



Condensed consolidated interim financial statements
(Expressed in U.S. dollars)
(unaudited)

For the three and nine months ended September 30, 2025 and 2024

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

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed consolidated interim financial statements, the financial statements must be accompanied by a notice indicating that the condensed consolidated interim 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 standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

BLACK IRON INC.

Condensed consolidated interim statements of financial position
(Expressed in U.S. dollars)

	September 30, 2025	December 31, 2024
ASSETS		
Current		
Cash and cash equivalents	\$ 913,067	\$ 1,776,030
Amounts receivable and prepaid expenses	33,107	51,220
Total current assets	946,174	1,827,250
Property and equipment (Note 4)	485,421	543,187
Total assets	\$ 1,431,595	\$ 2,370,437
LIABILITIES		
Accounts payable and accrued liabilities (Note 6 and Note 9)	\$ 1,251,175	\$ 1,200,242
Lease liability (Note 11)	96,436	87,350
Deposit liability (Note 12)	2,600,000	2,600,000
Total current liabilities	3,947,611	3,887,592
Non-current lease liability (Note 11)	384,825	450,266
Total liabilities	4,332,436	4,337,858
SHAREHOLDERS' (DEFICIENCY)		
Common shares (Note 7)	84,459,366	84,237,825
Share based payments reserve (Note 8)	923,561	1,609,624
Accumulated other comprehensive loss	(156,611)	(99,112)
Accumulated deficit	(88,127,157)	(87,715,758)
Total shareholders' (deficiency)	(2,900,841)	(1,967,421)
Total shareholders' (deficiency) and liabilities	\$ 1,431,595	\$ 2,370,437

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 9 and Note 10)

Approved by the Board of Directors on November 4, 2025

"DAVID PORTER", Director

"JOHN DETMOLD", Director

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

BLACK IRON INC.

Condensed consolidated interim statements of loss and comprehensive loss
(Expressed in U.S. dollars)

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Expenses				
Consulting and management fees (Note 9)	\$ 100,399	\$ 100,591	\$ 314,352	\$ 317,007
Professional fees expense	36,483	73,233	66,984	217,234
General office expenses	24,148	44,377	79,577	139,031
Exploration and evaluation expenses (Note 5)	189,121	79,547	502,460	245,869
Share-based compensation (Note 8 and Note 9)	30,085	206,487	60,453	217,298
Travel expenses	2,103	-	(6,806)	42
Shareholder communications and filing fees	6,670	25,951	57,071	70,547
Loss (gain) on foreign exchange	36,558	(827)	(40,927)	(5,179)
Interest expense	13,504	-	42,219	-
Interest income	(9,560)	(2,827)	(27,986)	(44,867)
Net loss for the period	\$ 429,511	\$ 526,532	\$ 1,047,397	\$ 1,156,982
Other comprehensive loss (income)				
Items that may be subsequently classified to net loss:				
Cumulative exchange translation adjustments	(54,772)	14,987	57,499	8,538
Total other comprehensive income	(54,772)	14,987	57,499	8,538
Comprehensive loss for the period	\$ 374,739	\$ 541,519	\$ 1,104,896	\$ 1,165,520
Basic and diluted loss per share	\$ -	\$ -	\$ -	\$ -
Weighted average number of common shares outstanding - basic and diluted	306,226,688	304,120,438	305,510,021	304,120,438

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

BLACK IRON INC.

Condensed consolidated interim statements of changes in shareholders' (deficiency)
(Expressed in U.S. dollars)

