1097195 B.C. Ltd. (dba Ironman Directional Drilling Ltd.)

Condensed Consolidated Interim Financial Statements
(Unaudited – Expressed in Canadian dollars)
For the Six Months Ended May 31, 2025 and 2024

Contents

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying unaudited condensed consolidated interim financial statements, and accompanying notes, of 1097195 B.C. Ltd. as at May 31, 2025 and 2024 and for the three and six months then ended have been prepared by management and approved by the Company's sole director.

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of the condensed consolidated interim financial statements by an entity's auditor.

/s/ Michael Irmen

Michael Irmen, Chief Executive Officer
Salmon Arm, British Columbia, Canada
October 24, 2025

1097195 B.C. Ltd. (dba Ironman Directional Drilling Ltd.)
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian dollars)

	Notes		**As at May 31, 2025**		As at November 30, 2024
			(unaudited)		
ASSETS					
Current Assets					
Cash	**5**	**$**	**907,671**	$	160,924
Trade and other receivables	**6**		**12,054,536**		11,489,174
Inventories			**301,953**		270,132
Prepaid expenses			**124,143**		17,208
Amounts due from related parties	**13(a)**		**203,626**		200,779
Total current assets			**13,591,929**		12,138,217
Non-current Assets					
Long-term investments	**7**		**339,799**		334,214
Property, plant and equipment	**8,18**		**5,641,587**		4,758,133
Total non-current assets			**5,981,386**		5,092,347
TOTAL ASSETS		**$**	**19,573,315**	$	17,230,564
LIABILITIES					
Current Liabilities					
Bank indebtedness	**9**	**$**	**1,416,087**	$	907,708
Trade and other payables	**10**		**895,742**		1,650,361
Income taxes payable	**17**		**2,234,688**		1,548,690
Current portion of long-term debt	**11**		**543,779**		609,076
Current portion of lease liabilities	**12**		**104,189**		67,665
Amounts due to related parties	**13(b)**		**1,482,209**		1,482,209
Redeemable preferred shares	**14(b)**		**16,938,372**		16,938,372
Total current liabilities			**23,615,066**		23,204,081
Non-current Liabilities					
Long-term debt	**11**		**814,116**		949,993
Lease liabilities	**12**		**344,977**		112,356
Deferred income taxes	**17**		**520,000**		678,000
Total non-current liabilities			**1,679,093**		1,740,349
TOTAL LIABILITIES			**25,294,159**		24,944,430
SHAREHOLDERS' DEFICIENCY					
Share capital	**14**		**2**		2
Distribution reserve	**14**		**(10,632,000)**		(10,632,000)
Retained earnings			**4,911,154**		2,918,132
TOTAL SHAREHOLDERS' DEFICIENCY			**(5,720,844)**		(7,713,866)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY		**$**	**19,573,315**	$	17,230,564

Nature of Operations (Note 1)
Contractual Commitments (Note 15)
Comparative Figures (Note 18)
Subsequent Events (Note 20)

Approved by the sole director:

/s/ Michael Irmen
Director

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

1097195 B.C. Ltd. (dba Ironman Directional Drilling Ltd.)

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited – Expressed in Canadian dollars)

	Three Months Ended		Six Months Ended	
	May 31, 2025	May 31 2024	**May 31, 2025**	May 31, 2024
Revenue (Notes 6, 13 and 19)	**$ 7,764,803**	$ 5,886,422	**$ 8,754,637**	$ 6,754,065
Cost of sales (Note 6)	**(2,602,484)**	(2,368,028)	**(4,026,120)**	(3,945,271)
Gross margin	**5,162,319**	3,519,394	**4,728,517**	2,808,794
Operating expenses				
Advertising and promotion	**51,671**	8,906	**59,230**	18,240
Bank charges and interest	**3,679**	4,733	**12,667**	11,390
Depreciation (Note 8)	**24,490**	5,695	**29,111**	8,456
Equipment rental (Note 13)	**1,887**	3,796	**12,466**	15,350
Office	**10,080**	21,707	**21,841**	31,765
Permits and insurance (recovery)	**97,323**	5,271	**109,777**	11,760
Professional fees	**151,271**	47,672	**239,695**	48,298
Rent	**-**	1,000	**6,000**	6,500
Repairs and maintenance	**422,152**	154,294	**619,708**	372,067
Utilities and telephone	**21,860**	29,038	**50,908**	47,062
Wages and benefits	**80,165**	90,443	**882,132**	673,198
	(864,578)	(372,555)	**(2,043,535)**	(1,244,086)
Income (loss) before other income (expenses) and income taxes	**4,297,741**	3,146,839	**2,684,982**	1,546,708
Other income (expenses)				
Gain (loss) on disposal of equipment (Note 8)	**16,714**	-	**16,714**	289,415
Increase in fair value of investments (Note 7)	**-**	-	**5,586**	-
Foreign exchange gain (loss)	**(200,458)**	890	**(62,608)**	6,655
Interest revenue (Note 7)	**7,500**	7,500	**15,000**	15,000
Interest on long-term debt and lease liabilities (Notes 11 and 12)	**(30,054)**	(37,201)	**(38,652)**	(72,919)
	(206,298)	28,811	**(63,960)**	238,241
Loss before income taxes	**4,091,443**	3,118,028	**2,621,022**	1,802,949
Income tax expense (Note 17)	**(778,000)**	(792,000)	**(628,000)**	(450,000)
Net income (loss) and comprehensive income (loss)	**$ 3,313,443**	$ 2,326,028	**$ 1,993,022**	$ 1,352,949
Basic and diluted earnings (loss) per share	**$ 16,567.22**	$ 11,630.14	**$ 9,965.11**	$ 6,764.75
Weighted average number of common shares outstanding	**200**	200	**200**	200

