



Consolidated Financial Statements

Expressed in United States dollars
For the six months ended June 30, 2024

**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 12, 2024

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Balance Sheets

As at

(Expressed in thousands of United States Dollars)

UNAUDITED	Note	June 30, 2024	December 31, 2023
		\$	\$
ASSETS			
Current assets			
Cash		6,159	4,603
Accounts receivable		9,144	13,216
Inventories	7	2,149	1,904
Prepaid expenses and other assets		1,412	1,131
Total Current Assets		18,864	20,854
Non-current assets			
Investment	5	618	543
Properties, plant and equipment	8	4,435	3,615
Intangible assets	9	563	724
Goodwill	9	1,808	1,808
Total Assets		26,288	27,544
LIABILITIES AND EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		8,219	11,520
Current portion of long term debt	10	560	221
Current portion of lease obligations	11	294	294
Total Current Liabilities		9,073	12,035
Non-current liabilities			
Long-term debt	10	531	292
Lease obligations	11	673	569
Asset retirement obligation	12	33	33
Deferred tax liability		454	454
Series A preferred shares	13	3,417	3,417
Total Liabilities		14,181	16,800
Equity			
Share capital	14	5,616	5,621
Contributed surplus		315	315
Retained earnings		6,176	4,808
Total Equity		12,107	10,744
Total Liabilities and Equity		26,288	27,544

Financial Commitments (Note 19)

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

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Net and Comprehensive Income

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

UNAUDITED	Note	For the three months ended		For the six months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
		\$	\$	\$	\$
REVENUE	6	24,856	21,944	52,161	44,002
COST OF SALES					
Operating costs	6	21,603	19,363	45,813	38,615
GROSS PROFIT		3,253	2,581	6,348	5,387
OPERATING EXPENSES					
Selling, general and administrative	6	1,821	1,960	4,070	3,651
Amortization and depletion	8	160	168	321	330
Amortization of intangible assets	9	80	80	161	161
INCOME BEFORE FINANCING COSTS		1,192	373	1,796	1,245
FINANCING COSTS					
Interest on debt and lease obligations	10,11	51	14	78	29
INCOME BEFORE INCOME TAXES		1,141	359	1,718	1,216
INCOME TAXES					
Current	16	250	50	350	250
NET INCOME AND COMPREHENSIVE INCOME		891	309	1,368	966
Basic income per share	15	0.04	0.01	0.06	0.04
Diluted income per share	15	0.02	0.01	0.03	0.02
Weighted average number of shares outstanding					
Basic		21,961,811	22,303,311	21,961,811	22,303,311
Diluted		39,098,791	39,440,291	39,098,791	39,440,291

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

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Changes in Equity

As at and for the periods ended June 30, 2024 and 2023

(Expressed in thousands of United States Dollars)

UNAUDITED	Share Capital (Note 14)	Contributed Surplus	Retained Earnings	Total
	\$	\$	\$	\$
Balance, December 31, 2022	5,791	315	3,038	9,144
Shares purchased for cancellation	(13)	-	-	(13)
Net income and comprehensive income			966	966
Balance, June 30, 2023	5,778	315	4,004	10,097
Balance, December 31, 2023	5,621	315	4,808	10,744
Shares purchased for cancellation	(5)	-	-	(5)
Net income and comprehensive income	-	-	1,368	1,368
Balance, June 30, 2024	5,616	315	6,176	12,107

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

Inter-Rock Minerals Inc.

Condensed Consolidated Interim Statements of Cash Flows

(Expressed in thousands of United States Dollars)

UNAUDITED	Note	For the three months ended		For the six months ended	
		June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
CASH PROVIDED BY (USED IN) OPERATIONS					
Net income		891	309	1,368	966
Items not affecting cash					
Amortization and depletion		160	168	321	330
Amortization of intangible assets		80	80	161	161
Interest expense		51	14	78	29
		1,182	571	1,928	1,486
Net changes in non-cash working capital					
Accounts receivable		1,652	817	4,072	1,724
Inventories		(128)	82	(245)	467
Prepaid expenses		(446)	(134)	(281)	(234)
Accounts payable and accrued liabilities		(1,035)	968	(3,228)	(262)
Cash generated by operating activities		1,225	2,304	2,246	3,181
INVESTING					
Purchase of properties, plant and equipment	8	(214)	(720)	(850)	(945)
Investment	5	-	-	(75)	(542)
Cash used in investing activities		(214)	(720)	(925)	(1,487)
FINANCING					
Interest paid		(51)	(14)	(78)	(29)
Interest on Series A preferred shares	14	-	(64)	(73)	(64)
Proceeds from financing	10	80	413	609	413
Repayment of long term debt	10	(31)	(3)	(31)	(274)
Repayment of lease obligations	11	(101)	(90)	(187)	(166)
Shares purchased for cancellation		-	(13)	(5)	(13)
Cash provided by (used in) financing activities		(103)	229	235	(133)
Net change in cash		908	1,813	1,556	1,561
Cash, beginning of the period		5,251	2,796	4,603	3,048
Cash, end of the period		6,159	4,609	6,159	4,609