	Common shares		Share based payments	Accumulated deficit	Warrants	Accumulated other comprehensive loss	Total shareholders' (deficiency)
	#	\$	\$	\$	\$	\$	\$
Balance, December 31, 2023	304,126,688	84,237,825	1,507,926	(86,495,200)	782,878	(187,378)	(153,949)
Net loss and comprehensive loss	-	-	-	(1,156,982)	-	(8,538)	(1,165,520)
Stock options granted (Note 8)	-	-	128,247	-	-	-	128,247
Deferred share units (Note 8)	-	-	90,786	-	-	-	90,786
Stock option expired (Note 8)	-	-	(60,608)	60,608	-	-	-
Warrant expired (Note 8)	-	-	-	782,878	(782,878)	-	-
Balance, September 30, 2024	304,126,688	84,237,825	1,666,351	(86,808,696)	-	(195,916)	(1,100,436)
Balance, December 31, 2024	304,126,688	84,237,825	1,609,624	(87,715,758)	-	(99,112)	(1,967,421)
Net loss and comprehensive loss	-	-	-	(1,047,397)	-	(57,499)	(1,104,896)
Stock option vested (Note 8)	-	-	29,571	-	-	-	29,571
Deferred share units (Note 8)	-	-	30,245	-	-	-	30,245
Deferred share units cancelled (Note 8)	-	-	(282,689)	282,689	-	-	-
Stock option expired (Note 8)	-	-	(353,309)	353,309	-	-	-
Stock option exercised (Note 8)	2,100,000	221,541	(109,881)	-	-	-	111,660
Balance, September 30, 2025	306,226,688	84,459,366	923,561	(88,127,157)	-	(156,611)	(2,900,841)

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

BLACK IRON INC.

Condensed consolidated interim statements of cash flows
(Expressed in U.S. dollars)

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
OPERATING ACTIVITIES		
Net loss for the period	\$ (1,047,397)	\$ (1,156,982)
Adjustment for:		
Share-based compensation (Note 8)	60,453	217,298
Interest income	(27,986)	(44,867)
Depreciation (Note 4)	84,193	725
Net cash outflow before working capital changes	(930,737)	(983,826)
Net change in non cash working capital	69,821	92,658
Cash used in operating activities	(860,916)	(891,168)
FINANCING ACTIVITIES		
Option exercise (Note 8)	111,660	-
Lease payments (Note 11)	(106,385)	-
Cash provided by financing activities	5,275	-
INVESTING ACTIVITIES		
Interest received	27,986	44,867
Equipment purchase	(26,427)	-
Cash provided by investing activities	1,559	44,867
Effect of exchange rate changes on cash and cash equivalents	(8,881)	(8,151)
CHANGE IN CASH AND CASH EQUIVALENTS	(862,963)	(854,452)
CASH AND CASH EQUIVALENTS, beginning of period	1,776,030	1,099,337
CASH AND CASH EQUIVALENTS, end of period	\$ 913,067	\$ 244,885

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

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

1. Nature of operations and going concern

Black Iron Inc. (the "Company") was incorporated under the laws of the Province of Ontario, Canada by Articles of Incorporation dated June 29, 2010. The principal activity of the Company is the exploration and development of ferrous metals in Ukraine, namely the Shymanivske iron ore project located in Kryvyi Rih, Ukraine. The head office of the Company is located at 198 Davenport Road, Toronto, Ontario, M5R 1J2, Canada.

As at September 30, 2025, Black Iron Inc. held 100% of the shares of Black Iron (Cyprus) Limited which in turn holds a 100% interest in Shymanivske Steel LLC.

The condensed consolidated interim financial statements include the financial statements of the Company and its subsidiaries which are listed in the following table:

	Country of incorporation	Percentage of equity interest	
		September 30, 2025	December 31, 2024
Black Iron (Cyprus) Limited	Cyprus	100	100
Shymanivske Steel LLC	Ukraine	100	100

These condensed consolidated interim financial statements were prepared on a going concern basis of presentation, which contemplates the realization of assets and settlement of liabilities as they become due in the normal course of operations for the next fiscal year.

For the nine months ended September 30, 2025, the Company incurred a net loss of \$1,047,397 and as at September 30, 2025, reported an accumulated deficit of \$88,127,157 and working capital deficiency of \$3,001,437, including \$913,067 in cash. The Company has no current source of operating cash flow, and there can be no assurances that sufficient funding, including adequate financing, will be available to explore and develop its property and to cover general and administrative expenses necessary for the maintenance of a public company. The Company's status as a going concern is contingent upon raising the necessary funds through the issuance of equity or debt.

In February 2022, Ukraine was subject to an invasion and an act of war. As of the date of approval of these condensed consolidated interim financial statements, all Company work in Ukraine has been reduced to only essential items to keep permits in good standing and progress Ukraine government land transfer for the Shymanivske Iron Ore Project. The Company's status as a going concern is contingent upon the situation being stabilized such that the Company may continue its activities in Ukraine. These matters represent material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern.

