



INTERIM CONDENSED FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

ROK RESOURCES INC.

INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION

(Unaudited, expressed in \$000s)

September 30, 2025

December 31, 2024

Assets

Current Assets

Cash and cash equivalents	6,688	-
Accounts receivable (Note 12)	7,569	11,528
Prepays and deposits	335	284
Risk management contracts (Note 12)	256	-
	14,848	11,812

Non-current Assets

Property, plant and equipment (Note 4)	120,047	135,953
Exploration and evaluation assets	363	363
Marketable securities (Note 9)	7,286	8,516
	142,544	156,644

Liabilities

Current Liabilities

Accounts payable and accrued liabilities (Note 12)	11,926	15,346
Current portion of RSU liability (Note 8)	509	-
Current portion of lease liability	120	114
Risk management contracts (Note 12)	-	771
	12,555	16,231

Non-current Liabilities

Non-current portion of debt (Note 5)	-	7,323
Non-current portion of lease liability	204	293
Non-current portion of RSU liability (Note 8)	41	-
Risk management contracts (Note 12)	-	41
Decommissioning obligations (Note 6)	15,258	17,547
Deferred income tax	13,777	13,802
	41,835	55,237

Shareholders' Equity

Share capital (Note 7a)	28,035	28,420
Warrants (Note 7b)	-	4,562
Contributed surplus (Note 7c)	8,246	3,531
Retained earnings	64,428	64,894
	100,709	101,407
	142,544	156,644

See accompanying notes to the interim condensed financial statements.

ROK RESOURCES INC.

INTERIM CONDENSED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

For the three and nine months ended September 30

<i>(Unaudited, expressed in \$000s)</i>	Three months ended		Nine months ended	
	2025	2024	2025	2024
Revenue:				
Oil and natural gas sales (Note 10)	16,137	21,349	53,758	64,023
Royalties	(2,972)	(3,664)	(9,008)	(11,402)
Oil and natural gas sales, net of royalties	13,165	17,685	44,750	52,621
Realized gain on commodity contracts (Note 12)	498	953	7,033	1,814
Unrealized gain (loss) on commodity contracts (Note 12)	(14)	6,954	1,067	799
Processing and other income	423	994	1,613	2,503
Total revenue and other income	14,072	26,586	54,463	57,737
Expenses and other items:				
Operating expenses	9,947	11,701	29,521	33,980
General and administrative	1,119	1,218	3,591	3,608
Business development	111	-	111	-
Gain on dispositions	-	(5,498)	-	(5,498)
Stock-based compensation (Note 7c & 8)	111	62	607	311
Depletion and depreciation (Note 4)	4,566	5,592	14,657	17,436
Impairment expense (Note 4)	3,400	-	3,400	-
Net finance expense (Note 11)	518	871	1,774	2,697
Unrealized loss (gain) on marketable securities (Note 9)	(2,744)	(899)	1,230	(899)
Foreign exchange loss (gain)	(17)	59	63	94
Total expenses and other items	17,011	13,106	54,954	51,729
Income (loss) before income taxes	(2,939)	13,480	(491)	6,008
Deferred income tax expense (recovery)	(740)	3,440	(25)	1,499
Net income (loss) and comprehensive income (loss)	(2,199)	10,040	(466)	4,509
Net income (loss) per share (Note 7d)				
Basic	(0.01)	0.05	(0.00)	0.02
Diluted	(0.01)	0.05	(0.00)	0.02

See accompanying notes to the interim condensed financial statements.

ROK RESOURCES INC.

