

Petrox Resources Corporation
Condensed Interim Financial Statements
September 30, 2025 and 2024
(Unaudited)

The condensed interim financial statements for the three- and nine- month periods ended September 30, 2025 and 2024 have not been reviewed by the Corporation's auditor.

FINANCIAL STATEMENTS

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PETROX RESOURCES CORP.
Condensed Interim Statements of Financial Position
As at
(Stated in Canadian Dollars)

	Note	September 30, 2025 (\$)	December 31, 2024 (\$)
ASSETS			
CURRENT			
Cash		91,458	153,272
Trade and other receivables		15,289	39,061
TOTAL CURRENT ASSETS		106,747	192,333
NON-CURRENT			
Property and equipment	5	154,939	181,550
Deposits	7	115,123	71,765
TOTAL ASSETS		376,809	445,648
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT			
Trade and other payables		52,702	56,141
NON-CURRENT			
Decommissioning obligations	6	309,239	297,772
TOTAL LIABILITIES		361,941	353,913
SHAREHOLDERS' EQUITY			
Share capital	7	4,174,166	4,174,166
Contributed surplus		2,304,548	2,304,548
Deficit		(6,463,934)	(6,386,979)
TOTAL SHAREHOLDERS' EQUITY		14,780	91,735
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		376,809	445,648

Going Concern (Note 2)

ON BEHALF OF THE BOARD

(Signed) "Edwin Tam"

(Signed) "Alan P. Chan"

PETROX RESOURCES CORP.**Condensed Interim Statements of Comprehensive Income (Loss)****For the three- and nine- month periods ended September 30, 2025 and 2024****(Stated in Canadian Dollars)****(Unaudited)**

	Note	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
		(\$)	(\$)	(\$)	(\$)
REVENUE					
Production revenue		79,497	126,279	278,710	379,158
Royalties		(4,129)	(4,313)	(12,034)	(10,996)
		75,368	121,966	266,676	368,162
EXPENSES					
Operating costs		46,061	64,847	122,463	171,957
General and administrative fees		53,139	48,268	183,410	161,984
Depletion and depreciation	5	9,907	9,942	31,175	27,949
Accretion expense	6	2,525	1,442	6,992	6,859
		111,632	124,499	344,040	368,749
OPERATING LOSS		(36,264)	(2,533)	(77,364)	(587)
OTHER ITEM					
Interest income		409	455	409	455
		409	455	409	455
NET LOSS AND COMPREHENSIVE LOSS		(35,855)	(2,078)	(76,955)	(132)
LOSS PER SHARE					
Basic and diluted		(0.001)	(0.000)	(0.001)	(0.000)
WEIGHTED AVERAGE COMMON SHARES					
Basic and diluted		55,132,258	55,132,258	55,132,258	55,132,258

PETROX RESOURCES CORP.**Condensed Interim Statements of Changes in Shareholders' Equity****(Stated in Canadian Dollars)****(Unaudited)**

	Share Capital		Contributed Surplus	Deficit	Total Shareholders' Equity
	Number of Shares	Share capital			
	(\$)	(\$)			
As at December 31, 2024	55,132,258	4,174,166	2,304,548	(6,386,979)	91,735
Net loss and comprehensive loss	-	-	-	(76,955)	(76,955)
As at September 30, 2025	55,132,258	4,174,166	2,304,548	(6,463,934)	14,780

	Share Capital		Contributed Surplus	Deficit	Total Shareholders' Equity
	Number of Shares	Share capital			
	(#)	(\$)			
As at December 31, 2023	55,132,258	4,174,166	2,304,548	(6,326,305)	152,409
Net income and other comprehensive income	-	-	-	(132)	(132)
As at September 30, 2024	55,132,258	4,174,166	2,304,548	(6,326,437)	152,277

PETROX RESOURCES CORP.
Condensed Interim Statements of Cash Flows
For the three- and nine- month periods ended September 30, 2025 and 2024
(Stated in Canadian Dollars)
(Unaudited)