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

1097195 B.C. Ltd. (dba Ironman Directional Drilling Ltd.)

Condensed Consolidated Interim Statements of Changes in Shareholders' Equity (Deficiency)
(Unaudited – Expressed in Canadian dollars)

	Share Capital				
	Number	Amount $	Distribution Reserve $	Retained Earnings $	Total Shareholders' Equity (Deficiency) $
Balance, November 30, 2023	**200**	**2**	**-**	**4,313,201**	**4,313,203**
Net income for the period	-	-	-	1,352,949	1,352,949
Balance, May 31, 2024	**200**	**2**	**-**	**5,666,150**	**5,666,152**
Issuance of dividends	-	-	-	(6,100,308)	(6,100,308)
Issuance of Class J preferred shares	-	-	(10,632,000)	-	(10,632,000)
Net income for the period	-	-	-	3,352,290	3,352,290
Balance, November 30, 2024	**200**	**2**	(10,632,000)	**2,918,132**	**(7,713,866)**
Net income for the period	-	-	-	1,993,022	1,993,022
Balance, May 31, 2025	**200**	**2**	(10,632,000)	**4,911,154**	**(5,720,844)**

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

1097195 B.C. Ltd. (dba Ironman Directional Drilling Ltd.)
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited – Expressed in Canadian dollars)

	Six Months Ended May 31, 2025	May 31, 2024
Cash flows used in operating activities		
Net income (loss) for the period	$ 1,993,022	$ 1,352,949
Adjustments for items not affecting cash		
Depreciation of property, plant and equipment	693,651	478,907
Loss (gain) on sale of property, plant and equipment	40,196	(289,415)
Gain in fair value of investments	(5,585)	
Interest expense and accretion	51,793	70,783
Income tax expense	628,000	450,000
Changes in non-cash working capital items		
Trade and other receivables	(565,362)	(1,355,555)
Inventories	(31,821)	-
Prepaid expenses	(106,935)	-
Amounts due from related parties	(2,847)	(46,232)
Trade and other payables	(980,656)	(355,731)
Income taxes payable	(100,002)	102,409
Amounts due to related parties	-	(144,521)
	1,613,454	263,594
Cash flows used in investing activity		
Purchases of property, plant and equipment	(1,079,495)	(462,076)
	(1,079,495)	(462,076)
Cash flows provided by financing activities		
Repayment of long-term debt	(220,400)	(152,019)
Proceeds of bank indebtedness	508,379	508,593
Repayment of lease liabilities	(75,191)	(45,595)
	212,788	310,979
Increase in cash	746,747	112,497
Cash, beginning of period	160,924	-
Cash, end of period	$ 907,671	$ 112,497
Supplemental information		
Income taxes paid	$ 100,002	$ -
Interest paid	$ 51,892	$ 14,500

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

1. NATURE OF OPERATIONS

1097195 B.C. Ltd. (dba Ironman Directional Drilling Ltd.) (the "Company" or "Ironman") is a privately owned limited company incorporated and domiciled in British Columbia on November 18, 2016. The registered office is located at 101 - 481 Harbourfront Drive NE, Salmon Arm, British Columbia, Canada V1E 3L4. The principal place of business is 7284B Highway 97B, Salmon Arm, British Columbia, Canada V1E 2Y6. The Company and its wholly owned subsidiary, Ironman Directional Drilling Ltd., are principally engaged in providing directional drilling services to customers across Western Canada and Alaska.

The Company entered into a transaction with Lite Access Technologies Inc. ("LTE") (Note 13(e)(i)) whereby the shares of the Company would be exchanged for shares of LTE. The transaction with LTE closed on September 26, 2025. LTE is a related party as Michael Irmen is the sole director of the Company and is a director of LTE. The Company and LTE conduct business together (Notes 6 and 13(e)) and the Company holds common shares and convertible debentures of LTE (Note 7).

2. BASIS OF PREPARATION

a) Statement of Compliance

The condensed consolidated interim financial statements of the Company as at May 31, 2025 and for the six months then ended, including comparatives, have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using accounting policies consistent with IFRS Accounting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

These condensed consolidated interim financial statements have been prepared on the basis of and using accounting policies, methods of computation and presentation consistent with those applied in the audited annual consolidated financial statements as at November 30, 2024 and for the year then ended.

The condensed consolidated interim financial statements do not include all the information required for full annual consolidated financial statements. On October 24, 2025, the Company's sole director approved and authorized these condensed consolidated interim financial statements for issue.

b) Basis of Measurement

The condensed consolidated interim financial statements have been prepared on a going concern basis under the historical cost convention, except for certain financial assets and liabilities that are measured at fair value.

The condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

c) Use of Estimates and Judgments

The preparation of these condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Revisions to estimates are made prospectively.

2. BASIS OF PREPARATION (continued)

c) Use of Estimates and Judgments (continued)

Judgments

Judgments made by management in the application of IFRS that have a significant effect on the condensed consolidated interim financial statements and estimates with a significant risk of material adjustment in the current and following fiscal years are as follows:

Impairment of Long-lived Assets

The Company reviews the carrying amounts of its non-financial assets, including property and equipment and right-of-use assets, when events or changes in circumstances indicate the assets may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. The Company considered various factors including, but not limited to, the condition of its long-lived assets, economic factors that may impact the value of the long-lived assets and any indications of obsolescence.