INTERIM CONDENSED STATEMENTS OF CASH FLOWS

For the three and nine months ended September 30

<i>(Unaudited, expressed in \$000s)</i>	Three months ended		Nine months ended	
	2025	2024	2025	2024
Cash flows provided by (used in):				
Operating activities				
Net income (loss)	(2,199)	10,040	(466)	4,509
Adjustments for:				
Gain on dispositions	-	(5,498)	-	(5,498)
Unrealized loss (gain) on commodity contracts (Note 12)	14	(6,954)	(1,067)	(799)
Unrealized loss (gain) on marketable securities (Note 9)	(2,744)	(899)	1,230	(899)
Depletion and depreciation (Note 4)	4,566	5,592	14,657	17,436
Impairment expense (Note 4)	3,400	-	3,400	-
Other income from deferred revenue	(46)	(92)	(322)	(92)
Stock-based compensation (Note 7c and 8)	111	62	607	311
Unrealized foreign exchange	-	-	-	1
Net finance expense (Note 11)	518	870	1,774	2,696
Net interest expense paid	32	(333)	(259)	(1,120)
Abandonment costs paid (Note 6)	(378)	(777)	(869)	(1,249)
Deferred income tax expense (recovery)	(740)	3,440	(25)	1,499
Change in non-cash working capital (Note 13)	3,300	(1,820)	(293)	(2,503)
	5,834	3,631	18,367	14,292
Investing activities				
Acquisitions	-	-	-	(233)
Expenditures on property, plant and equipment (Note 4)	(3,237)	(2,958)	(4,940)	(10,053)
Expenditures on lithium exploration project	-	(334)	-	(722)
Change in non-cash working capital (Note 13)	1,166	(2,107)	1,103	(461)
	(2,071)	(5,399)	(3,837)	(11,469)
Financing activities				
Amounts paid on Credit Facility	-	1,802	(7,349)	(2,718)
Share buyback	(355)	-	(385)	-
Lease payments	(36)	(34)	(108)	(106)
	(391)	1,768	(7,842)	(2,824)
Foreign exchange on cash and cash equivalents	-	-	-	1
Increase in cash and cash equivalents	3,372	-	6,688	-
Cash and cash equivalents, beginning of period	3,316	-	-	-
Cash and cash equivalents, end of period	6,688	-	6,688	-

See accompanying notes to the interim condensed financial statements.

ROK RESOURCES INC.

INTERIM CONDENSED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

<i>(Unaudited, expressed in \$000s)</i>	Number of Shares	Share Capital	Warrants	Contributed Surplus	Retained Earnings	Total
Balance at December 31, 2024	219,769,315	28,420	4,562	3,531	64,894	101,407
Net income (loss)	-	-	-	-	(466)	(466)
Share buyback (Note 7a)	(2,005,500)	(385)	-	-	-	(385)
Warrant expiry	-	-	(4,562)	4,562	-	-
Stock-based compensation	-	-	-	153	-	153
Balance at September 30, 2025	217,763,815	28,035	-	8,246	64,428	100,709
Balance at December 31, 2023	218,418,315	28,052	4,562	3,287	65,530	101,431
Net loss	-	-	-	-	4,509	4,509
Warrant exercises	1,000	-	-	-	-	1
Stock-based compensation	-	-	-	311	-	311
Balance at September 30, 2024	218,419,315	28,052	4,562	3,598	70,039	106,252

See accompanying notes to the interim condensed financial statements.

1. REPORTING ENTITY

ROK Resources Inc. (“ROK” or the “Company”) is a public company that is engaged in oil and gas exploration and development activities in Western Canada. The Company’s head offices are located in Regina, Saskatchewan, Canada and Calgary, Alberta, Canada, and the Company’s shares are listed and publicly traded on the TSX Venture Exchange (the “Exchange”) under the trading symbol “ROK”.

2. BASIS OF PRESENTATION

These interim condensed financial statements (the “Financial Statements”) have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” under IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS”).

These Financial Statements follow the same accounting policies and method of computation as the Company’s annual audited financial statements for the year ended December 31, 2024, with the exception of certain disclosures that are normally required to be included in annual financial statements which have been condensed or omitted. These Financial Statements should be read in conjunction with the Company’s audited annual financial statements for the year ended December 31, 2024. These Financial Statements were approved and authorized for issuance by the Company’s Board of Directors on November 13, 2025.

3. ARRANGEMENT AGREEMENT

On September 23, 2025, the Company announced that it has entered into an arrangement agreement (the “Arrangement Agreement”) between 17312539 Canada Inc., a private Canadian company formed for the sole purpose of completing the Arrangement (defined below) (the “Purchaser”), Blue Alaska Oil Trading LLC (“Blue Alaska”) as the sole shareholder of Purchaser, and the newly formed 102220885 Saskatchewan Ltd. (“SpinCo”). Pursuant to the Arrangement Agreement the Purchaser will acquire all of the issued outstanding Class B common shares (“Common Shares”) of the Company for total consideration of \$52 million in cash, subject to adjustments as provided for in the Arrangement Agreement (the “Transaction”).