	Note	Three months ended September 30, 2025 (\$)	Three months ended September 30, 2024 (\$)	Nine months ended September 30, 2025 (\$)	Nine months ended September 30, 2024 (\$)
OPERATING ACTIVITIES					
Net income (loss)		(35,855)	(2,351)	(76,955)	(132)
Items not affecting cash:					
Depletion and depreciation	5	9,907	9,942	31,175	27,949
Accretion expense	6	2,525	1,442	6,992	6,859
Changes in non-cash working capital:					
Trade and other receivables		20,079	7,199	23,772	(712)
Trade and other payables		28,329	(6,985)	(3,440)	(64,346)
CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		24,985	9,247	(18,456)	(30,382)
INVESTING ACTIVITIES					
Deposits	7	(43,358)	-	(43,358)	-
CASH USED IN INVESTING ACTIVITIES		(43,358)	-	(43,358)	-
INCREASE (DECREASE) IN CASH		(18,373)	9,247	(61,814)	(30,382)
Cash - beginning of period		109,831	158,538	153,272	198,167
CASH - END OF PERIOD		91,458	167,785	91,458	167,785

PETROX RESOURCES CORP.

Notes to the Financial Statements

For the three- and nine- month periods ended September 30, 2025 and 2024

(Unaudited)

1. NATURE OF OPERATIONS

Petrox Resources Corp. ("Petrox" or the "Corporation") is a public company incorporated under the Business Corporations Act (Alberta) on February 25, 2011. The Corporation's common shares are listed on the TSX Venture Exchange under the symbol "PTC". The principal business of the Corporation is the acquisition, exploration, development and production of petroleum and natural gas in Canada.

The Corporation's head office is located at Suite 3001, 505 – 6 Street S.W, Calgary, AB, Canada T2P 1X5.

These financial statements were authorized for issue by the Board of Directors on November 27, 2025.

2. BASIS OF PRESENTATION, STATEMENT OF COMPLIANCE AND GOING CONCERN

Basis of Presentation

These unaudited condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), specifically IAS 34 Interim Financial Reporting. These condensed interim financial statements do not include all information required for full annual financial statements and should be read in conjunction with the Corporation's audited annual financial statements for the year ended December 31, 2024.

The financial statements have been prepared on a historical cost basis, except for certain financial instruments measured at fair value.

Going Concern

These financial statements have been prepared using the going concern basis of accounting, which assumes that the Corporation will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a forced liquidation.

Material Uncertainty Related to Going Concern

The Corporation has incurred a net loss of \$35,855 and \$76,955 for the three- and nine-month periods ended September 30, 2025 (2024: net loss of \$2,533 and \$587) and has an accumulated deficit of \$6,463,934 as at September 30, 2025 (December 31, 2024: \$6,386,979). Cashflow provided by operating activities of \$24,985, and used by operating activities of \$18456, for the three- and nine- month periods ended September 30, 2025 (2024: positive operating cashflow of \$9,248 for three months and negative operating cashflow of \$30,382 for nine months, respectively).

These conditions indicate the existence of material uncertainties that may cast significant doubt about the Corporation's ability to continue as a going concern. The Corporation's ability to continue as a going concern is dependent upon its ability to:

- Generate sufficient cash flows from operations
- Obtain additional financing through debt or equity financings

Management believes that the Corporation has sufficient working capital to fund operations for the next twelve months based on current production levels and commodity prices. However, if the Corporation is unable to achieve the above, it may be required to realize assets and discharge liabilities other than in the normal course of business and at amounts different from those reflected in these financial statements.

These financial statements do not give effect to adjustments that would be necessary to the carrying amounts and classifications of assets and liabilities should the Corporation be unable to continue as a going concern.

PETROX RESOURCES CORP.
Notes to the Financial Statements
For the three- and nine- month periods ended September 30, 2025 and 2024
(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in these condensed interim financial statements are consistent with those applied in the Corporation's annual financial statements for the year ended December 31, 2024.

New and Amended Standards Adopted

The Corporation has adopted all new and revised IFRS standards that are effective for annual periods beginning on or after January 1, 2025. The adoption of these standards did not have a material impact on the Corporation's financial statements.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimates are revised and the revision affects both current and future periods.

Management reviews significant estimates on a periodic basis and, when changes in estimates are necessary, makes adjustments prospectively.

