

REEFLEX SOLUTIONS INC.
(FORMERLY, BIGSTACK OPPORTUNITES I INC.)
Consolidated Interim Financial Statements
For the three and nine months ended May 31, 2025 and 2024
(Expressed in Canadian dollars)
(unaudited)

**NOTICE OF NO AUDITOR REVIEW
OF CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The accompanying consolidated interim financial statements of Reeflex Solutions Inc. (the “Company”) as at May 31, 2025 and 2024 for the three and nine months then ended, have been prepared by management of the Company and approved by the Company’s Audit Committee.

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited 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 in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity’s auditor.

REEFLEX SOLUTIONS INC. (FORMERLY, BIGSTACK OPPORTUNITIES I INC.)
Consolidated Statements of Financial Position
As at May 31, 2025 and Aug 31, 2024

| | | 31-May | 31-Aug |
|---|-------|--------------------|--------------------|
| | Notes | 2025 Unaudited | 2024 Audited |
| ASSETS | | | |
| Current | | | |
| Cash | | 183,240 | 823,737 |
| Trade and other receivables | 5 | 3,105,564 | 3,665,194 |
| Inventories | 3f | 5,027,840 | 3,957,215 |
| Prepaid expenses | | 254,683 | 84,691 |
| | | \$ 8,571,327 | \$ 8,530,837 |
| Non-current | | | |
| Property and equipment | 6 | 559,343 | 539,912 |
| Right-of-use assets | 7 | 574,430 | 765,907 |
| Security deposits | | 77,164 | 77,164 |
| Loan receivable | | 85,727 | 56,126 |
| | | \$1,296,664 | \$1,439,108 |
| Total assets | | \$9,867,991 | \$9,969,945 |
| LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT) | | | |
| Current liabilities | | | |
| Accounts payable and accrued liabilities | 8 | 2,648,797 | 1,744,246 |
| Due to shareholders | 9 | - | 2,327,940 |
| Promissory notes | 14 | 1,768,375 | - |
| Current portion of lease liabilities | 18 | 250,600 | 250,600 |
| Current portion of long-term debt | | 47,700 | 47,700 |
| Preferred share liability | 12 | - | 3,189,400 |
| | | \$4,715,471 | \$7,559,886 |
| Non-current liabilities | | | |
| Deposits | | 33,736 | 33,736 |
| Promissory notes | 14 | 1,840,000 | - |
| Lease liabilities | 18 | 404,546 | 589,236 |
| Long-term debt | 16 | 19,768 | 55,157 |
| Deferred tax liabilities | | 56,880 | 56,880 |
| | | \$2,354,930 | \$735,008 |
| Total liabilities | | \$7,070,402 | \$8,294,895 |
| SHAREHOLDERS' EQUITY (DEFICIT) | | | |
| Share capital | 10 | 4,291,000 | 97 |
| Contributed surplus | 12 | 20,645 | - |
| Retained earnings | | (1,514,056) | 1,674,954 |
| | | \$2,797,589 | \$1,675,051 |
| Total liabilities and shareholders' equity (deficit) | | \$9,867,991 | \$9,969,945 |

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

Approved by the Board of Directors "John Babic"
Approved by the Board of Directors "Eric Szustak"

REEFLEX SOLUTIONS INC. (FORMERLY, BIGSTACK OPPORTUNITIES I INC.)
Consolidated Statements of Operation Income (Loss) and Comprehensive Income
For the three and nine months ended May 31, 2025 and 2024

| | Notes | Three months ended May 31 | | Nine months ended May 31 | |
|---|---------------------|---------------------------|--------------|--------------------------|--------------|
| | | 2025 | 2024 | 2025 | 2024 |
| Revenue | 22 | 3,339,006 | 3,767,496 | 8,932,105 | 12,788,113 |
| Cost of sales | 23 | 1,645,295 | 1,830,410 | 4,307,459 | 7,739,186 |
| Gross profit | | \$ 1,693,712 | \$ 1,937,085 | \$ 4,624,646 | \$ 5,048,927 |
| Operating expenses | | | | | |
| Advertising and promotion | | - | 9,342 | 750 | 41,131 |
| Depreciation | 6 & 7 | 82,353 | 81,819 | 247,058 | 245,458 |
| Computer expense | | 32,591 | 26,622 | 99,198 | 89,195 |
| Consulting fees | | 59,128 | 46,923 | 161,143 | 126,874 |
| Insurance | | 23,632 | 16,588 | 62,116 | 43,983 |
| Memberships, dues and licenses | | 41,135 | 33,806 | 135,535 | 105,477 |
| Office | | 44,278 | 71,678 | 140,497 | 156,313 |
| Professional fees | | (24,427) | 25,142 | 106,131 | 40,559 |
| Rent | | 91,529 | 48,039 | 192,441 | 141,506 |
| Repairs and maintenance | | 16,130 | 22,975 | 99,793 | 67,253 |
| Salaries and benefits | | 901,182 | 818,522 | 2,755,818 | 2,293,851 |
| Supplies | | 43,654 | 48,542 | 124,365 | 130,943 |
| Telephone and utilities | | 36,873 | 34,646 | 104,639 | 115,135 |
| | | 1,348,058 | 1,284,643 | 4,229,486 | 3,597,677 |
| Net income before the following: | | \$ 345,654 | \$ 652,442 | \$ 395,160 | \$ 1,451,250 |
| Listing expenses | 15 | (3,445,309) | - | (3,445,309) | - |
| Carbon tax rebate for businesses | | - | - | 40,547 | - |
| Foreign exchange gain (loss) | | 20,942 | (40,212) | 81,553 | (39,180) |
| Interest and bank charges | | (3,536) | (4,308) | (24,891) | (14,181) |
| Interest expense on lease liability | | (9,628) | (11,324) | (28,883) | (33,971) |
| Interest expense on long-term debt | | (431) | (201) | (1,437) | (201) |
| Management fees & stock options | 10c & 17 | (109,186) | (60,000) | (249,186) | (260,000) |
| Other Interest | | 25,234 | 1,798 | 43,435 | 9,850 |
| Total other income (expenses) | | (3,521,914) | (114,248) | (3,584,171) | (337,684) |
| Net income before income tax expense | | (3,176,260) | 538,194 | (3,189,011) | 1,113,566 |
| Current income tax expense | | - | - | - | - |
| Deferred income tax expense | | - | - | - | - |
| Income tax expense | | - | - | - | - |
| Net income for the period | | (3,176,260) | 538,194 | (3,189,011) | 1,113,566 |
| Other comprehensive income | | - | - | - | - |
| Total comprehensive income | | \$ (3,176,260) | \$ 538,194 | \$ (3,189,011) | \$ 1,113,566 |
| Basic and diluted earning(loss per share) | | \$ (0.19) | \$ 0.61 | \$ (0.36) | \$ 1.27 |
| Weighted average number of common shares outstanding | 11 | 16,349,060 | 880,000 | 8,863,472 | 880,000 |