The Transaction will be completed by way of a statutory plan of arrangement (the “Arrangement”) pursuant to the provisions of the *Canada Business Corporations Act* and the provisions of the Arrangement (the “Plan of Arrangement”). Under the terms of the Arrangement, each holder of Common Shares (each a “ROK Shareholder” and collectively, the “ROK Shareholders”) shall receive a pro-rata portion of the cash consideration and of the ownership in SpinCo for each Common Share held (collectively, the “SpinCo Shares”).

Prior to the close of the Transaction, ROK will transfer all 18,925,000 common shares that it holds in EMP Metals Corp. (“EMP Shares”) (see Note 9) to SpinCo. as part of the Arrangement. The SpinCo shares will then be distributed to the existing ROK Shareholders pro rata to their shareholdings in ROK as of the closing of the Arrangement.

SpinCo will be subject to the same escrow trading restrictions on the EMP’s Shares that ROK was and which provides for: (i) the release from escrow of 50% of the EMP Shares on September 18, 2026, and (ii) the release of the remaining 50% of the EMP Shares from escrow on September 18, 2027.

Pursuant to the Arrangement Agreement, all fees, costs, and expenses incurred by ROK in connection with the Arrangement will be paid by ROK up to a maximum amount of \$4 million, which is expected to come from the working capital of the Company. Any such costs incurred in excess of this threshold will be paid from the Consideration to be received by the ROK Shareholders. It is anticipated that these transaction costs will not exceed the \$4 million threshold amount stated above. A \$3 million deposit has been provided by Blue Alaska and the Purchaser as part of the Transaction and is being held in trust until releasable under the terms of the Arrangement Agreement. A reciprocal break fee of \$3 million is also part of the Transaction and will be provided to the respective party if the Arrangement is terminated under certain conditions in the Arrangement Agreement.

The Transaction is expected to close on or before the first quarter of 2026, subject to the receipt of requisite shareholder, TSXV, court and regulatory approvals and the satisfaction of customary closing conditions in the Arrangement Agreement. The Transaction is not conditional on financing and will require approval of at least 66 2/3% of the Common Shares cast by ROK Shareholders in person or by proxy at a special meeting of ROK Shareholders to be called to consider, among other things, the Arrangement which is scheduled to occur on December 10, 2025.

4. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment ("PP&E") consist of development and production assets ("D&P") and right-of-use leased assets ("ROU"). D&P include the Company's interests in developed petroleum and natural gas properties, as well as interests in infrastructure such as facilities and pipelines. PP&E consist of the following amounts:

Cost (\$000s)	D&P	ROU	Total
Balance, December 31, 2024	193,531	556	194,087
Additions	4,951	-	4,951
Impairment	(3,400)	-	(3,400)
Change in decommissioning provisions	(2,800)	-	(2,800)
Balance, September 30, 2025	192,282	556	192,838
Accumulated Depletion & Depreciation (\$000s)			
Balance, December 31, 2024	57,959	175	58,134
Depletion & depreciation	14,563	94	14,657
Balance, September 30, 2025	72,522	269	72,791
Net Carrying Amount (\$000s)			
Balance, December 31, 2024	135,572	381	135,953
Balance, September 30, 2025	119,760	287	120,047

Future development costs in the amount of \$169.3 million (December 31, 2024 - \$174.2 million) were included in the depletion calculated for the period ended September 30, 2025.

Impairment test of PP&E

ROK reviews its CGUs for indicators of potential impairment at the end of each reporting period. At September 30, 2025, in light of deteriorating commodity prices in global markets and the Company entering into the Arrangement Agreement (Note 3), an impairment test on the Company's Alberta CGU and Saskatchewan CGU was performed.

The Company identified indicators of impairment at September 30, 2025, and performed an impairment test to estimate the recoverable amount of the Alberta CGU and Saskatchewan CGU. The recoverable amount of the CGUs was estimated using the "value in use" methodology, or VIU. The Company used discount rates between 12-27 percent for different reserve types within the Company's Alberta CGU. It was determined that the carrying value of the Alberta CGU of \$11.4 million exceeded the CGU's recoverable amount of \$8.0 million resulting in a \$3.4 million impairment being recorded. The Company used a discount rate of 15 percent for the reserve types within the Company's Saskatchewan CGU. It was determined that the recoverable amount of the Saskatchewan CGU of \$125.4 million exceeded the CGU's carrying amount of \$96.3 million, resulting in no impairment being recorded.