Critical Accounting Estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year include the following:

Property and Equipment – Useful Lives

Estimates of the useful lives of property and equipment are based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed annually and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence, not electing to exercise renewal options on leases, and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful lives of the relevant assets may be based on internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease the non-current assets.

Leases – Estimating the Incremental Borrowing Rate

The Company cannot readily determine the interest rate implicit in leases where it is the lessee. As such, it uses its incremental borrowing rate (“IBR”) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of comparable value to the right-of-use asset in a similar economic environment. IBR therefore reflects what the Company “would have to pay”, which requires estimation when no observable rates are available or where the applicable rates need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and makes certain entity-specific estimates.

Leases – Estimating the Lease Term

The Company includes renewal options in the term of the lease when management deems that it is reasonably certain that the option will be exercised.

Expected Credit Losses

Estimates are inherent in the ongoing assessment of the recoverability of amounts receivable. The Company maintains an allowance for doubtful accounts to reflect the expected credit losses. Uncertainty relates to the actual collectability of customer balances that can vary from the Company’s estimation.

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

2. BASIS OF PREPARATION (continued)

c) Use of Estimates and Judgments (continued)

Critical Accounting Estimates (continued)

Fair Value of Long-term Investments

The fair value of long-term investments, including convertible debentures and common shares, is determined using valuation techniques that require significant judgment and the use of unobservable inputs. For convertible debentures, management estimates the appropriate discount rate for the debt component and applies an option pricing model for the equity component, both of which involve key assumptions, such as discount rates, expected volatility and other market factors. For common shares, fair value is estimated using market approaches based on comparable listed entities and forecasted growth. These estimates are inherently uncertain and may result in material adjustments to the carrying values of these investments within the next financial year if actual outcomes differ from those assumptions.

d) Tariffs

In early 2025, the United States ("US") government announced plans to impose a 25% tariff on most Canadian imports. These tariffs came into effect on August 1, 2025. In response, the Canadian government enacted retaliatory tariffs on goods imported from the US. The cross-border tariffs between the US and Canada, as well as other countries, introduces heightened uncertainty that could materially impact supply chains, increase production costs and erode competitive positioning. The Company acknowledges that extreme uncertainty exists regarding the magnitude and duration of tariffs impacting the movement of goods across North American borders, and is currently assessing the business consequences arising from such tariffs.

3. BASIS OF CONSOLIDATION

In addition to the Company, the condensed consolidated interim financial statements include its subsidiaries. Subsidiaries are all corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is the authority usually connected with holding the majority of the voting rights. The Company re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to control. Subsidiaries are fully consolidated from the date on which the Company acquires control. They are deconsolidated from the date that control by the Company ceases.

The subsidiary of the Company is as follows:

			Portion of Ownership Interest and Voting Power Held	
Name of Subsidiary	**Fiscal Year-End**	**Place of Incorporation and Operation**	**May 31, 2025**	**November 30, 2024**
Ironman Directional Drilling Ltd.	November 30	British Columbia, Canada	100%	100%

Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

All intercompany balances and transactions, income and expenses have been eliminated upon consolidation.

4. MATERIAL ACCOUNTING POLICY INFORMATION

A complete summary of material accounting policy information can be found in Note 4 of the audited annual consolidated financial statements for the year ended November 30, 2024.

New Standards and Interpretations Adopted

Certain new standards, amendments to standards and interpretations were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting years beginning after December 1, 2024 or later that the Company has decided not to adopt early. The adoption of the new standards, interpretations and amendments, which were issued, but are not yet effective, are not expected to have a material impact on the Company's consolidated financial statements, except for IFRS 18 *Presentation and Disclosure in the Financial Statements*.

IFRS 18 is effective for reporting periods beginning on January 1, 2027. IFRS 18 will supersede IAS 1 *Presentation of Financial Statements* and will result in amendments to IFRS, including IAS 8 *Basis of Preparation of Financial Statements*. Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and subtotals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

5. CASH

Cash consists of amounts on deposit at a Canadian chartered bank as follows:

		May 31, 2025		November 30, 2024
Amounts held in Canadian dollars	**$**	**36,417**	$	95,043
Amounts held in US dollars		**871,254**		65,881
	$	**907,671**	$	160,924

6. TRADE AND OTHER RECEIVABLES

		May 31, 2025		November 30, 2024
Accounts receivable, trade	**$**	**12,044,132**	$	11,477,248
Goods and Services Tax receivable		**26,293**		27,815
Allowance for doubtful accounts		**(15,889)**		(15,889)
	$	**12,054,536**	$	11,489,174

As at May 31, 2025, 82% of the Company's accounts receivable were from two customers. As at November 30, 2024, 84% of the Company's accounts receivable were from three customers, including LTE.

During the six months ended May 31, 2025, 73% of the Company's revenues were from two customers, including LTE who accounted for 17% of the revenues for the period aggregating $1,454,820. During the six months ended May 31, 2024, 56% of the Company's revenues were from two customers, including LTE who accounted for 18% of the revenues for the period aggregating $1,235,197.

Included in trade receivables are:

- amounts of $3,568,000 denominated in US dollars ($4,908,854) (November 30, 2024: $3,355,200 denominated in US dollars ($4,700,635)).
- amounts owing from LTE of $4,969,346 (November 30, 2024: $4,127,052) and holdbacks withheld of $215,993 (November 30, 2024: $215,993).