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

REEFLEX SOLUTIONS INC. (FORMERLY, BIGSTACK OPPORTUNITIES I INC.)

Consolidated Statements of Cash Flows

For the nine months ended May 31, 2025 and 2024

| Cash provided by (used in): | Notes | Nine months ended May 31 | |
|--|------------------|---------------------------------|----------------|
| | | 2025 | 2024 |
| Operating activities | | | |
| Net income for the year | | (3,189,011) | 1,113,566 |
| Depreciation | 6 & 7 | 247,058 | 245,458 |
| | | \$ (2,941,952) | \$ 1,359,024 |
| Changes in : | | | |
| Accounts receivable | 5 | 559,630 | (2,484,576) |
| Prepaid expenses | | (169,993) | (47,923) |
| Inventories | 3f | (1,070,625) | (674,543) |
| Deposits | | - | 50,000 |
| Accounts payable and accrued liabilities | 8 | 904,551 | 166,182 |
| Promissory notes (current) | 14 | 1,768,375 | - |
| | | \$ (950,013) | \$ (1,631,835) |
| Investing activities | | | |
| Purchase of property and equipment | 5 | (75,025) | - |
| Change in loan receivable | | (29,601) | (46,095) |
| Proceeds on sale of property plant and equipment | | - | 5,256 |
| Advances to and from related parties | 7 | (203,586) | 62,619 |
| | | \$ (308,212) | \$ 21,780 |
| Financing activities | | | |
| Payments to shareholders | | - | (472,560) |
| Promissory notes (non-current) | 14 | 1,840,000 | - |
| Proceeds of lease liabilities | | (184,690) | 1,106,197 |
| Proceeds of long-term debt | 16 | (35,387) | 36,485 |
| Security deposit | | - | 1,125 |
| Changes in contributed surplus | 12 | 20,645 | - |
| Redemption of common shares | | (1,022,840) | (13) |
| Redemption of preferred shares | | - | (48,602) |
| | | \$ 617,728 | \$ 622,632 |
| Change in cash | | (640,497) | (987,424) |
| Cash at beginning of the period | | 823,737 | 2,502,725 |
| Cash at end of the period | | \$ 183,240 | \$ 1,515,301 |

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

REEFLEX SOLUTIONS INC. (FORMERLY, BIGSTACK OPPORTUNITIES I INC.)
Consolidated Statements of Changes in Shareholders' Equity (Deficit)
For the nine months ended May 31, 2025 and 2024

| | Note | Share capital | Contributed Surplus | Retained earnings | Total |
|---|---------------------|---------------|------------------------|----------------------|--------------|
| Balance as at August 31, 2023 | | 97 | - | \$ 606,130 | \$ 606,227 |
| Net income and comprehensive income | | - | | 1,113,566 | 1,113,566 |
| Balance as at May 31, 2024 | | \$ 97 | - | \$ 1,719,696 | \$ 1,719,793 |
| Balance as at August 31, 2024 | | 97 | - | \$ 1,674,954 | \$ 1,675,051 |
| Share capital reorganization | | 5,313,753 | - | - | 5,313,753 |
| Eliminate Coil common shares | 15 | (5,313,850) | - | - | (5,313,850) |
| Founding members shares | 15 | 255,000 | - | - | 255,000 |
| Subscription issuance | 15 | 827,900 | - | - | 827,900 |
| Shares issued for Coil acquisition | 15 | 1,800,000 | - | - | 1,800,000 |
| Shares issued for line of credit security | 15 | 900,000 | - | - | 900,000 |
| Bigstack RTO | 15 | 508,100 | - | - | 508,100 |
| Stock options issued | 10c & 12 | - | 4,186 | - | 4,186 |
| Agents' options | 10d & 12 | - | 16,459 | - | 16,459 |
| Net income and comprehensive income | | - | - | (3,189,010) | (3,189,010) |
| Balance as at May 31, 2025 | | \$ 4,291,000 | \$ 20,645 | \$ (1,514,056) | \$ 2,797,589 |

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

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

1. Reporting Entity

Reeflex Solutions Inc. (formerly Bigstack Opportunities I Inc.) (the “Company”) was incorporated on July 16, 2021 under the Ontario Business Corporations Act. The Company’s head office is located at 5475 - 56 Ave SE, Calgary Alberta, T2C 3X6. The Company’s shares are traded on the TSX Venture Exchange (“TSXV”) under the symbol “RFX”.