Changes in any of the key judgments, such as an increase in the discount rate, a downward revision in reserves, a decrease in forecast benchmark commodity prices, future costs or an increase in operating costs would decrease the estimated recoverable amounts of assets and any impairment charges would affect net income.

The projected cash flows used in the VIU calculation were derived from a report on the Company's petroleum and natural gas reserves which was prepared by McDaniel's and Associates, an independent third-party reserve evaluator, as of December 31, 2024, and mechanically updated by internal reserve evaluators for actual production in the year and forecasted pricing as at September 30, 2025.

The following table details the forward pricing used in estimating the recoverable amounts of CGUs at September 30, 2025.

Year	Edmonton Light Crude Oil (CAD/bbl) ⁽¹⁾	WTI Crude Oil (USD/bbl) ⁽¹⁾	AECO Natural Gas (CAD/MMBtu) ⁽¹⁾	NYMEX Henry Hub Natural Gas (USD/MMBtu) ⁽¹⁾	Exchange rates (CAD/USD) ⁽¹⁾
2025 (3 mos)	83.52	64.33	1.75	3.45	1.37
2026	87.73	67.83	2.89	3.70	1.36
2027	90.04	70.13	3.36	3.78	1.35
2028	91.21	71.35	3.49	3.88	1.35
2029 ⁽²⁾	93.04	72.78	3.59	3.96	1.35

(1) Source: McDaniel 3 Consultant average price forecast October 1, 2025

(2) Prices escalated at 2.0% thereafter, CAD/USD exchange rate is held constant at 1.35 CAD/USD thereafter

5. DEBT

a) Credit Facility

In June 2025, the Company formalized a new revolving credit facility of \$5.0 million with a Canadian chartered bank (the "Credit Facility") replacing the former \$22.5 million revolving credit facility. The facility is available on a revolving basis. The bank may cancel the availability of the Credit Facility at any time without prior notice or demand, acting in its sole discretion.

The Credit Facility provides that advances may be made by way of direct advances, CORRA loans or letters of credit/guarantees. The facility bears interest at the bank's prime lending or CORRA rates plus applicable margins. The applicable margin charged by the bank is based upon the margin assigned to each loan instrument as defined in the lending agreement. Prior to the elimination of debt balances in May 2025, the Credit Facility had an effective interest rate of 6.0% per annum. The Credit Facility is secured by a floating charge debenture on the assets of the Company.

A summary of outstanding debt as at September 30, 2025, is as follows:

Credit Facility (\$000s)	September 30, 2025	December 31, 2024
Total commitment	5,000	22,500
Amount drawn	-	7,349
Amount drawn, net of unamortized issue costs	-	7,323
Current portion	-	-
Non-current portion	-	7,323

b) Financial covenants

The Company is required to maintain certain debt covenants throughout the term of the Credit Facility, as follows:

- Make expenditures toward asset retirement and abandonment and reclamation liabilities each fiscal year to the extent necessary to remain compliant with provincial, federal, and/or energy industry regulator requirements.
- When more than 70% of the Credit Facility is drawn, maintain oil and gas price hedges on a minimum of 25% of Company oil and gas production for a period of not less than 12 months.
- Maintain a minimum adjusted working capital ratio (as defined in the lending agreement) of 1.00. As of September 30, 2025, the Company's adjusted working capital ratio was 1.56.

As at September 30, 2025, the Company was compliant with all restrictions and covenants for the Credit Facility.

6. DECOMMISSIONING OBLIGATIONS

Decommissioning obligations arise as a result of the Company's net ownership interests in petroleum and natural gas assets including well sites, processing facilities and infrastructure. The following table provides a reconciliation of the carrying amount of obligations associated with the retirement of oil and gas properties:

(\$000s)	
Balance, December 31, 2024	17,547
Change in estimate	(2,800)
Accretion expense	1,369
Net additions	11
Liabilities settled	(869)
Balance, September 30, 2025	15,258

At September 30, 2025, the total estimated amount to settle ROK's decommissioning obligations on an uninflated and undiscounted basis was \$66.5 million (December 31, 2024 - \$63.8 million) and on an inflated and undiscounted basis was \$107.3 million (December 31, 2024 - \$95.9 million). The inflated, undiscounted future value of decommissioning obligations was determined by applying an inflation factor of 2.0% (December 31, 2024 – 2.0%) and subsequently discounting the inflated amount using the Company credit-adjusted rate of 12.0% (December 31, 2024 – 12.0%) to arrive at the balance of \$15.3 million. These costs are expected to be incurred over the next 20 years.

