 2025 | 276 | 2,810 | 1,650 | 61 | 466 | **5,263** |
| As at June 30, 2026 | 249 | 3,020 | 1,862 | 53 | 527 | **5,711** |

For the periods ending June 30, 2026 and 2025, there were no indicators of impairment in the carrying value of the Company's dolomite property, plant and equipment and right-of-use assets.

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

| | **June 30, 2026** | | June 30, 2025 | |
|---|---|---|---|---|
| | **Depreciation Expense** | **Carrying amount** | Depreciation expense | Carrying amount |
| Rail Cars | **$ 160** | **$ 1,322** | $ 141 | $ 1,374 |
| Office Space | **45** | **540** | 94 | 326 |
| | **$ 205** | **$ 1,862** | $ 235 | $ 1,700 |

*(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) | Brand (c) | **Total Intangibles** | **Goodwill** |
|---|---|---|---|---|---|
| | $ | $ | $ | **$** | **$** |
| Balance December 31, 2024 | 229 | 168 | 5 | **402** | **1,808** |
| Less: amortization | (185) | (132) | (5) | **(322)** | **-** |
| **Balance, December 31, 2025** | 44 | 36 | - | **80** | **1,808** |
| Less: amortization | (44) | (36) | - | **(80)** | **-** |
| **Balance, June 30, 2026** | **-** | **-** | **-** | **-** | **1,808** |

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

a) Customer relationships, which are long-standing relationships with many specialty feed ingredient suppliers, toll manufacturers and customers in the dairy industry.

b) Distribution rights, which are exclusive rights of the Company to produce and distribute specialty feed ingredients to the dairy industry.

c) 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.

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

## 10. DEBT

Bank debt and equipment purchase financings comprise the following:

| | **June 30, 2026** | December 31, 2025 |
|---|---|---|
| Aggregate debt facilities | **$** | $ |
| (i) Revolving credit facility | **340** | 370 |
| (ii) MIN-AD term loan | **392** | 463 |
| (iii) Equipment financing | **61** | 79 |
| | **793** | 912 |
| Less current portions of: | | |
| Long term debt | **(489)** | (514) |
| Equipment financing | **(42)** | (41) |
| **Total long term debt** | **262** | 357 |

The Company's debt facilities are described below. At June 30, 2026, 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 June 30, 2026 - $340 (June 30, 2025 -$370) 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 June 30, 2026 - $149 (June 30, 2025 - $140) was recorded as current portion of long term debt and the balance of $243 (June 30, 2025 - $392) was recorded as long term debt.

(iii) Equipment financing loans – the Company periodically finances the purchase of equipment and company vehicles. At June 30, 2026 - $42 (June 30, 2025 - $39) was recorded as current portion of long term debt and the balance of $19 (June 30, 2025 - $55) 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 $2.0 million revolving credit facility – a revolving credit facility bearing interest at the secured overnight financing rate (“SOFR”) plus a spread of 1.88%. The facility matures on June 30, 2027, 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 June 30, 2026.

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

## 11. LEASE OBLIGATIONS

The Company leases rail cars and office space. The Company's lease obligations at June 30, 2026, consist of the following:

| | | **June 30, 2026** | | December 31, 2025 |
|---|---|---|---|---|
| **Movement in lease obligations:** | | | | |
| Lease obligations, beginning | **$** | **1,732** | $ | 1,936 |
| Additions during the period | | **417** | | 255 |
| Payments during the period | | **(172)** | | (459) |
| Lease obligations, ending | | **1,977** | | 1,732 |
| Less: current portion | | **(422)** | | (355) |
| **Total long term lease obligations** | **$** | **1,555** | $ | 1,377 |

During the period, the Company recognized interest expense of $49 (June 30, 2025 - $51) 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.