The Company was formed through the series of transactions referenced below. On May 15, 2025, Reeflex Coil Solutions Inc. (“Reeflex Coil”) a privately owned company, incorporated on June 14, 2024, entered into a share purchase agreement (the “Share Purchase Agreement”) with Coil Solutions Inc. (“Coil”), a private oilfield service and equipment company incorporated on Aug 15, 2007. Pursuant to the Share Purchase Agreement, all the issued and outstanding common shares of Coil were acquired by Reeflex Coil for the agreed purchase price of \$5,800,000, subject to a post-closing working capital adjustment. The purchase price was satisfied by the payment of \$1,700,000 cash; 18,000,000 common shares in the capital of the Company at a price of \$0.10 per common share; and a secured Vendor Take-Back in the amount of \$2,300,000.

On May 16, 2025, Bigstack Opportunities I Inc. (“Bigstack”) completed a three-cornered amalgamation (the “Amalgamation”) pursuant to which Reeflex Coil amalgamated with 2704122 Alberta Ltd., a wholly-owned subsidiary of Bigstack. The amalgamated entity, named Reeflex Coil, became a wholly-owned subsidiary of Bigstack and Coil became a wholly-owned subsidiary of Reeflex Coil.

Reeflex Coil completed a non-brokered private placement of 4,139,500 subscription receipts (each, a “Subscription Receipt”) at a price of \$0.20 per Subscription Receipt for aggregate gross proceeds of \$827,900. Each Subscription Receipt converted into one common share of Reeflex Coil (“Reeflex Coil Share”) immediately prior to the Amalgamation.

Pursuant to the Amalgamation, all of the issued and outstanding Reeflex Coil Shares were exchanged for common shares in the capital of the Company (“Common Shares”) on the basis of one Common Share for each Reeflex Coil Share held. Upon completion of the Amalgamation, Bigstack changed its name to Reeflex Solutions Inc.

The Amalgamation constituted a reverse take-over (“RTO”) of the Company by Reeflex Coil, with Reeflex Coil being the acquirer for accounting purposes. Accordingly, these unaudited interim consolidated financial statements are a continuation of Reeflex Coil including its wholly owned subsidiary Coil, with the net assets (liabilities) of Bigstack being consolidated from May 16, 2025, as well as Reeflex Coil’s operating results from that date forward. The comparative figures are those of Coil. The Company is in the business of providing coiled tubing solutions and downhole tools to the oil & gas industry. The Company also designs and manufactures custom-built mobile equipment for various industry sectors.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

2. Basis of Preparation

a) Statement of Compliance

These unaudited consolidated interim financial statements of the Company have been prepared in accordance with IFRS[®] Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These unaudited consolidated interim financial statements were approved and authorized for issue by the Company’s board of directors (“Board”) on July 29, 2025.

b) Basis of Measurement

The financial statements have been prepared on the historical cost basis.

c) Functional Currency

The financial statements are presented in Canadian dollars, which is the Company’s presentation currency and functional currency.

d) Critical Judgements in Applying Accounting Policies

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, and expenses. Actual results may differ materially from these estimates. Estimates and their underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and for any future years affected.

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements. Estimates included in these financial statements include the following:

- i) the percentage of completion revenue recognition calculated an estimate of completion based on company experience, contracted revenue agreements and actual expenditures incurred as stated under note 4.
- ii) the Company assets are amortized based on various percentages on a declining balance or straight-line basis based on the estimate of obsolescence as stated under note 3d)iii.
- iii) income tax payable is estimated at the current corporate tax rate of 23% throughout the year and is adjusted by the actual calculation at year-end.
- vi) inventory is maintained at the lower of cost and net realizable value and is periodically reviewed for its demand and if it is determined no longer of value it would be adjusted to a salvage value

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

3. Material Accounting Policies

The accounting policies set out below have been applied consistently by the Company to all periods presented in these financial statements.

a) Foreign Currency

The Company uses the temporal method to translate its foreign currency transactions. Monetary assets and liabilities are translated at the exchange rate in effect at the statement of financial position date. Other assets and liabilities are translated at the exchange rate in effect at the transaction date. Items appearing in the current year's statement of comprehensive income, except for the cost of inventories and amortization translated at the historic rate, are translated at the average rate for the month of the transaction. Exchange gains and losses are included in the statement of comprehensive income.

b) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes party to the contractual provisions of the instrument.

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL or the Company has opted to measure them at FVTPL.

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

- i) Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- ii) Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
- iii) Level 3 – Applies to assets or liabilities for which there is no observable market data or comparable.

The Company's financial assets include cash, trade and other receivables, advances from related parties, and loans receivable. Financial assets are initially recognized at fair value and subsequently carried at amortized cost using the effective interest method less any provision for impairment. They are classified as either current or non-current based on their maturity date.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

3. Material Accounting Policies (continued)

The Company's financial liabilities include accounts payable and accrued liabilities, due to related parties, preferred share liability, lease liability and long-term debt. Financial liabilities are initially recognized at fair value and subsequently carried at amortized costs using the effective interest method.