There are material uncertainties concerning the amount and timing of the decommissioning obligations, which include the future market prices for services and equipment required to undertake decommissioning activities, the government regulations and industry practices that set out the relevant standards, and the lifespan of the Company's portfolio of exploration and production assets.

7. SHARE CAPITAL**a) Common shares**

At September 30, 2025, the Company was authorized to issue an unlimited number of Common Shares, with no par value, with holders of Common Shares entitled to one vote per share and to dividends, if declared. Outstanding Common Shares as of September 30, 2025, are as follows:

	Class B shares	Amount (\$000s)
Balance, December 31, 2024	219,769,315	28,420
Shares purchased and cancelled	(2,005,500)	(385)
Balance, September 30, 2025	217,763,815	28,035

In June 2025, the Company announced its intention to effect a normal course issuer board (“NCIB”) through the facilities of the Exchange. Pursuant to the NCIB, the Company is entitled, during the period from June 10, 2025 to June 9, 2026, to purchase on the Exchange up to 18,284,409 Common Shares in total, representing 10% of Common Shares issued and outstanding as of June 5, 2025 after excluding shares beneficially owned by directors and executive officers of the Company and persons who beneficially own or exercise control or direction over more than 10% of the issued and outstanding Common Shares of the Company. The price which the Company paid for purchased shares was the market price at the time of acquisition. The actual number of Common Shares which were purchased and the timing of the purchases was determined by the Company. All shares purchased under the NCIB are cancelled. During the nine months ended September 30, 2025, the Company purchased and cancelled 2,005,500 Common Shares at an average price of \$0.192 per share for total cost of \$385,000.

b) Warrants

The Company had issued and outstanding warrants exercisable to acquire Common Shares of the Company that were issued as part of particular financings carried out over time. A summary of the changes in warrants is presented below:

	Warrants	Weighted average exercise price
Balance, December 31, 2023	113,141,877	0.25
Warrants exercised	(1,000)	0.25
Balance, December 31, 2024	113,140,877	0.25
Warrants expired	(113,140,877)	0.25
Balance, September 30, 2025	-	-

c) Stock options

The Company has a stock option plan whereby options can be granted from time to time to directors, officers, employees and consultants at the discretion of the Board of Directors. The number of options that can be granted is limited to 10% of the total shares issued and outstanding. Options issued typically vest one-third on the date of the grant, one-third after one year following the date of the grant, and one-third after two years following the grant date. Options issued expire five years following the date of the grant.

A summary of the changes in stock options is presented below:

	Stock options	Weighted average exercise price
Balance, December 31, 2023	19,860,000	0.27
Options issued	1,885,000	0.23
Options exercised	(1,350,000)	0.15
Options forfeited	(1,400,000)	0.25
Balance, December 31, 2024	18,995,000	0.27
Options issued	1,250,000	0.20
Options forfeited	(13,485,000)	0.27
Balance, September 30, 2025	6,760,000	0.28
Exercisable, September 30, 2025	4,936,654	0.30

The following summarizes information about stock options outstanding as at September 30, 2025:

Exercise prices	Number of options outstanding	Weighted average term to expiry (years)	Number of options exercisable
0.20	1,250,000	4.73	416,658
0.21	1,260,000	4.02	419,997
0.25	1,150,000	1.48	1,150,000
0.28	200,000	0.81	200,000
0.30	1,400,000	2.45	1,249,999
0.35	275,000	2.91	275,000
0.40	1,225,000	2.42	1,225,000
0.28	6,760,000	2.96	4,936,654

For the three and nine months ended September 30, 2025, the Company recognized \$41,000 and \$153,000 (September 30, 2024 - \$62,000 and \$311,000), respectively, in stock-based compensation expense in relation to the vesting of stock options.