The key sources of estimates and judgments made by management are as follows:

Going concern

Management has assessed the Corporation's ability to continue as a going concern over the next twelve months, considering factors such as projected cash flows, anticipated market conditions, and current financial standings. These projections indicate sufficient liquidity to meet upcoming obligations. Key judgments involve forecasted market prices, production levels, and operational costs, which are inherently uncertain due to the volatile nature of the oil and gas industry.

There are material uncertainties that could impact our ability to continue as a going concern, including sustained low commodity prices and operational disruptions. Despite these uncertainties, management believes that the Corporation is well-positioned to operate for the foreseeable future, but it will continue to monitor and adjust strategies as market conditions evolve.

Determination of Cash Generating Units

A CGU is defined as the lowest grouping of integrated assets that generate identifiable cash inflows that are largely independent of the cash inflows of other assets or groups of assets. The allocation of assets into CGUs requires significant judgment and interpretations with respect to the integration between assets, the existence of active markets, similar exposure to market risks, shared infrastructures, and the way in which management monitors the operations. Management has determined that the Corporation has one CGU.

Asset Impairment and Reversals

Management applies judgment in assessing the existence of impairment and impairment reversal indicators based on various internal and external factors. The recoverable amount of CGUs and individual assets is determined based on the higher of fair value less costs to sell or value-in-use calculations. The key estimates the Corporation applies in determining the recoverable amount normally include estimated future commodity prices, expected production volumes, future operating and development costs, discount rates, tax rates, and refining margins. In determining the recoverable amount, management may also be required to make judgments regarding the likelihood of occurrence of a future event.

PETROX RESOURCES CORP.

Notes to the Financial Statements

For the three- and nine- month periods ended September 30, 2025 and 2024

(Unaudited)

**4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY
(continued)**

Asset Impairment and Reversals (continued)

Changes to these estimates and judgments will affect the recoverable amounts of CGUs and individual assets and may then require a material adjustment to their related carrying value.

Deferred Taxes

Deferred tax assets are recognized when it is considered probable that deductible temporary differences will be recovered in the foreseeable future. To the extent that future taxable income and the application of existing tax laws in each jurisdiction differ significantly from the Corporation's estimate, the ability of the Corporation to realize the deferred tax assets could be impacted. Deferred tax liabilities are recognized when there are taxable temporary differences that will reverse and result in a future outflow of funds to a taxation authority. The Corporation records a provision for the amount that is expected to be settled, which requires the application of judgment as to the ultimate outcome. Deferred tax liabilities could be impacted by changes in the Corporation's judgment of the likelihood of a future outflow and estimates of the expected settlement amount, and the tax laws in the jurisdictions in which the Corporation operates.

Reserves

Reserves are used in the unit of production calculation for depletion and depreciation, as well as impairment analysis. The quantity of reserves is subject to a number of estimates and projections including assessment of engineering data, projected future rates of production, commodity prices, regulatory changes, operating costs and sustaining capital expenditures. These estimates and projections are uncertain as the Corporation does not have a long commercial production history to assist in the development of these forward-looking estimates. However, all reserve and associated financial information is evaluated and reported on by a firm of qualified independent reserve evaluators in accordance with the standards prescribed by applicable securities regulators. The calculation of future cash flows based on these reserves is dependent on a number of estimates including: production volumes, facility performance, commodity prices, and royalties, operating costs, sustaining capital and tax rates. The price used in the Corporation's assessment of future cash flows is based on the Corporation's independent evaluator's estimate of future prices and evaluated for reasonability by the Corporation against other available information. The Corporation believes these prices are reasonable estimates for a long-term outlook.

Decommissioning liabilities

The Corporation measures decommissioning liabilities at each financial statement date. The estimate is based on the Corporation's share of costs to reclaim the assets and certain facilities. To determine the future value of the liability, estimates of the amount, timing and inflation of the associated abandonment costs are made. The present value of the cost is recorded as the decommissioning liability using a risk-free discount rate. Due to the long-term nature of current and future project developments, abandonment costs will be incurred many years in the future. Because of these factors, different estimates could be used for such abandonment costs and the associated timing. Assumptions of higher future abandonment costs, regulatory changes, higher inflation, lower risk-free rates or an assumption of earlier or specified timing of abandonment would cause the decommissioning liability of the corresponding asset to increase. These changes would also cause future accretion expenses to increase.