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

7. INVESTMENTS

		May 31, 2025		November 30, 2024
Marketable securities of LTE (Note 7(a))	$	17,486	$	15,855
Convertible debentures of LTE (Note 7(b))		322,313		318,359
	$	339,799	$	334,214

a) Marketable Securities of LTE

	Quantity		$ Value
Balance, November 30, 2023	**2,265,440**	**$**	**213,579**
Transfer of shares	(2,038,896)		(142,723)
Loss on shares transferred	-		(50,972)
Unrealized loss in fair value of shares	-		(4,029)
Balance, November 30, 2024	**226,544**		**15,855**
Unrealized gain in fair value of shares	-		1,631
Balance, May 31, 2025	**226,544**	**$**	**17,486**

On July 26, 2022, the Company entered into a Cooperation Agreement with LTE whereby Ironman and LTE will jointly provide fibre installation and directional drilling services on new fibre optic network projects. During the year ended November 30, 2022, Ironman completed its obligations under the Cooperation Agreement.

As part of the Cooperation Agreement, the Company received 2,265,440 common shares of LTE. During the year ended November 30, 2024, the Company transferred 2,038,896 shares to 599837 B.C. Ltd., a related party as described in Note 13(b), at a fair value of $142,723.

b) Convertible Debentures of LTE

		Convertible Debentures
Balance, November 30, 2023	**$**	**296,270**
Interest revenue		30,000
Interest received		(30,000)
Unrealized gain in fair value of shares		22,089
Balance, November 30, 2024		**318,359**
Unrealized gain on convertible debentures		3,954
Interest revenue		15,000
Interest received		(15,000)
Balance, May 31, 2025	**$**	**322,313**

On November 7, 2022, the Company subscribed to $250,000 of debentures from LTE. The debentures are secured under a general security agreement, bear interest at 12% per annum and are due two years from the date of issue. The debentures are convertible into common shares of LTE at a conversion rate of $0.07 per share if converted on or before the first anniversary of the issue date and $0.10 per share if converted subsequent to the first anniversary date of issue up to the second anniversary date.

On December 18, 2024, the maturity date of the debentures was extended from November 22, 2024 to November 22, 2026. As part of the extension of the debentures the conversion terms were kept the same as the original terms, whereby the debentures are convertible into common shares of LTE at a conversion rate of $0.07 per share if converted on or before the first anniversary date (November 22, 2025) and $0.10 per share if converted subsequent to the first anniversary date up to the second anniversary date (November 22, 2026).

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

8. PROPERTY, PLANT AND EQUIPMENT

	Right-of-use Assets (Note 17)	Leaseholds	Equipment	Automotive Equipment	Office and Computer Equipment	Total
Cost						
Balance, November 30, 2023	**$ 1,957,080**	**$ 143,456**	**$ 3,514,076**	**$ 2,432,726**	**$ 67,792**	**$ 8,115,130**
Additions for the year	196,832	-	1,673,501	1,826,404	2,686	3,699,424
Disposals for the year	(1,777,500)	-	(311,614)	(849,292)	(22,919)	(2,961,325)
Balance, November 30, 2024	**376,412**	**143,456**	**4,875,963**	**3,409,838**	**47,559**	**8,853,227**
Additions for the period	128,929	5,192	824,243	649,785	42,721	1,650,870
Disposals for the period	-	-	-	(117,496)	-	(117,495)
Balance, May 31, 2025	**$ 505,341**	**$ 148,648**	**$ 5,700,206**	**$ 3,942,127**	**$ 90,280**	**$ 10,386,602**
Accumulated Depreciation						
Balance, November 30, 2023	**$ 1,838,684**	**$ 29,563**	**$ 1,857,152**	**$ 1,273,979**	**$ 57,756**	**$ 5,057,134**
Depreciation for the year	148,776	22,780	513,560	449,547	4,247	1,138,910
Disposals for the year	(1,777,500)	-	(87,732)	(214,313)	(21,405)	(2,100,950)
Balance, November 30, 2024	**209,960**	**52,343**	**2,282,980**	**1,509,213**	**40,598**	**4,095,094**
Depreciation for the period	28,977	9,345	318,710	332,502	4,116	693,650
Disposals for the period	-	-	-	(43,729)	-	(43,729)
Balance, May 31, 2025	**$ 238,937**	**$ 61,688**	**$ 2,601,690**	**$ 1,797,986**	**$ 44,714**	**$ 4,745,015**
Carrying Amounts						
At November 30, 2024	**$ 166,452**	**$ 91,113**	**$ 2,592,983**	**$ 1,900,625**	**$ 6,961**	**$ 4,758,133**
At May 31, 2025	**$ 266,404**	**$ 86,960**	**$ 3,098,516**	**$ 2,144,141**	**$ 45,566**	**$ 5,641,587**

During the six months ended May 31, 2025, the Company recognized depreciation of $693,650 (2024: $478,907) of which $664,539 (2024: $467,517) has been presented in cost of sales and $29,111 (2024: $11,390) has been presented as depreciation expense.

During the six months ended May 31, 2025, the Company recognized gain on disposal of equipment of $16,714 (2024: $289,415).

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

9. BANK INDEBTEDNESS

Bank indebtedness consists of amounts overdrawn on the Company's bank account and its line of credit.