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

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

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

1. CORPORATE INFORMATION

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

Inter-Rock owns two operating businesses: Papillon Agricultural Company Inc. (“Papillon”) and MIN-AD, Inc. (“MIN-AD”). Papillon is a 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 condensed consolidated interim financial statements have been prepared in accordance with the IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). 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, 2023 prepared in accordance with IAS as issued by the IASB.

2.2 Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3 of the Company’s audited financial statements for the year ended December 31, 2023.

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.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

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

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, 2023. The Company's material accounting policies are presented in Note 3 in the audited consolidated financial statements for the year ended December 31, 2023.

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, 2023.

5. INVESTMENT

In February 2023, the Company provided a convertible loan to a private Swiss company ("Embion") in the amount of CHF 500,000. 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.

The convertible loan is non-interest bearing and has a maturity date of February 28, 2025. The loan will automatically convert to shares of Embion at the earlier of the maturity date and the completion by Embion of a financing of a minimum of CHF 1,500,000. The conversion rate will be based on the lower of (a) a 50% discount from the pre-money valuation of Embion in the financing and (b) CHF 5.59 per share.

Due to the fact that the convertible loan automatically converts to equity, the instrument is valued as an equity investment in shares of Embion. The value of the investment is adjusted for inputs at the valuation date based on the most recent financing round economics, if applicable.

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.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

(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").

Effective April 1, 2024, Papillon became the exclusive distributor of MIN-AD's feed products. Inter-segment revenues are eliminated upon consolidation.

Segment operating results are as follows:

For the six month period ended June 30, 2024	MIN-AD	Papillon	Other	Eliminations	Total
REVENUE					
Internal sales	2,890	50	480	(3,420)	-
External sales	1,332	50,829	-	-	52,161
COST OF SALES					
Operating costs	3,071	45,632	-	(2,890)	45,813
GROSS PROFIT	1,151	5,247	480	(530)	6,348
OPERATING EXPENSES					
Selling, general & administration	845	3,171	584	(530)	4,070
Amortization and depletion	202	31	88	-	321
Amortization of intangible assets	-	161	-	-	161
INCOME (LOSS) BEFORE FINANCING COSTS	104	1,884	(192)	-	1,796
FINANCING COSTS					
Interest on debt and lease obligations	62	7	9	-	78
INCOME (LOSS) BEFORE INCOME TAXES	42	1,877	(201)	-	1,718
INCOME TAXES					
Current	-	350	-	-	350
Deferred	-	-	-	-	-
NET AND COMPREHENSIVE INCOME (LOSS)	42	1,527	(201)	-	1,368

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

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

6. SUBSIDIARIES AND BUSINESS SEGMENTS (CONT'D)

As at June 30, 2024	MIN-AD	Papillon	Other	Eliminations	Total
ASSETS					
Current assets	1,353	17,713	122	(324)	18,864
Non-current assets	3,889	3,331	204	-	7,424
	5,242	21,044	326	(324)	26,288
LIABILITIES					
Current liabilities	1,479	7,785	133	(324)	9,073
Non-current liabilities	878	3,953	277	-	5,108
	2,357	11,738	410	(324)	14,181
For the three month period ended June 30, 2024					
	MIN-AD	Papillon	Other	Eliminatio	Total
REVENUE					
Internal sales	1,829	9	240	(2,078)	-
External sales	298	24,558	-	-	24,856
COST OF SALES					
Operating costs	1,528	21,904	-	(1,829)	21,603
GROSS PROFIT	599	2,663	240	(249)	3,253
OPERATING EXPENSES					
Selling, general & administration	380	1,529	161	(249)	1,821
Amortization and depletion	100	16	44	-	160
Amortization of intangible assets	-	80	-	-	80
INCOME BEFORE FINANCING COSTS	119	1,038	35	-	1,192
FINANCING COSTS					
Interest on debt and lease obligations	43	2	6	-	51
INCOME BEFORE INCOME TAXES	76	1,036	29	-	1,141
INCOME TAXES					
Current	-	250	-	-	250
Deferred	-	-	-	-	-
NET AND COMPREHENSIVE INCOME	76	786	29	-	891