PETROX RESOURCES CORP.**Notes to the Financial Statements****For the three- and nine- month periods ended September 30, 2025 and 2024****(Unaudited)****5. PROPERTY AND EQUIPMENT**

Nine months ended September 30, 2025	Property & Equipment	Furniture & Fixtures	Total
	(\$)	(\$)	(\$)
Cost			
Beginning balance	3,091,583	2,212	3,093,795
Changes in estimate (Note 6)	3,564	-	3,564
Ending balance	3,095,147	2,212	3,097,359
Accumulated Depletion			
Beginning balance	(2,910,033)	(2,212)	(2,912,245)
Impairments	-	-	-
Depletion and depreciation	(31,175)	-	(31,175)
Ending balance	(2,941,208)	(2,212)	(2,943,420)
Book Value	154,939	-	154,939

Year ended December 31, 2024	Property & Equipment	Furniture & Fixtures	Total
	(\$)	(\$)	(\$)
Cost			
Beginning balance	3,107,535	2,212	3,107,535
Changes in estimate (Note 6)	(15,952)	-	(15,952)
Ending balance	3,091,583	2,212	3,091,583
Accumulated Depletion			
Beginning balance	(2,875,114)	(2,212)	(2,875,114)
Impairments	-	-	-
Depletion and depreciation	(34,919)	-	(34,919)
Ending balance	(2,910,033)	(2,212)	(2,910,033)
Book Value	181,550	-	181,550

Impairment

As of September 30, 2025, there was no indicator of impairment.

6. DECOMMISSIONING OBLIGATION

The following table presents the reconciliation of the carrying amount of the obligation associated with the reclamation and abandonment of the Corporation's oil and gas properties:

	<i>Nine months ended September 30, 2025</i>	<i>Year ended December 31, 2024</i>
	(\$)	(\$)
Beginning balance	297,772	305,394
Decommissioning obligation settled	-	-
Accretion	6,991	8,330
Change in estimate	3,565	(15,952)
Ending balance	308,328	297,772

PETROX RESOURCES CORP.**Notes to the Financial Statements****For the three- and nine- month periods ended September 30, 2025 and 2024****(Unaudited)****6. DECOMMISSIONING OBLIGATION (continued)**

The following assumptions were used to estimate the decommissioning obligation for 2025 and 2024:

	2025	2024
Undiscounted cash flows	\$350,825	\$350,825
Risk free rate	2.46%-3.28%	2.93%-3.88%
Inflation rate	3%	3%
Expected timing of cash flows	2-10 years	2-10 years

7. DEPOSITS AND PREPAYMENTS

	<i>Period ended</i> <i>September 30, 2025</i>	<i>Year ended</i> <i>December 31, 2024</i>
	(\$)	(\$)
Security deposit paid to Licensee Liability Rating Program	114,485	71,127
Other deposits	638	638
	115,123	71,765

During the three months ended September 30, 2025, the Corporation deposited an additional \$43,358 to the Licensee Liability Rating Program.

The Licensee Liability Rating Program manages the financial risk to the Saskatchewan Oil and Gas Orphan Fund (SOGOF), in terms of a licensee's future costs to abandon and reclaim their wells and facilities, through the collection of security deposits.

8. SHARE CAPITAL*(a) Authorized:*

Unlimited number of common shares without par value

Unlimited number of preferred shares without par value

Issued:	<i>September 30, 2025</i>		<i>December 31, 2024</i>	
Common shares	Number	Amount	Number	Amount
Balance – beginning and end of year	55,132,258	\$ 4,174,166	55,132,258	\$ 4,174,166

(b) Stock Option Plan

The Corporation has adopted an incentive stock option plan, which provides that the Board of Directors of the Corporation may from time to time, in its discretion, and in accordance with the Exchange's requirements, grant to directors, officers, employees and technical consultants of the Corporation, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Corporation. Such options will be exercisable for a period of up to 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

There are no options outstanding as of September 30, 2025.

PETROX RESOURCES CORP.