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire or when it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position only when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

c) Impairment of financial assets and non-financial assets

At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, an impairment loss is recognized in the statement of comprehensive income. Impairment losses on financial assets carried at amortized cost, including loans and receivables, are calculated as the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of cash inflows from other assets or groups of assets or cash generating units ("CGU"). The recoverable amount of an asset or a CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or the CGU. Impairment losses recognized in prior years are reviewed by the Company at each reporting date or any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An asset's carrying amount, increased through the reversal of an impairment loss, must not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

3. Material Accounting Policies (continued)

d) Property, Equipment and Intellectual Property

i. Recognition and Measurement

Items of property and equipment are measured at cost less accumulated amortization and accumulated impairment losses. Cost includes expenditures directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labor, and other costs directly attributable to bringing the assets to a working condition for their intended use.

ii. Subsequent Costs

The cost of replacing a part of an item of property and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

iii. Amortization

The Company provides for amortization using methods and rates designed to amortize the cost of property and equipment over their estimated useful lives. Amortization is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Methods and rates used are as follows:

- a) Amortization of downhole tools is recorded using the straight-line method over two or three years.
- b) Amortization of intellectual property is recorded using the straight-line method over twenty-five years.
- c) The following assets are amortized using the declining balance method at the following rates:

| | |
|--------------------|------------|
| Equipment | 20% |
| Website | 20% |
| Vehicles | 30% |
| Computer equipment | 55% |
| Computer software | 55% - 100% |

e) Leased Assets

Under IFRS 16, leases in scope are recognized on the Company's statement of financial position with a right-of-use asset and corresponding lease obligation initially measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at the date the lease commenced. The right-of-use assets are included in property, plant, and equipment on the statement of financial position and are depreciated over the shorter of either the asset's estimated useful life or the term of the lease.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of assets that have a lease term of 12 months or less and leases of low value assets including information technology equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

3. Material Accounting Policies (continued)**f) Inventory**

Inventory, including parts and raw materials, work-in-progress, and finished goods, is valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the costs necessary to make the sale. The cost of parts and raw materials is determined using the weighted average method. For work-in-progress and finished goods, cost includes direct materials, direct labor, and an allocation of manufacturing overhead.

| | 31-May 2025 | 31-Aug 2024 Audited |
|-------------------------------|------------------------|--------------------------------|
| Mobile Equipment | \$ 123,995 | \$ 208,174 |
| Down Hole Tools | \$ 1,205,762 | \$ 1,172,054 |
| Injectors | \$ 3,665,696 | \$ 2,041,568 |
| Work In Progress | \$ 32,386 | \$ 535,419 |
| Total Inventory | \$ 5,027,840 | \$ 3,957,215 |
| Cost of Sale Purchases | \$ 1,645,115 | \$ 5,719,402 |

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

4. Revenue Recognition

Deposits include deposits from customers for significant sales where services have not been completed nor invoiced.

Parts and downhole tools revenue is recognized when goods are shipped and services provided. Income from contracts is determined on the percentage of completion basis in accordance with IFRS 15. During the term of the contract, costs are also recognized on the percentage of completion basis. Revenue from sublease contracts is recognized on a monthly basis as the income is earned.

| | 2025 | 2024 |
|----------------------------------|--------------------------|----------------------------|
| | 31-May-25 | 31-May-24 |
| Contract amount completed | | |
| Mobile Equipment | 650,942.15 | 2,556,945.20 |
| Injectors | 1,410,162.71 | 885,790.69 |
| | <u>2,061,104.87</u> | <u>3,442,735.89</u> |
| | | |
| Matching cost incurred | | |
| Mobile Equipment | 450,170.45 | 1,779,857.44 |
| Injectors | 857,313.67 | 537,370.20 |
| | <u>1,307,484.12</u> | <u>2,317,227.64</u> |
| | | |
| Percentage of completion | 55% | 67% |
| Revenue to accrue | 2,061,104.87 | 3,442,735.89 |
| Costs to accrue | 1,307,484.12 | 2,317,227.64 |
| Net Contribution | <u>753,620.75</u> | <u>1,125,508.25</u> |

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

5. Trade Accounts Receivable

| | 31-May 2024 | 31-Aug 2024 Audited |
|--|------------------------|--------------------------------|
| Trade accounts receivable | \$ 1,841,819 | \$ 1,748,391 |
| Unbilled revenue | \$ 990,322 | \$ 1,916,524 |
| Allowance for doubtful accounts | \$ - | \$ 279 |
| Income tax receivable | \$ 273,424 | \$ - |
| Total trade accounts receivable | \$ 3,105,564 | \$ 3,665,194 |

6. Property and Equipment

| 31-Aug-24 | Downhole tools | Intellectual property | Equipment | Computer Software and Website | Vehicles | Total |
|-----------------------|-------------------|--------------------------|------------------|--|------------------|-------------------|
| Cost | \$ 1,137,931 | \$ 556,462 | \$ 405,788 | \$ 533,585 | \$ 194,355 | \$ 2,828,122 |
| Accum Amort | \$ 1,094,381 | \$ 166,989 | \$ 370,143 | \$ 514,219 | \$ 142,478 | \$ 2,288,210 |
| Net Book Value | \$ 43,550 | \$ 389,473 | \$ 35,645 | \$ 19,366 | \$ 51,877 | \$ 539,912 |

| 31-May-25 | Downhole tools | Intellectual property | Equipment | Computer Software and Website | Vehicles | Total |
|-----------------------|-------------------|--------------------------|------------------|--|------------------|-------------------|
| Cost | \$ 1,155,470 | \$ 613,946 | \$ 405,788 | \$ 533,585 | \$ 194,355 | \$ 2,903,145 |
| Accum Amort | \$ 1,112,724 | \$ 184,071 | \$ 375,501 | \$ 517,355 | \$ 154,151 | \$ 2,343,802 |
| Net Book Value | \$ 42,746 | \$ 429,875 | \$ 30,287 | \$ 16,230 | \$ 40,204 | \$ 559,343 |