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

(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, 2023	MIN-AD	Papillon	Other	Eliminations	Total
REVENUE					
Internal sales	2,388	120	360	(2,868)	-
External sales	2,612	41,390	-	-	44,002
COST OF SALES					
Operating costs	3,693	37,309	-	(2,387)	38,615
GROSS PROFIT	1,307	4,201	360	(481)	5,387
OPERATING EXPENSES					
Selling, general & administration	786	2,953	391	(479)	3,651
Amortization and depletion	211	64	55	-	330
Amortization of intangible assets	-	161	-	-	161
INCOME (LOSS) BEFORE FINANCING COSTS	310	1,023	(86)	(2)	1,245
FINANCING COSTS					
Interest on debt and lease obligations	10	8	13	(2)	29
INCOME (LOSS) BEFORE INCOME TAXES	300	1,015	(99)	-	1,216
INCOME TAXES					
Current	-	250	-	-	250
NET AND COMPREHENSIVE INCOME (LOSS)	300	765	(99)	-	966

For the three month period ending June 30, 2023	MIN-AD	Papillon	Other	Eliminations	Total
REVENUE					
Internal sales	1,107	38	180	(1,325)	-
External sales	1,318	20,626	-	-	21,944
COST OF SALES					
Operating costs	1,648	18,821	-	(1,106)	19,363
GROSS PROFIT	777	1,843	180	(219)	2,581
OPERATING EXPENSES					
Selling, general & administration	378	1,522	278	(218)	1,960
Amortization and depletion	109	49	10	-	168
Amortization of intangible assets	-	80	-	-	80
INCOME (LOSS) BEFORE FINANCING COSTS	290	192	(108)	(1)	373
FINANCING COSTS					
Interest on debt and lease obligations	5	5	5	(1)	14
INCOME (LOSS) BEFORE INCOME TAXES	285	187	(113)	-	359
INCOME TAXES					
Current	-	50	-	-	50
NET AND COMPREHENSIVE INCOME (LOSS)	285	137	(113)	-	309

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

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

7. INVENTORIES

	June 30, 2024	December 31, 2023
	\$	\$
Raw materials and consumables	295	298
Finished goods	1,854	1,606
Total inventories	2,149	1,904

8. PROPERTIES, PLANT AND EQUIPMENT

	Dolomite Property	Plant and Equipment	Right of Use Assets	Vehicles	Spare Parts	Total
Balance, December 31, 2022	1,754	9,888	2,140	300	372	14,454
Additions in the year	-	1,127	192	-	139	1,458
Disposals in the year	-	-	-	-	(102)	(102)
Balance, December 31, 2023	1,754	11,015	2,332	300	409	15,810
Additions in the year	-	806	291	-	44	1,141
Disposals in the year	-	-	-	-	-	-
Balance, June 30, 2024	1,754	11,821	2,623	300	453	16,951

Accumulated Amortization and Depletion	Dolomite Property	Plant and Equipment	Right of Use Assets	Vehicles	Spare Parts	Total
Balance, December 31, 2022	(1,325)	(8,755)	(1,165)	(292)	-	(11,537)
Additions in the year	(47)	(279)	(339)	(2)	-	(667)
Disposals in the year	-	9	-	-	-	9
Balance, December 31, 2023	(1,372)	(9,025)	(1,504)	(294)	-	(12,195)
Additions in the year	(23)	(114)	(180)	(4)	-	(321)
Disposals in the year	-	-	-	-	-	-
Balance, June 30, 2024	(1,395)	(9,139)	(1,684)	(298)	-	(12,516)

Net Book Value

As at December 31, 2023	382	1,990	828	6	409	3,615
As at June 30, 2024	359	2,682	939	2	453	4,435

For the periods ending June 30, 2024 and 2023 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 Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

(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, 2022	599	422	25	1,046	1,808
Less: amortization	(185)	(127)	(10)	(322)	-
Balance, December 31, 2023	414	295	15	724	1,808
Less: amortization	(94)	(64)	(3)	(161)	-
Balance, June 30, 2024	320	231	12	563	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.