The Company has a line of credit up to $1,250,000 bearing interest at bank prime plus 1.5% per annum, which is secured by a general security agreement and guarantee and postponement of claim to related companies and a principal. At May 31, 2025, the outstanding balance of the line of credit was $915,000 (November 30, 2024: $605,000).

This line of credit is secured by:

a) a general security agreement providing first ranking security interest over all personal property of Ironman Directional Drilling Ltd.;

b) guarantee and postponement of claim supported by general security agreements from 1097195 B.C. Ltd., 599837 B.C. Ltd., Michael's Electrical Ltd. and Michael Irmen; and

c) providing a first ranking security interest over all of the personal property of 1097195 B.C. Ltd., 599837 B.C. Ltd. and Michael's Electrical Ltd.

The bank requires that reviewed annual financial statements are provided within 120 days of each fiscal year-end, which have not been provided to date.

10. TRADE AND OTHER PAYABLES

		May 31, 2025		November 30, 2024
Trade payables	**$**	**838,040**	$	1,582,696
Sales taxes payable		**47,445**		18,760
Payroll liabilities		**10,257**		12,504
Accrued and other liabilities		**-**		36,401
	$	**895,742**	$	1,650,361

11. LONG-TERM DEBT

Long-term debt activity is as follows:

		Total
Balance, November 30, 2023	**$**	**453,307**
Additions		1,318,598
Interest		97,258
Repayments		(310,095)
Balance, November 30, 2024		**1,559,068**
Additions		33,834
Interest		19,362
Repayments		(250,644)
Balance, May 31, 2025	**$**	**1,361,620**

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

11. LONG-TERM DEBT (continued)

Long-term debt consists of secured equipment loans and secured vehicle loans as follows:

		May 31, 2025		November 30, 2024
Secured Equipment Loans				
Loan in the principal amount of $380,276 entered into April 12, 2023 to purchase equipment. The loan bears interest at prime plus 1.5% per annum and is payable in monthly instalments of $8,690 until April 13, 2026 at which time the balance is due	**$**	**269,683**	$	337,396
Loan in the principal amount of $179,000 entered into April 16, 2024 to purchase equipment. The loan bears interest at 6.51% per annum and is payable in monthly instalments of $4,239 until April 16, 2028		**135,106**		155,749
Loan in the principal amount of $294,216 entered into August 2, 2024 to purchase equipment. The loan bears interest at 5.89% per annum and is payable in monthly instalments of $6,886 until August 2, 2026 at which time the remaining balance is due		**244,266**		277,810
Loan in the principal amount of $567,705 entered into August 27, 2024 to purchase equipment. The loan bears interest at 5.62% per annum and is payable in monthly instalments of $10,859 until August 27, 2026 at which time the remaining balance is due		**488,782**		542,988
		1,137,837		1,313,943
Secured Vehicles Loans				
Loan in the principal amount of $100,530 entered into July 16, 2024 pursuant to the purchase of a vehicle. The loan bears interest at 5.49% per annum and is payable in monthly instalments of $1,920 until July 16, 2029		**85,627**		94,650
Loan in the principal amount of $112,986 entered into October 29, 2024 pursuant to the purchase of a vehicle. The loan bears interest at 7.59% per annum and is payable in monthly instalments of $2,269 until October 29, 2029		**101,898**		111,432
Loan in the principal amount of $33,834 entered into April 21, 2025. The loan bears interest at 8.39% per annum and is payable in monthly instalments of $1,536 until April 21, 2027		**32,533**		-
Loan in the principal amount of $64,161 entered into August 21, 2024. The loan bears interest at 5.99% per annum and is payable in monthly instalments of $1,937 until July 21, 2026. This loan was extinguished in April 2025 upon a vehicle trade-in		**-**		39,044
		220,058		245,126
Total loans payable		**1,357,895**		1,559,069
Less: current portion		**543,779**		609,076
Total Non-current Loans Payable	**$**	**814,116**	$	949,993

The Company's contractual commitments for long-term debt are based on the scheduled repayment aggregate $1,469,313 (Note 13(a)).

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

12. LEASE LIABILITIES

The lease liabilities activity is as follows:

		Lease Liabilities
Balance, November 30, 2023	**$**	**232,360**
Addition		196,832
Accretion expense		20,824
Lease payments		(269,995)
Balance, November 30, 2024		**180,021**
Additions		337,648
Accretion expense		6,688
Lease payments		(75,191)
Balance, May 31, 2025	**$**	**449,166**

The Company leases premises, vehicles, and drilling and earthmoving equipment. The lease obligations represent the present value of minimum lease payments payable, including purchase options at the end of each term.

		May 31, 2025		November 30, 2024
Excavator lease in monthly instalments of $1,928 until May 2030 including interest at the IBR of 4.88% per annum	**$**	**145,466**	$	-
Vehicle lease in monthly instalments of $2,424 until April 2030 including interest at the IBR of 8.72% per annum		**113,789**		-
Excavator lease in monthly instalments of $1,765 until August 2028 including interest at the IBR of 4.85% per annum		**68,844**		79,435
Premises lease with a related party (Note 13(d)), payable in monthly instalments of $2,500 until December 2027 including interest at the IBR of 18.00%		**61,745**		92,500
Vehicle lease in monthly instalments of $1,530 until March 2028 including interest at the IBR of 7.98% per annum		**52,020**		-
Vehicle lease in monthly instalments of $471 until March 2028 including interest at the IBR of 8.72% per annum		**34,397**		-
Vehicle lease in monthly instalments of $463 until March 2028 including interest at the IBR of 8.72% per annum		**33,846**		-
Backhoe lease in monthly instalments of $4,156 until May 2025 including interest at the IBR of 9.59% per annum		**-**		24,545
		510,107		196,480
Less: Interest (Note 13(b))		**(60,941)**		(16,459)
Finance lease obligation		**449,166**		180,021
Less: Current portion		**(104,189)**		(67,665)
Non-current Finance Lease Obligation	**$**	**344,977**	$	112,356

The Company's contractual commitments for finance lease liabilities aggregate $510,107 (Note 13(a)).