7. Right of Use Assets

| | 31-May 2025 | 31-Aug 2024 Audited |
|-----------------------------|------------------------|------------------------------------|
| Cost | \$ 1,276,510 | \$1,276,511 |
| Accumulated Depreciation | \$ 702,081 | \$ 510,604 |
| Net Book Value | \$ 574,430 | \$ 765,907 |

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

| 8. Accounts Payable and Accrued Liabilities | 31-May 2025 | 31-Aug 2024 Audited |
|---|------------------------|--------------------------------|
| Trade accounts payable and accrued liabilities | \$ 1,807,497 | \$ 1,262,141 |
| Wages, vacation, and bonus payable | \$ 194,225 | \$ 261,156 |
| Source deductions payable | \$ - | \$ 39,422 |
| Income taxes payable | \$ - | \$ 161,286 |
| Customer Deposits | \$ 647,076 | \$ 20,242 |
| Total Accounts Payable and Accrued Liabilities | \$ 2,648,797 | \$ 1,744,246 |

| 9. Amounts Due to Shareholders Related Party | 31-May 2025 | 31-Aug 2024 Audited |
|---|------------------------|--------------------------------|
| Due to Welstand Strategic Inc. | \$ - | \$ - |
| 1594072 Alberta Ltd. | \$ - | \$ 653,555 |
| 1591200 Alberta Ltd. | \$ - | \$ 529,740 |
| HAP Investments Ltd. | \$ - | \$ 641,109 |
| 1596680 Alberta Ltd. | \$ - | \$ 503,537 |
| Total | \$ - | \$ 2,327,940 |

On November 30, 2024, Coil entered into capital contribution agreements with its former shareholders, whereby the total outstanding shareholder loan balance was contributed to shareholders' equity.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

10. Share Capital**(a) Authorized**

Unlimited Number of Common Shares

(b) Common Shares – issued and outstanding

| | Share Capital | |
|--|--|----------------------|
| | Number of Common Shares | Amount \$ |
| Incorporation, on June 14, 2024 | - | - |
| Issue of shares (i) | 5,100,000 | 255,000 |
| Balance, February 28, 2025 | 5,100,000 | 255,000 |
| Issue of shares in consideration of loan guarantee (ii) | 9,000,000 | 900,000 |
| Issue of shares to vendors (iii) | 18,000,000 | 1,800,000 |
| Issue of shares pursuant to offering of subscription receipts (iv) | 4,129,500 | 827,900 |
| Reverse takeover transaction (v) | | |
| Cancellation of shares of Reeflex Coil | (36,239,500) | - |
| Outstanding shares of Bigstack | 10,162,001 | - |
| Shares issued pursuant to reverse takeover | 36,239,500 | 508,100 |
| Balance, May 31, 2025 | 46,401,501 | 4,291,000 |

- (i) During the period ended February 28, 2025, Reeflex Coil issued 5,100,000 common shares to the founders at an issue price of \$0.05 per common share.
- (ii) During the period ended May 31, 2025, Reeflex Coil issued 9,000,000 common shares to an officer and director at \$0.10 per common share in consideration for providing a personal guarantee on a \$1.5 million credit facility in connection with the acquisition of Coil.
- (iii) During the period ended May 31, 2025, Reeflex Coil issued 18,000,000 common shares to the Vendors of Coil at an issue price of \$0.10 per common share as partial consideration for the acquisition of Coil.
- (iv) During the period ended May 31, 2025, Reeflex Coil issued 4,129,500 common at an issue price of \$0.20 per common share pursuant to an offering of subscription receipts.
- (v) On May 16, 2025, the Company acquired all of the issued and outstanding shares of Reeflex Coil in exchange for its own 36,239,500 common shares as part of the reverse takeover transaction (see note 13).

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

10. Share Capital (continued)**(c) Stock Options**

On May 16, 2025, the Company granted 3,050,000 stock options to officers and directors with a term of 5 years at an exercise price of \$0.20 per common share. The fair value of the stock options was calculated with the Black Scholes Option Pricing Model using the following assumptions: a 5-year risk-free rate of 2.53%; expected volatility of 50%; a dividend yield of 0%; and time to maturity of 5-years. The Options will be expensed over a vesting period of 15 months.

(d) Agents' Options

On May 16, 2025, the Company exchanged 500,000 Bigstack agents' options at an exercise price of \$0.10 per commons share for 500,000 Reeflex agents' options at an exercise price of \$0.10 per common share. The Company utilized Black Scholes Options Pricing model to determine the fair value of 500,000 share options at \$16,459 using the following inputs and assumptions: share price – \$0.05, exercise price - \$0.10, term – 5.0 years; expected volatility – 100%; expected dividend yield – 0%; and risk-free rate – 2.77%.

11. Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") in accordance with IAS 33, *Earnings Per Share*. Basic EPS is calculated by dividing profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS adjusts the weighted average number of shares for the effects of potentially dilutive shares.