d) Net income (loss) per share

The table below summarizes the weighted average ("WA") number of common shares outstanding used in the calculation of net income (loss) per share for the three and nine months ended September 30, 2025 and 2024:

	Three months ended		Nine months ended	
	2025	2024	2025	2024
WA common shares outstanding, basic	218,589,195	218,419,315	219,369,000	218,418,994
Dilutive effect of stock options	-	457,143	-	1,058,078
Dilutive effect of warrants	-	-	-	4,351,573
WA common shares outstanding, diluted	218,589,195	218,876,458	219,369,000	223,828,645
Net income (loss) (\$000s)	(2,199)	10,040	(466)	4,509
\$ per common share, basic	(0.01)	0.05	(0.00)	0.02
\$ per common share, diluted	(0.01)	0.05	(0.00)	0.02

The Company uses the treasury stock method to determine the impact of dilutive securities. Under this method, only "in-the-money" dilutive instruments impact the calculation of diluted net income (loss) per share. The treasury stock method assumes that the proceeds received from the exercise of all potentially dilutive instruments are used to repurchase common shares at the average market price during the period.

In computing diluted net income (loss) per share for the three and nine months ended September 30, 2025, a total of 6,760,000 stock options were excluded as their impact was anti-dilutive to the net loss per share in each respective period. For the three months ended September 30, 2024, a total of 18,210,000 stock options and 113,140,877 warrants were excluded as they were not in-the-money based on the volume weighted average trading price of the Company's common shares of \$0.21 during the three-month period and therefore anti-dilutive. For the nine months ended September 30, 2024, a total of 8,300,000 stock options were excluded as they were not in-the-money based on the volume weighted average trading price of the Company's common shares of \$0.26 during the nine-month period and therefore anti-dilutive.

8. LONG-TERM INCENTIVE COMPENSATION

In June 2025, the Company's Board of Directors approved a new Restricted Share Unit Plan ("RSU Plan") as an additional form of long-term incentive compensation which allows the Board to grant Restricted Share Units ("RSUs") to directors, officers, employees and consultants of the Company. At the time of redemption of RSUs granted, a cash payment equal to the fair market value of each redeemed RSU is to be paid to the RSU holders. The fair market value

is determined based on the volume weighted average trading price per Common Share of the Company on the Exchange for the last five trading days ending immediately before the redemption date.

For RSUs granted to non-directors, one-third of the granted RSUs will vest on each of the first, second and third years following the date of grant, unless otherwise determined by the Board of Directors of the Company. RSUs granted to directors vest immediately but are not redeemable until the holder ceases to be a director of the Company. As such, the cost and liability associated with RSUs granted to non-directors are recognized evenly over the term of vesting, while the cost and liability of RSUs granted to directors are fully recognized on the date of grant due to their immediate vesting. As previously mentioned, the initial cost and liability of granted RSUs is based on a 5-day volume weighted average trading price per Common Share of the Company at the time of grant. This initial cost valuation of RSUs is recognized as part of stock-based compensation. Subsequent revaluation of RSUs on a periodic basis is based on the same process at each subsequent period end with the results of each revaluation recognized as a gain or loss on RSU liability in finance expenses.

As of September 30, 2025, a total of 4,400,000 RSUs were granted to directors and officers of the Company. For the three and nine months ended September 30, 2025, the Company recognized \$70,000 and \$454,000, respectively, in stock-based compensation expense in relation to the vesting of RSUs. Furthermore, the Company recognized a \$96,000 loss in finance expense on revaluation of the RSU liability as of September 30, 2025.

9. MARKETABLE SECURITIES

Pending completion of the aforementioned Arrangement Agreement, the Company maintains ownership of 18,925,000 common shares of EMP Metals Corp., a public entity which trades on the Canadian Securities Exchange under the trading symbol "EMPS". The EMP common shares are subject to escrow provisions under which 50% of the EMP common shares are to be released from escrow in September 2026 and the remaining 50% are to be released from escrow in September 2027. The EMP common shares are accounted for as a financial asset and are measured at fair value through profit or loss at each period end. As of September 30, 2025, these marketable securities had an assessed fair value of \$7.3 million, resulting in an unrealized gain of \$2.7 million for the three months ended September 30, 2025, and an unrealized loss of \$1.2 million for the nine months ended September 30, 2025.