13. RELATED PARTY BALANCES AND TRANSACTIONS

The Company's related parties include companies controlled by directors and key management, as described below. Unless otherwise noted, none of the transactions incorporated special terms and conditions and no guarantees were given or received.

a) Due from Related Parties

		May 31, 2025		November 30, 2024
486337 B.C. Ltd., wholly owned by family of shareholders of the Company	**$**	**35,548**	$	35,548
Next Level Traffic Services Ltd., related through significant influence		**156,203**		153,356
Robert Scott		**8,822**		8,822
Ironman Directional Drilling US Inc., wholly owned by 599837 B.C. Ltd.		**3,053**		3,053
	$	**203,626**	$	200,779

The amounts due from related parties are non-interest-bearing, unsecured and have no fixed terms of repayment.

b) Due to Related Parties

		May 31, 2025		November 30, 2024
599837 B.C. Ltd., wholly owned by shareholders of the Company	**$**	**1,344,900**	$	1,344,900
Michael's Electrical Ltd., wholly owned by shareholders of the Company		**137,309**		137,309
	$	**1,482,209**	$	1,482,209

Included in lease liabilities are a lease for the premises of the Company with MDM Farms with a carrying value of $55,743 (November 30, 2024: $83,596) (Note 12). The Company incurred lease accretion of $2,428 (2024: $2,749) during the six months ended May 31, 2025 and made lease repayments of $30,000 (2024: $30,000) during the six months ended May 31, 2025.

The amounts due to related parties are non-interest-bearing, unsecured and have no fixed terms of repayment (Note 20(b)).

c) Transactions with Key Management Personnel

Key management personnel of the Company are members of the board of directors and senior management. Compensation to key management personnel was as follows:

	Three Months Ended May 31,				**Six Months Ended May 31,**			
		2025		2024		**2025**		2024
Short-term benefits*	**$**	**155,000**	$	145,000	**$**	**325,100**	$	282,600

* Short-term benefits consists of salaries and bonuses paid

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

13. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

d) Related Party Transactions

The following table summarizes the Company's related party transactions for the period, excluding transactions with LTE, which are included under Note 13(e):

		May 31, 2025		May 31, 2024
Trailer rental expenses to Michael Irmen included in equipment rental expense	**$**	**14,200**	$	-
Contract services provided by Next Level Traffic Services, a company controlled by a shareholder of the Company, included in cost of sales	**$**	**34,326**	$	17,930

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

e) Lite Access Technologies Inc.

(i) Transaction with LTE

On December 7, 2024, the Company and LTE entered into a Share Exchange Agreement (the "Agreement").

Under this Agreement, LTE agreed to purchase all of the issued and outstanding common and preferred shares of the Company and Ironman Directional Drilling US Inc. in exchange for the issuance of an aggregate 85,392,538 LTE shares, and a payment of an aggregate $6,000,000.

The cash consideration would be issued in the form of promissory notes, due and payable in five equal consecutive instalments (the "Instalment Payments") as follows:

- $1,200,000 on or before the date that is 12 months following the closing date;
- $1,200,000 on or before the date that is 24 months following the closing date;
- $1,200,000 on or before the date that is 36 months following the closing date;
- $1,200,000 on or before the date that is 48 months following the closing date; and
- $1,200,000 on or before the date that is 60 months following the closing date.

Any Instalment Payment not paid when due shall bear interest at a default rate equal to the prime interest rate set by the Bank of Canada plus 3% per annum.

LTE must prepare and deliver a closing date working capital statement not later than 120 days after the closing of the transaction. The target net working capital is $Nil. If the closing net working capital is in a deficit position, the Company's shareholders must pay the shortfall to LTE. If the closing net working capital is positive, LTE must pay the Company's shareholders the amount. The working capital adjustment is anticipated to be approximately $14,000,000, payable to the Company's shareholders. The working capital adjustment will be payable in equal installments commencing 12 months from the closing date and continuing every 12 months thereafter for a period of 60 months. The amount is subject to interest at 8% per annum, compounded monthly from the date of closing to the date of payment.

The transaction was approved by the shareholders of LTE on September 5, 2025 and closed on September 26, 2025. Concurrent with closing, LTE changed its name to Ironman International Ltd.

Management is evaluating the accounting treatment for the Agreement. On a preliminary basis the Company expects the accounting treatment of the Agreement under IFRS to be assessed as a reverse take-over business combination whereby the Company will be the accounting parent and LTE will be the accounting subsidiary.