Weighted average number of shares used in the calculation of basic and diluted EPS

| Period Ended | Three months ended May 31, | | Nine months ended May 31, | |
|---|----------------------------|-----------|---------------------------|-------------|
| | 2025 | 2024 | 2025 | 2024 |
| Weighted average shares (basic and diluted) | 16,349,060 | 880,000 | 8,863,472 | 880,000 |
| Profit/(Loss) attributable to shareholders | \$(3,176,260) | \$538,194 | \$(3,189,011) | \$1,113,566 |
| Basic and diluted EPS (per share) | \$(0.19) | \$0.61 | \$(0.36) | \$1.27 |

12. Contributed Surplus

| | 31-May 2024 | 31-Aug 2025 |
|----------------------------------|----------------|----------------|
| Stock Options | \$ 4,186 | \$ - |
| Agent Options | \$ 16,459 | \$ - |
| Total Contributed Surplus | \$ 20,645 | \$ - |

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

13. Preferred Shares

On November 30, 2024, Coil entered into an agreement with the holders of its Class “B” preferred shares, valued at \$3,189,400, under which all issued and outstanding Class “B” preferred shares were converted into common equity.

14. Promissory Notes

Pursuant to the Share Purchase Agreement, the Company issued two promissory notes to the former shareholders of Coil. As at May 31, 2025, the total outstanding balance of the promissory notes was \$3,608,375. Interest expense recognized for the three and nine months ended May 31, 2025 was \$nil.

The notes are summarized as follows:

| Note: | Principal: | Interest Rate: | Maturity: | Terms: |
|---------|-------------|----------------------|-----------|--|
| Note #1 | \$2,300,000 | Bank of Canada Prime | 60 months | Secured, payable in monthly installments of principal and interest |
| Note #2 | \$1,308,375 | Non-interest bearing | 120 days | Subject to adjustment based on realization of receivables |

15. Reverse Take-Over Transaction (RTO):

As described in Note 1, on May 16, 2025, the Company and Reeflex Coil completed the Amalgamation which constituted an RTO.

The Amalgamation resulted in the shareholders of Reeflex Coil obtaining control of the Company by obtaining control of the voting rights, governance, and management decision-making processes, and the resulting power to govern the financial and operating policies of the Company.

The Amalgamation constitutes an RTO of the Company by Reeflex Coil and has been accounted for as an RTO. Prior to completion of the Amalgamation, the Company did not meet the definition of a business under IFRS 3, and the Amalgamation was treated as an issuance of Reeflex Coil Shares for the net assets of the Company as well as the Company’s public listing, with Reeflex Coil as the continuing entity. The excess of consideration over the fair value of net assets acquired has been recorded as a listing expense, consistent with the guidance of IFRS 2.

As the Amalgamation constituted a RTO of the Company, Reeflex Coil is deemed to be the acquirer for accounting purposes. Accordingly, these unaudited interim consolidated financial statements are a continuation of Reeflex Coil including its wholly owned subsidiary Coil, with the net assets (liabilities) of Bigstack being consolidated from May 16, 2025, as well as Reeflex Coil’s operating results from that date forward.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

Reeflex RTO including Coil Acquisition

| | | | | Amount \$ |
|---|----------|-------------|----|---------------------------|
| <hr/> | | | | |
| Net assets acquired | | | | |
| Cash | | | | \$ 775,063 |
| Accounts payable | | | | \$ (387,242) |
| Promissory notes | | | | |
| Cash paid on closing | \$ | (1,700,000) | | |
| Note #1 | \$ | (2,300,000) | | |
| Note #2 | \$ | (1,308,375) | | |
| Subtotal payable for Coil acquisition | | | | \$ (5,308,375) |
| | | | | <hr/> \$ (4,920,554) |
| <hr/> | | | | |
| Consideration paid | | | | |
| Common shares | | | | |
| | \$/Share | Shares | | |
| Founding members | \$0.05 | 5,100,000 | \$ | 255,000 |
| Subscription Issuance | \$0.20 | 4,139,500 | \$ | 827,900 |
| Shares issued for line of credit security | \$0.10 | 9,000,000 | \$ | 900,000 |
| Shares issued for Coil Investment | \$0.10 | 18,000,000 | \$ | 1,800,000 |
| | | | | <hr/> \$ 3,782,900 |
| less: Net assets acquired | | | | \$ 4,920,554 |
| less Coil shares cancelled | | | | \$ (5,313,754) |
| Excess paid | | | | \$ 3,389,700 |
| | | | | <hr/> |
| RTO transaction costs | | | | \$ 3,389,700 |
| Other transaction costs | | | | - |
| Listing expense | | | | <hr/> \$ 3,389,700 |

The excess of the consideration paid over the net assets acquired, together with legal fees and other costs associated with RTO, has been recognized within the profit or loss as listing expense totaling \$3,389,700.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

Bigstack RTO

| | Amount \$ |
|-------------------------------|--------------------------------------|
| Net Assets acquired | |
| Cash | \$323,430 |
| Deposits/prepays- Reeflex RTO | \$203,977 |
| Transfer agent retainer | \$800 |
| Accrued liabilities | \$(3,500) |
| Net assets acquired | \$524,706 |
| Consideration paid | |
| Common shares | |
| | \$/Share Shares |
| Bigstack RTO | \$0.05 9,260,001 \$463,000 |
| Options | \$0.05 902,000 \$45,100 |
| Warrants | 500,000 \$16,459 |
| | \$524,559 |
| less: Net assets acquired | \$(524,706) |
| Excess paid | \$(147) |
| RTO transaction costs | \$(147) |
| Other transaction costs | \$55,756 |
| Listing expense | \$55,609 |