Notes to the Financial Statements

For the three- and nine- month periods ended September 30, 2025 and 2024

(Unaudited)

9. RELATED PARTY TRANSACTIONS

The Corporation enters into related party transactions in the normal course of business. Related parties include the Corporation's directors and key management personnel.

Key Management Personnel

Key management personnel include the Corporation's directors and executive officers. The following compensation was paid or accrued to key management personnel:

	3 months ended September 30, 2025	<i>3 months ended September 30, 2024</i>	9 months ended September 30, 2025	<i>9 months ended September 30, 2024</i>
Consulting fees	\$ 26,350	<i>\$ 26,350</i>	\$ 79,126	<i>\$ 79,126</i>

Terms and Conditions

- Consulting fees are paid to companies controlled by directors and key management personnel
- All transactions were conducted in the normal course of business
- Consulting agreements are on standard commercial terms
- All amounts were paid during the respective periods

As at September 30, 2025 and December 31, 2024, there were no outstanding balances with related parties.

10. FINANCIAL INSTRUMENTS

The Corporation's financial assets consist of cash and trade and other receivables, and its financial liabilities consist of trade and other payables. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest or currency arising from these financial instruments. The fair value of these financial instruments approximates their carrying value, unless otherwise noted, due to the short-term maturity of these items.

Credit risk

Credit risk is the risk of financial loss to a Corporation if a counter party to a financial instrument fails to meet its contractual obligations. The Corporation's financial instruments that subject it to credit risk relate to cash in Canadian chartered banks, interest receivable from Canadian chartered banks, goods and services tax recoverable from the federal government, and trade and other receivables. The Corporation considers the risk of default from parties in the oil and gas industry to be low as they are with reputable oil and gas marketers.

The composition of trade and other receivables relates to oil sales which is typically collected in the month following the sales month.

The Corporation considers its receivables to be aged as follows:

	<i>September 30, 2025</i>	<i>December 31, 2024</i>
Current	\$ 15,289	\$ 39,061
Total	\$ 15,289	\$ 39,061

PETROX RESOURCES CORP.

Notes to the Financial Statements

For the three- and nine- month periods ended September 30, 2025 and 2024

(Unaudited)

10. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

Liquidity risk relates to the risk that the Corporation will encounter difficulty in meeting its obligations associated with financial liabilities. The financial liabilities on the statement of financial position consist of trade and other payables. The Corporation anticipates it will have adequate liquidity to fund its financial liabilities. Trade and other payables consist of invoices payable to trade suppliers for general, administrative and capital expenditures and are usually payable in 30 to 90 days.

The following table indicates the contractual maturities for financial liabilities:

	<i>September 30, 2025</i>	<i>December 31, 2024</i>
Current	\$ 52,701	\$ 56,141
Total	\$ 52,701	\$ 56,141

Market risk

Market risk is the risk that changes in market prices, such as currency, commodity and interest will affect the Corporation's net earnings, future cash flows, the value of financial instruments, or the fair value of its assets and liabilities. The Corporation does not procure services denominated in currency other than Canadian dollars. As such, the Corporation is not exposed to foreign currency fluctuations. The Corporation has no debt and as such has no material exposure to interest risk.

Commodity price risk

The nature of the Corporation's operations results in exposure to fluctuations in commodity prices. Commodity prices for petroleum and natural gas are impacted by global economic and political events that dictate the levels of supply and demand. A 5% change in price of oil would represent a change in net loss for the three and nine month periods ended September 30, 2025 of approximately \$3,768 and 13,334 (2024 - \$6,098 and \$18,408).

11. CAPITAL MANAGEMENT

The Corporation's objectives when managing capital are:

- To safeguard the Corporation's ability to continue as a going concern.
- To maintain appropriate cash reserves on hand to meet ongoing operating costs.
- To invest cash on hand in highly liquid and highly rated financial instruments.

The Corporation's policy is to maintain a strong and stable capital base for the objectives of maintaining financial flexibility, to sustain the development of the Corporation's current capital projects and for future development of the Corporation. The Corporation monitors its working capital and expected capital spending and issues share capital to manage its development plans.

The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Corporation's management. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Corporation, is reasonable. The Corporation is not subject to externally imposed capital requirements.

The Corporation considers its capital structure to be shareholders' equity.