- 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 Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

(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, 2024	December 31, 2023
<u>Aggregate debt facilities</u>	\$	\$
(i) Revolving credit facility	430	170
(ii) MIN-AD term loan	661	343
	1,091	513
<u>Less:</u>		
Current portion of long term debt	(560)	(221)
Total long term debt	531	292

The Company's debt facilities are described below. At June 30, 2024, 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, 2024 - \$430 (June 30, 2023 - \$70) 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. 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, 2024 - \$130 (June 30, 2023 - \$95) was recorded as current portion of long term debt and the balance of \$531 (June 30, 2023 - \$248) was recorded as long term debt.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

(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, 2024 consist of the following:

	June 30, 2024	December 31, 2023
<u>Aggregate debt facilities</u>	\$	\$
(i) Revolving credit facility	430	170
(ii) MIN-AD term loan	661	343
	1,091	513
<u>Less:</u>		
Current portion of long term debt	(560)	(221)
Total long term debt	531	292

During the period, the Company recognized interest expense of \$25 (June 30, 2023 - \$24) on lease liabilities.

MIN-AD has a number of rail car leases with maturity dates ranging from 2026 to 2031. 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 shareholder agreed to waive their right to retract the Preferred Shares for the year ending December 31, 2024, so the liability has been presented in these condensed consolidated interim financial statements as long term.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

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

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	(10,500)	(5)
Balance, June 30, 2024	21,961,811	5,616

Normal Course Issuer Bid

On January 10, 2023, the Company received approval to commence a Normal Course Issuer Bid (the "NCIB") to purchase for cancellation up to 1,000,000 common shares, representing approximately 4.5% of the issued and outstanding common shares of the Company. During the period the Company purchased 10,500 shares. A total of 341,500 shares were purchased under the NCIB. All common shares purchased by the Company were cancelled. The NCIB terminated on January 15, 2024 and was not renewed.

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, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Basic income per share				
Income available to common shares	891	309	1,368	966
Weighted average common shares (in thousands)	21,962	22,303	21,962	22,303
	0.04	0.01	0.06	0.04
Diluted income per share				
Income available to common shares	891	309	1,368	966
Income available to common shares, assuming dilution	891	309	1,368	966
Weighted average common shares outstanding	21,962	22,303	21,962	22,303
Preferred shares converted to common shares	17,137	17,137	17,137	17,137
Adjusted weighted average common shares outstanding	39,099	39,440	39,099	39,440
	0.02	0.01	0.03	0.02

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.

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

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16. INCOME TAXES

At June 30, 2024 the Company had Canadian tax losses which are not recognized as deferred tax assets. The Company recognizes the tax benefit of the tax losses only to the extent of anticipated future Canadian taxable income that can be reduced by tax losses. The gross amount of the tax losses for which a tax benefit has not been recorded expire as follows:

Incurred	Expires	Amount
		C\$
2007	2027	141
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	-
		3,757

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, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	\$	\$	\$	\$
Short term benefits including salaries and directors fees	311	271	765	799

Inter-Rock Minerals Inc.

Notes to the Condensed Consolidated Interim Financial Statements

For the periods ended June 30, 2024 and 2023

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18. REVENUE SUPPLEMENTAL INFORMATION

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

	For the three months ended		For the six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
	\$	\$	\$	\$
MIN-AD				
Dolomite sales	259	1,073	1,144	2,125
Freight charges	32	192	144	359
Fuel charges	7	51	44	126
	298	1,316	1,332	2,610
Papillon				
Animal feed sales	23,749	19,720	49,152	39,477
Freight charges	809	908	1,677	1,915
	24,856	21,944	52,161	44,002

19. FINANCIAL COMMITMENTS

The Company is committed to \$2,554 (June 30, 2023 - \$1,581) for obligations and financial commitments in the normal course of operations and financing activities. At June 30, 2024, the Company had the following financial commitments:

	Total	2024	2025	2026	2027	Thereafter
	\$	\$	\$	\$	\$	\$
Bank debt repayments	1,091	64	564	144	154	165
Lease obligations	1,463	218	437	293	243	272
Total	2,554	282	1,001	437	397	437

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 difference.