The excess of the consideration paid over the net assets acquired, together with other transaction costs, comprising legal fees and other costs associated with RTO, has been recognized within the profit or loss as listing expense totaling \$55,609. The Company utilized Black Scholes Options Pricing model to determine the fair value of 500,000 share options at \$16,459 using the following inputs and assumptions: share price – \$0.05 (\$0.05 pre-consolidation), exercise price - \$0.10, term – 5.0 years; expected volatility – 100%; expected dividend yield – 0%; and risk-free rate – 2.77%.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

16. Long Term Debt

| | 31-May 2025 | 31-Aug 2024 Audited |
|--|------------------------|------------------------------------|
| CWB loan, repayable in monthly instalments of \$7,243 including interest at 10.42%, due July 2026 | 42,721 | 69,231 |
| Royal Bank of Canada loan, repayable in monthly instalments of \$1,146 including interest at 6.49%, secured by a vehicle with a net book value of \$35,969, due April 2027 | 24,748 | 33,626 |
| Total long-term debt | 67,468 | 102,857 |
| Less: current portion | 47,700 | 47,700 |
| | 19,768 | 55,157 |

Estimated principal repayments are as follows:

| | |
|------|--------|
| 2025 | 47,700 |
| 2026 | 36,900 |
| 2027 | 6,508 |

17. Related Party Transactions

The following related party transactions occurred during the period:

Management Fees

During the period, the Company paid management fees of \$105,000 in aggregate to four management companies; 1596680 Alberta Ltd., 1591200 Alberta Ltd., 1594072 Alberta Ltd., and HAP Investments Ltd., all of which are controlled by the former shareholders of Coil. The total amount is recorded at its exchange amount and is included in expense. Also included in Management fees since May 16, 2025 the Company's key management personnel have authority and responsibility for overseeing, planning, directing, and controlling the activities of the Company. Key management personnel include the President and Chief Executive Officer of the Company and the Chief Financial Officer.

Stock Options

On May 16, 2025, the Company granted 3,050,000 stock options to officers and directors with a term of years at an exercise price of \$0.20 per common share. The fair value of the stock options was calculated with the Black Scholes Option Pricing Model using the following assumptions: a 5-year risk-free rate of 2.53%; expected volatility of 50%; a dividend yield of 0%; and time to maturity of 5-years. The Options will be expensed over a vesting period of 15 months. \$4,186 was expensed for the period ending May 31, 2025.

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

17. Related Party Transactions (continued)

Intellectual Property

The Company entered into an agreement dated March 24, 2025 to purchase intellectual property from Coil USA for \$40,000. Coil USA has shareholders in common with the Company and is therefore considered a related party. This transaction was recorded at the exchange value. The exchange value was established and agreed upon by the related parties and is in the normal course of operations. Prior to this transaction, the intellectual property was shared between the Company and Coil USA.

18. Lease liabilities

The Company had entered into building lease contracts to rent the buildings in which they reside. The lease expires August 31, 2027. The discount rate used for lease liability is 4.7%. These leases represent a right-of-use asset under IFRS. The estimated future payments broken down between principal and interest are as follows:

| <u>Year</u> | <u>Payment</u> | <u>Interest</u> | <u>Principal</u> | <u>Balance</u> |
|-------------|----------------|-----------------|------------------|----------------|
| 2024 | \$ 272,382 | \$ 45,295 | \$ 227,087 | \$ 839,836 |
| 2025 | \$ 284,763 | \$ 34,119 | \$ 250,644 | \$ 589,191 |
| 2026 | \$ 297,144 | \$ 21,811 | \$ 275,333 | \$ 313,958 |
| 2027 | \$ 321,906 | \$ 8,048 | \$ 313,858 | \$ - |

19. Risk Management

The Company is exposed to various risks arising from its use of financial instruments. This note provides details on the Company's exposure to these risks, along with its objectives, policies, and processes for risk measurement and management. Additional quantitative disclosures are presented throughout these consolidated financial statements.

- a) **Credit risk** is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises primarily from the Company's trade accounts receivable. The carrying amount of cash and cash equivalents and accounts receivable included on the statement of financial position represent the maximum credit exposure.

The vast majority of the Company's trade accounts receivable are customers involved in the oil and gas industry, and the ultimate collection of the accounts receivable is dependent on both industry related factors and customer specific factors. Industry related factors that may affect collection include commodity prices and access to capital. The Company continuously monitors the recoverability of accounts receivable balances and subject to agreed payment terms, and generally considers the balance to be overdue when it ages.

| <u>Aged accounts receivable</u> | <u>Total</u> | <u>Current</u> | <u>31-60</u> | <u>61-90</u> | <u>Over 90 days</u> |
|---------------------------------|--------------|----------------|--------------|--------------|---------------------|
| May 31, 2025 CAN AR | 1,258,833 | 304,819 | 183,430 | 76,151 | 694,433 |
| May 31, 2025 USA AR | 424,251 | 298,658 | 123,349 | - | 2,244 |
| | 1,683,084 | 603,477 | 306,779 | 76,151 | 696,677 |

REEFLEX SOLUTIONS INC. (FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the three and nine months ended May 31, 2025 and 2024

19. Risk Management (continued)

b) **Liquidity risk** is the risk that the Company will not be able to meet its financial obligations as they are due. The Company's approach to managing liquidity is to ensure, to the extent reasonably possible, that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable costs or losses or risking harm to the Company's reputation. As at May 31, 2025, the Company maintained credit facilities which were available to a maximum of \$1.5 million and a long-term debt balance of \$67,468 to ensure the Company has sufficient working capital to operate its business.