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

14. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

e) Lite Access Technologies Inc. (continued)

(i) Other Transactions with LTE

During the six months ended May 31, 2025, the Company had the following transactions with or regarding LTE:

		May 31, 2025		May 31, 2024
Revenue earned by the Company from LTE for directional drilling services	**$**	**1,454,820**	$	1,235,197
Interest revenue earned by the Company from LTE on convertible debentures (Note 7)	**$**	**15,000**	$	15,000
Unrealized gain on the fair value of convertible debenture of LTE (Note 7)	**$**	**3,955**	$	-
Unrealized gain on the fair value of common shares of LTE (Note 7)	**$**	**1,631**	$	-

During the six months ended May 31, 2025, LTE accounted for 17% (2024: 18%) of total revenue earned.

(ii) Balances with or related to LTE

		May 31, 2025		November 30, 2024
Accounts receivable (Note 6)	**$**	**4,969,346**	$	4,127,082
Fair value of convertible debentures of LTE with a face value of $250,000 (Note 7)	**$**	**322,313**	$	318,538
Fair value of common shares of LTE (Note 7)	**$**	**17,486**	$	15,855

14. SHARE CAPITAL

a) Common Shares

Authorized:

- Unlimited Class B common voting shares, with no par value
- Unlimited Class C common voting shares, with no par value

Issued and outstanding :

- 100 Class B common voting shares
- 100 Class C common voting shares

There was no common share activity during the six months ended May 31, 2025.

During the year ended November 30, 2024, the Company:

- exchanged the outstanding 100 Class B common shares and 100 Class C common shares for 200 Class J preferred shares.
- issued 100 Class B common shares and 100 Class C common shares for cash consideration of $0.01 per share.

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

14. SHARE CAPITAL (continued)

b) Preferred Shares

Authorized:

- Unlimited Class G preferred, non-voting, non-cumulative shares, with 2nd priority liquidation entitlement, redeemable and retractable at $100 per share
- Unlimited Class I preferred, non-voting, non-cumulative shares, with 1st priority liquidation entitlement, redeemable and retractable at an amount set by the directors of the Company upon issuance
- Unlimited Class J preferred, non-voting, non-cumulative shares, with 1st priority liquidation entitlement, redeemable and retractable at an amount set by the directors of the Company upon issuance

Issued and outstanding:

			May 31, 2025		November 30, 2024
60,842	Class G shares	**$**	**6,084,200**	$	6,084,200
100	Class I shares		**222,172**		222,172
200	Class J shares		**10,632,000**		10,632,000
		$	**16,938,372**	$	16,938,372

There was no preferred share activity during the six months ended May 31, 2025.

During the year ended November 30, 2024, the Company:

- redeemed the 200 Class J preferred shares held by 599837 B.C. Ltd. for the redemption amount of $16,112, which was credited against the advances payable balance owing by the Company.
- declared a stock dividend on its Class B and Class C common shares resulting in the issuance of 30,421 Class G preferred shares for each class of common shares. The Class G preferred shares had a redemption value of $100 per share.
- exchanged the outstanding 100 Class B common shares and 100 Class C common shares for 200 Class J preferred shares. The Class J preferred shares have a redemption amount of $53,160 per share.

The Class G, Class I and Class J preferred shares have been classified as a liability in the condensed consolidated interim statements of financial position of the Company due to the redemption feature at the option of the holders and other terms that result in the instrument meeting the definition of a financial liability (Note 20(a)). The financial liability is measured at amortized cost.

c) Dividends and Distributions

		May 31, 2025		November 30, 2024
Robert Scott	**$**	**608,418**	$	608,418
Michael Irmen		**2,737,890**		2,737,890
Denise Irmen		**2,737,890**		2,737,890
599837 BC Ltd.		**16,110**		16,110
	$	**6,100,308**	$	6,100,308

There were no dividends or distributions paid during the six months ended May 31, 2025. Dividends paid in 2024 aggregating $6,100,308 were paid through the issuance of Class G preferred shares and credits against the advances receivable balance owing to the Company.

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

15. CONTRACTUAL COMMITTEMENTS

a) Contractual Commitments

	May 31, 2025 $	May 31, 2026 $	May 31, 2027 $	May 31, 2028 $	May 31, 2029 $	Total Contractual Commitments $	Carrying Value $
Bank indebtedness	1,416,087	-	-	-	-	1,416,087	1,416,087
Trade and other payables	895,742	-	-	-	-	895,742	895,742
Due to related parties	1,482,209	-	-	-	-	1,482,209	1,482,209
Loans payable	619,222	687,380	97,264	50,263	15,184	1,469,313	1,357,895
Leases payable	130,330	146,085	125,851	57,533	50,308	510,107	449,166
Redeemable preferred shares	16,938,372	-	-	-	-	16,938,372	16,938,372
Total	21,481,962	833,465	223,115	107,796	65,492	22,711,830	22,539,471

b) Guarantees

The Company has guaranteed a Royal Bank of Canada revolving facility by way of a series of term loans of 599837 B.C. Ltd., a company wholly owned by the majority common ownership of 1097195 B.C. Ltd., for a maximum of $2,075,000. The amount outstanding at May 31, 2025 is $Nil (November 30, 2024: $Nil). The Company has signed a guarantee and postponement of claim in the amount of $2,075,000, which is supported by a first ranking security interest in all personal property of the Company.

16. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of the following:

Cash	Amortized cost
Trade and other receivables	Amortized cost
Long-term investments	Fair value through profit or loss ("FVTPL")
Amounts due to related parties	Amortized cost
Bank indebtedness	FVTPL
Trade and other payables	Amortized cost
Long-term debt	Amortized cost
Amounts due from related parties	Amortized cost
Redeemable preferred shares	Amortized cost

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

16. FINANCIAL INSTRUMENTS (continued)

The following table sets out the classification of the Company's financial instruments measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3
	$	$	$
As at May 31, 2025:			
Long-term investments			
Common shares	-	17,486	-
Debentures	-	-	322,313
As at November 30, 2024:			
Long-term investments			
Common shares	-	15,855	-
Debentures	-	-	318,359

The following table shows a reconciliation between the opening balances to the closing balances for fair value measurements for financial assets measured at FVTPL in Level 3 of the fair value hierarchy.

	Balance at November 30, 2024	Investments	Total loss recognized in profit of loss	Balance at May 31, 2025
Debentures	$ 318,359	$ -	$ 3,954	$ 322,313

	Balance at November 30, 2023	Investments	Total income recognized in profit or loss	Balance at November 30, 2024
Debentures	$ 340,447	$ -	$ (22,088)	$ 318,359

The debentures in LTE are included in Level 3. The valuation technique used for the debentures is to use the market approach by adding the amortized cost of the debenture and the fair value of the conversion option. The conversion option is valued by using the Black-Scholes valuation model. The inputs used in the Black-Scholes valuation model include the estimated fair value of the common shares of LTE and the estimated volatility of the common shares of LTE, which have been determined by use of comparable company information.

For May 31, 2025, a 10% variance in the estimated volatility of LTE common shares and the estimated fair value of common shares in LTE used to the debentures would have the following impact on the carrying value of the debentures in Level 3.

May 31, 2025		**May 31, 2025**	
Share price 10% lower	Share price 10% higher	Volatility 10% lower	Volatility 10% higher
$(12,689)	**$13,240**	**$(8,847)**	**$8,530**

16. FINANCIAL INSTRUMENTS (continued)

Long-term investments are classified as measured at FVTPL. Cash, trade and other receivables, amounts due to and due from related parties, trade and other payables, bank indebtedness, long-term debt and redeemable preferred shares are classified as measured at amortized cost. The carrying value of the Company's trade and other receivables, amounts due to and due from related parties, bank indebtedness, and trade and other payables approximate their fair value due to the relatively short-term nature of these instruments. The carrying value of long-term debt where interest is charged at a fixed rate is not significantly different than fair value.

Fair value estimates are made at a specific point in time based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The Company classifies its financial instruments carried at fair value according to a three-level hierarchy that reflects the significance of the inputs used in making the fair value measurement. The three levels of fair value hierarchy, giving the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs, are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for assets and liabilities, either directly or indirectly; and
- Level 3 – Inputs for assets or liabilities that are not based on observable market data.

As at May 31, 2025 and November 30, 2024, marketable securities included in long-term investments were classified as Level 2 and debentures included in long-term investments were classified as Level 3 under the fair value hierarchy.

17. INCOME TAXES

Income tax expense is recognized based on management's estimate of the weighted average annual effective tax rate expected for the full financial year, applied to pre-tax income of the interim period. The Company operates in Canada and is subject to federal and provincial income taxes at a combined statutory rate of approximately 27%.

Temporary differences between the carrying value and tax basis of property, plant, and equipment – primarily due to the use of accelerated capital cost allowance rates for tax purposes – give rise to deferred income tax liabilities. Deferred tax assets are recognized only to the extent that it is probable that sufficient taxable income will be available to utilize the associated temporary differences or tax loss carry-forwards.

For the six months ended May 31, 2025, the Company recorded an income tax expense of $628,000 consisting of current income tax expense of $786,000 and deferred income tax recovery of $158,000 (2024: $450,000 total income tax expenses, comprised of $450,000 current income tax expense).

18. COMPARATIVE FIGURES

During the six months ended May 31, 2025, the Company modified the classification of right-of-use assets by aggregating those items with property, plant and equipment, as those categories of assets were otherwise similar. Comparative amounts in the condensed consolidated interim statement of financial position were restated for consistency. As a result, $166,452 was reclassified from "Right-of-use assets" to "Property, plant and equipment".

(Unaudited – Expressed in Canadian dollars, unless otherwise stated)

18. COMPARATIVE FIGURES (continued)

During the six months ended May 31, 2025, the Company modified the classification of amounts due to and due from shareholders by aggregating those items with amounts due to and due from related parties, as shareholders are considered related parties. Comparative amounts in the condensed consolidated interim statement of financial position were restated for consistency. As a result, $8,822 was reclassified from “Advances to shareholders” to “Amounts due from related parties” and $28 was reclassified from “Advances from shareholders” to “Amounts due to related parties”.

19. SEGMENTED REPORTING

The Company conducts its business in a single operating segment being engaged in providing directional drilling services to customers across Western Canada and Alaska. The Company is physically located and operated within Canada.

Segmented information on a geographic basis is as follows:

Non-current assets by geographical region

		May 31, 2025		November 30, 2024
Canada	**$**	**4,686,841**	$	**5,092,347**
United States of America		**954,746**		-
	$	**5,641,587**	$	**5,092,347**

Revenues by geographical region

		May 31, 2025		May 31, 2024
Canada	**$**	**3,789,554**	$	4,205,405
United States of America		**4,965,083**		2,548,660
	$	**8,754,637**	$	6,754,065

20. SUBSEQUENT EVENT(S)

a) The Company received postponement of repayment from its preferred shareholders whereby those shareholders will waive any right to redeem their preferred shares until November 30, 2026.

b) The Company received postponement of repayment from its related party creditors whereby those related parties will waive any right to repayment of the amounts owing to them until November 30, 2026.