10. REVENUE

The following table presents the Company's oil and natural gas revenue disaggregated by product type for the periods ended September 30, 2025 and 2024:

(\$000s)	Three months ended		Nine months ended	
	2025	2024	2025	2024
Oil sales	14,465	19,682	46,105	55,155
NGL sales	1,203	1,284	4,295	5,103
Natural gas sales	469	383	3,358	3,765
Total	16,137	21,349	53,758	64,023

As at September 30, 2025, receivables from contracts with customers, which are included in accounts receivable, were \$4.9 million (December 31, 2024 - \$7.7 million).

11. NET FINANCE EXPENSE

The components of net finance expense for the three and nine months ended September 30, 2025 and 2024, are as follows:

(\$000s)	Three months ended		Nine months ended	
	2025	2024	2025	2024
Interest income	(71)	(2)	(78)	(4)
Interest expenses and bank charges	39	61	96	203
Debt interest expense	-	274	241	921
RSU liability revaluation loss	96	-	96	-
Lease liability interest expense	7	9	24	28
Accretion on debt	-	99	26	294
Accretion on decommissioning obligations	447	430	1,369	1,255
Total net finance expense	518	871	1,774	2,697

12. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks, and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk

Credit risk reflects the risk of loss if counterparties do not fulfill their contractual obligations and arises principally from the Company's receivables from joint operations partners and petroleum and natural gas customers.

In determining the recoverability of trade and other receivables, the Company considers the type and age of the outstanding receivables, the credit risk of the counterparties, and the recourse available to the Company. The maximum exposure to credit risk for accounts receivable and accruals, net of expected credit loss at the reporting date by type of customer was:

Carrying Amount (\$000s)	September 30, 2025	December 31, 2024
Oil and natural gas customers	4,899	7,701
Joint operations partners	2,412	3,503
Accruals and other	258	324
Total	7,569	11,528

The Company applies the simplified approach to providing for expected credit losses as prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivable and accrued receivables. The expected credit losses below also incorporate forward looking information.

Aging (\$000s)	September 30, 2025	December 31, 2024
0 - 30 days	5,497	7,799
30 - 90 days	410	846
Greater than 90 days	1,850	3,069
Expected credit loss	(188)	(186)
Total	7,569	11,528

The Company considers amounts outstanding greater than 90 days to be at greater risk of being uncollectible, unless circumstances on particular balances provide certainty of collection. Receivables normally collectible within 30 to 60 days can take longer as information requests and timing can come into effect in dealing with receivables from joint venture partners. At September 30, 2025, there were \$0.2 million in receivables which were considered uncollectible (December 31, 2024 - \$0.2 million).

Liquidity risk

The table below outlines the contractual maturities of the Company's financial liabilities as at September 30, 2025:

(\$000s)	Less than 1 year	1-2 years	Thereafter	Total
Accounts payable	11,926	-	-	11,926
Lease obligations ⁽¹⁾	143	116	104	363
	12,069	116	104	12,289

(1) Reflects timing of lease payments on existing lease obligations

Commodity price risk

Commodity price risk is the risk that the fair value of the future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices have fluctuated widely in recent years due to global and regional factors including supply and demand fundamentals, inventory levels, weather and economic and geopolitical factors.

The Company manages risk associated with the changes in commodity prices by entering into a variety of risk management contracts. The Company assesses the effects of movement in commodity prices on income before tax.

As of September 30, 2025, the Company has the following commodity risk management contracts outstanding:

	Q4 2025	Q1 2026	Q2 2026
Swap Contracts - AECO			
Volumes (mmbtu/d)	4,463	4,594	1,348
C\$/mmbtu ⁽¹⁾	2.81	3.17	2.47

(1) Prices reported are the average price for the period.

Foreign currency risk

The Company is exposed to the risk of fluctuations in foreign exchange rates between the Canadian dollar and the US dollar given the risk of changes in the USD/CAD exchange rate on crude oil sales based on USD benchmark prices.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in prevailing market interest rates. The Company is exposed to interest rate risk on the Credit Facility, with interest rates based on the bank's prime lending or CORRA rates plus applicable margins. The applicable margin charged by the bank is dependent

upon the Company's debt to cash flow ratio for the most recent quarter. Fluctuations of interest rates could result in an increase or decrease in the amount ROK pays to service the variable interest rate debt.