The Company expects that cash flow from operations, together with existing and available credit facilities, will be sufficient to fund its presently anticipated requirements for investments in working capital, capital assets, dividend payments and the Company's share repurchases.

| <u>Aged accounts payable</u> | <u>Total</u> | <u>Current</u> | <u>31-60</u> | <u>61-90</u> | <u>Over 90 days</u> |
|------------------------------|--------------|----------------|--------------|--------------|---------------------|
| May 31, 2025 CAN AP | 1,312,543 | 592,961 | 719,582 | - | - |
| May 31, 2025 USA AP | 93,126 | 46,490 | 1,681 | - | 44,955 |
| | 1,405,669 | 639,450 | 721,263 | - | 44,955 |

- c) **Market risk** is the risk that the fair value of future cash flows of financial assets or liabilities will fluctuate due to movements in market rates. Market risk is comprised of interest rate risk, currency risk and other price risks which consist primarily of fluctuations in commodity prices.
- d) **Currency risk** as the Company operates in both Canada and the U.S., fluctuations in the exchange rate between the U.S. dollar and the Canadian dollar can have an impact on the operating results and the future cash flows of the Company's financial assets and liabilities. The Canadian segment is exposed to foreign exchange risk on U.S. dollar denominated purchases made in the normal course of business and debt held in U.S. dollars. The Company manages risk to foreign currency exposure by monitoring financial assets and liabilities denominated in U.S. dollars and exchange rates on an ongoing basis.

20. Segmented Information

Currently the Company operates in one reportable segment of the oil and gas industry supplying coil tubing solutions and down hole tools for the coil tubing customers. The Company also designs and manufactures custom-built mobile equipment for coil tubing customers. All long-term assets of the Company are located in Canada.

REEFLEX SOLUTIONS INC.(FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

21. Capital Management

The Company's policy when managing its capital structure is to maintain a balance between debt and equity so as to withstand industry and seasonal volatility, maintain investor, creditor, and market confidence, and to sustain future development of the business. The Company considers the items included in shareholders' equity, loans and borrowings and leases as capital. Debt includes the current and long-term portions of lease obligations and long-term debt. The following is a breakdown of the Company's capital structure:

| Capitalization | 31-May 2025 | | 31-Aug 2024 Audited | |
|--------------------------------------|------------------------|-------------|------------------------------------|-------------|
| Current portion of lease liabilities | 250,600 | 5% | 250,600 | 10% |
| Current portion of long-term debt | 47,700 | 1% | 47,700 | 2% |
| Lease liabilities | 404,546 | 7% | 589,236 | 23% |
| Long-term debt | 19,768 | 0% | 55,157 | 2% |
| Debt | 722,614 | 13% | 942,692 | 36% |
| Shareholders equity | 4,680,615 | 87% | 1,675,051 | 64% |
| Total Capitalization | 5,403,229 | 100% | 2,617,743 | 100% |

The Company has complied with all debt obligations and shareholder equity obligations.

REEFLEX SOLUTIONS INC.(FORMERLY BIG STACK OPPORTUNITIES I INC.)

Notes to the Consolidated Interim Financial Statements for the
three and nine months ended May 31, 2025 and 2024

22. Revenue

| | Three months ended May 31 | | Nine months ended May 31 | |
|---------------------------------|---------------------------|--------------------|--------------------------|---------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Parts sales | \$847,243 | \$1,298,739 | \$4,277,907 | \$4,603,527 |
| Mobile equipment | \$1,852,844 | \$875,140 | \$2,087,586 | \$3,255,870 |
| Injectors | \$338,794 | \$377,403 | \$1,017,516 | \$1,447,172 |
| Downhole | \$160,458 | \$1,079,555 | \$859,553 | \$2,996,305 |
| Downhole tool rentals | \$64,695 | \$79,815 | \$210,273 | \$248,775 |
| Rig Service | \$42,146 | \$5,398 | \$42,474 | \$86,274 |
| Freight | \$16,720 | \$5,887 | \$30,881 | \$44,043 |
| Insurance proceeds | - | - | \$55,963 | - |
| Reimbursement of US Coil Costs | - | \$1,901 | \$4,652 | \$4,737 |
| Engineering paint serv sublease | \$16,106 | \$43,658 | \$345,301 | \$101,408 |
| Total Revenue | \$3,339,006 | \$3,767,496 | \$8,932,105 | \$12,788,113 |

23. Cost of Sales

| | Three months ended May 31 | | Nine months ended May 31 | |
|----------------------|---------------------------|--------------------|--------------------------|--------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Purchases | \$1,300,648 | \$1,443,972 | \$3,334,489 | \$6,470,993 |
| Downhole tools - mfg | \$181,396 | \$161,519 | \$426,508 | \$557,806 |
| Subcontracts | \$86,740 | \$113,100 | \$311,804 | \$366,003 |
| Freight | \$32,345 | \$39,626 | \$97,750 | \$149,222 |
| Design Engineering | \$28,331 | \$71,313 | \$84,005 | \$112,476 |
| Warranty work | \$15,836 | \$881 | \$52,903 | \$82,686 |
| Cost of Sales | \$1,645,295 | \$1,830,410 | \$4,307,459 | \$7,739,186 |