## 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 condensed consolidated interim financial statements as long term. During the period, the Board of Directors of the Company paid quarterly preferred share dividends of $116 (June 30, 2025 - $128). The dividend is 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, 2024 | 21,918,811 | $5,590 |
| Purchased for cancellation | (185,000) | (110) |
| Balance, December 31, 2025 | 21,733,811 | $5,480 |
| Purchased for cancellation | (74,500) | (54) |
| **Balance, June 30, 2026** | **21,659,311** | **$5,426** |

**Normal Course Issuer Bid (NCIB)**

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. At June 30, 2026, 74,500 common shares had been repurchased under the NCIB.

## 15. INCOME PER SHARE

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

| | **For the three month period** | | **For the six month period** | |
|---|---|---|---|---|
| | **June 30, 2026** | June 30, 2025 | **June 30, 2026** | June 30, 2025 |
| **Basic income per share** | | | | |
| Income available to common shares | **757** | 1,066 | **1,186** | 1,583 |
| Weighted average common shares (in thousands) | **21,714** | 21,734 | **21,714** | 21,734 |
| | **0.03** | 0.05 | **0.05** | 0.07 |
| **Diluted income per share** | | | | |
| Income available to common shares | **757** | 1,066 | **1,186** | 1,583 |
| Income available to common shares, assuming dilution | **757** | 1,066 | **1,186** | 1,583 |
| Weighted average common shares outstanding | **21,714** | 21,734 | **21,714** | 21,734 |
| Preferred shares converted to common shares | **17,137** | 17,137 | **17,137** | 17,137 |
| Adjusted weighted average common shares outstanding | **38,851** | 38,871 | **38,851** | 38,871 |
| | **0.02** | 0.03 | **0.03** | 0.04 |

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.

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

## 16. INCOME TAXES

At June 30, 2026, 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 |

## 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:

| | **For the three months ended** | | **For the six months ended** | |
|---|---|---|---|---|
| | **June 30, 2026** | June 30, 2025 | **June 30, 2026** | June 30, 2025 |
| | **$** | $ | **$** | $ |
| Short term benefits including salaries and directors fees | **368** | 375 | **863** | 872 |

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

## 18. REVENUE SUPPLEMENTAL INFORMATION

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

| | **For the three months ended** | | **For the six months ended** | |
|---|---|---|---|---|
| | **June 30, 2026** | June 30, 2026 | **June 30, 2026** | June 30, 2025 |
| | **$** | $ | **$** | $ |
| **MIN-AD** | | | | |
| Dolomite sales | **194** | 145 | **356** | 321 |
| Freight charges and fuel charges | **-** | 29 | **-** | 46 |
| | **194** | 174 | **356** | 367 |
| **Papillon** | | | | |
| Animal feed sales | **25,330** | 27,271 | **48,882** | 54,608 |
| Freight charges | **1,287** | 703 | **1,993** | 1,495 |
| | **26,811** | 28,148 | **51,231** | 56,470 |

## 19. FINANCIAL COMMITMENTS

The Company is committed to $3,035 (June 30, 2025 – $3,091) for obligations and financial commitments in the normal course of operations and financing activities. At June 30, 2026, the Company had the following financial commitments:

| | **Total** | **2026** | **2027** | **2028** | **2029** | **Thereafter** |
|---|---|---|---|---|---|---|
| | **$** | **$** | **$** | **$** | **$** | **$** |
| Bank debt repayments | **793** | 90 | 537 | 166 | - | - |
| Lease obligations | **2,242** | 280 | 526 | 521 | 415 | 500 |
| **Total** | **3,035** | **370** | **1,063** | **687** | **415** | **500** |

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

Papillon self-insures product liability coverage through a combination of funds held in an escrow account and a standby letter of credit ("LOC"). Additions to the escrow account are recorded as insurance expense in the period in which the funding occurs. The LOC is adjusted annually based on the total product liability coverage needs of Papillon. The current LOC totals $825,000 and automatically renews on December 1, 2026. Final expiration of the LOC is November 30, 2029.

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 commenced on January 1, 2026, and expires on May 31, 2031.