Fair value of financial instruments

The Company's financial instruments as at September 30, 2025, include accounts receivable and deposits, accounts payable and accrued liabilities, risk management contracts, marketable securities.

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in accordance with the following hierarchy:

Level 1 - inputs are based on quoted market prices in active markets that the Company has the ability to access at the measurement date.

Level 2 - inputs are based on quoted prices in the markets that are not active or based on prices that are observable for the asset or liability.

Level 3 - inputs are based on unobservable market data for the asset or liability.

The Company aims to maximize the use of observable inputs when preparing calculations of fair value. Classification of each measurement into the fair value hierarchy is based on the lowest level of input that is significant to the fair value calculation.

The fair value of cash and cash equivalents, accounts receivable and deposits, and accounts payable and accrued liabilities approximate their carrying amounts due to their short terms to maturity. The fair value measurement of the marketable securities have a fair value hierarchy of Level 1. The fair value measurement of the risk management contracts have a fair value hierarchy of Level 2.

The fair values of financial derivatives are recurring measurements and are determined whenever possible based on observable market data. If not available, the Company uses third party models and valuation methodologies that utilize observable market data including forward benchmark commodity prices, forward interest rates and forward foreign exchange rates to estimate the fair value of financial derivatives. In addition to market information, the Company incorporates transaction specific details that market participants would utilize in a fair value measurement, including the impact of non-performance risk. The valuation technique used has not changed in the period.

Capital management

The Company's objectives when managing capital are to ensure the Company will have sufficient financial capacity, liquidity, and flexibility to fund the Company's operations and potential strategic transactions for the foreseeable future. The Company is dependent upon funding these activities through a combination of available cash, debt and equity, which it considers to be the components of its capital structure as outlined below.

The Company monitors leverage and adjusts its capital structure based on its net debt level. Net debt is defined as the principal amount of its outstanding long-term obligations less adjusted working capital. In order to facilitate the management of its net debt, the Company prepares annual budgets, which are updated as necessary depending on varying factors including current and forecast commodity prices, changes in capital structure, execution of the Company's business plan and general industry conditions. The annual budget is approved by the Board of Directors and updates are prepared and reviewed as required.

(\$000s)	September 30, 2025	December 31, 2024
Cash and cash equivalents	6,688	-
Accounts receivable	7,569	11,528
Prepays and deposits	335	284
Current portion of risk management contracts	256	(771)
Accounts payable and accrued liabilities	(11,926)	(15,346)
Adjusted working capital ⁽²⁾	2,922	(4,305)
Credit Facility ⁽¹⁾	-	(7,349)
Lease obligations ⁽¹⁾	(363)	(475)
Less: adjusted working capital ⁽²⁾	2,922	(4,305)
Net surplus (debt)	2,559	(12,129)

(1) Represents undiscounted face value of debt balances and lease obligations outstanding as of each respective date presented.

(2) Calculation of adjusted working capital excludes current portion of debt and lease liabilities as presented on the statement of financial position. The mark-to-market fair value of the current portion of risk management contracts is included within adjusted working capital.

The Company regularly monitors its capital structure and, as necessary, adjusts to changing economic circumstances and the underlying risk characteristics of its assets in order to meet current and upcoming obligations and investments by the Company. The Company frequently reviews alternate financing options and arrangements to meet its current and upcoming commitments and obligations.

The Company's objectives when managing capital are: (i) to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and (ii) to maintain investor, creditor and market confidence in order to sustain the future development of the business. The Company's share capital is not subject to external restrictions with the exception of lender approval on payment of dividends.

13. SUPPLEMENTAL CASH FLOW INFORMATION

For the periods ended September 30	Three months ended		Nine months ended	
(\$000s)	2025	2024	2025	2024
Accounts receivable	752	534	3,959	1,116
Prepays and deposits	493	29	(51)	45
Accounts payable and accrued liabilities	3,221	(4,490)	(3,098)	(4,125)
Change in non-cash working capital	4,466	(3,927)	810	(2,964)
Relating to:				
Operating activities	3,300	(1,820)	(293)	(2,503)
Investing activities	1,166	(2,107)	1,103	(461)
Change in non-cash working capital	4,466	(3,927)	810	(2,964)