These condensed consolidated interim financial statements do not reflect adjustments to the carrying value of assets and liabilities or reported expenses and consolidated statement of financial position classifications that would be necessary if the going concern assumption was not appropriate. These adjustments could be material.

The business of exploring for minerals and mining involves a high degree of risk. Few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, to develop metallurgical processes, to acquire construction and operating permits and to construct mining and processing facilities. The recoverability of the exploration property interests of the Company is dependent upon the Company obtaining the necessary financing to complete the exploration of its property, the discovery of economically recoverable reserves and future profitable operations.

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

1. Nature of operations and going concern (continued)

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, social and environmental requirements. The Company's property interests may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

2. Basis of presentation

Statement of compliance

The condensed consolidated interim financial statements are in compliance with IAS 34, *Interim Financial Reporting*. Accordingly, certain information and disclosures normally included in the annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These condensed consolidated interim financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2024.

Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis, unless otherwise disclosed. The condensed consolidated interim financial statements have been prepared on an accrual basis except for cash flow information.

3. Material accounting policies

The condensed consolidated interim financial statements were prepared using the same accounting policies and methods as those used in the Company's consolidated financial statements for the year ended December 31, 2024.

New accounting policies

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee ("IFRIC") that are mandatory for accounting periods commencing on or after January 1, 2025. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 21 – The Effects of Changes in Foreign Exchange Rates ("IAS 21") - the IASB amended IAS 21 in August 2023 to clarify when a currency is exchangeable into another currency; and how a company estimates a spot rate when a currency lacks exchangeability. Under the amendments, companies will need to provide new disclosures to help users assess the impact of using an estimated exchange rate on financial statements. The adoption of this standard did not have a significant impact on the Company's financial statements.

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

4. Property and equipment

	Vehicles	Office equipment and fixtures	Right-of-use asset (Note 11)	Total
Cost:				
Balance, December 31, 2024	\$ -	\$ 74,347	\$ 544,475	\$ 618,822
Additions	25,888	539	-	26,427
Balance, September 30, 2025	\$ 25,888	\$ 74,886	\$ 544,475	\$ 645,249
Depreciation:				
Balance, December 31, 2024	\$ -	\$ 73,518	\$ 2,117	\$ 75,635
Depreciation charge for the year	1,726	792	81,675	84,193
Balance, September 30, 2025	\$ 1,726	\$ 74,310	\$ 83,792	\$ 159,828
Net book value: As at September 30, 2025	\$ 24,162	\$ 576	\$ 460,683	\$ 485,421
Cost:				
Balance, December 31, 2023	\$ -	\$ 74,347	\$ -	\$ 74,347
Additions	-	-	\$ 544,475	544,475
Balance, December 31, 2024	\$ -	\$ 74,347	\$ 544,475	\$ 618,822
Depreciation:				
Balance, December 31, 2023	\$ -	\$ 72,793	\$ -	\$ 72,793
Depreciation charge for the year	-	725	2,117	2,842
Balance, December 31, 2024	\$ -	\$ 73,518	\$ 2,117	\$ 75,635
Net book value: As at December 31, 2024	\$ -	\$ 829	\$ 542,358	\$ 543,187

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
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For the three and nine months ended September 30, 2025 and 2024

5. Exploration and evaluation expenditures

Exploration and evaluation expenditures for the periods presented were as follows:

	Three months ended September 30, 2025	Three months ended September 30, 2024	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Consulting and technical	\$ 105,188	\$ 62,497	\$ 315,203	\$ 196,214
Surface rights and consulting	4,289	10,141	(9,536)	25,613
Drilling	4,915	-	11,220	-
Field office support and administration	41,486	6,909	120,040	24,042
Permitting	4	-	4,070	-
Environmental	33,239	-	61,463	-
	\$ 189,121	\$ 79,547	\$ 502,460	\$ 245,869

The Company's principal activity is the exploration and development of its Shymanivske project. The Company's mining permit for the Shymanivske project had an original expiry date of November 2024. The license is deemed to be active while Martial law is still in effect in Ukraine.

6. Accounts payable and accrued liabilities

	September 30, 2025	December 31, 2024
Trade payables	\$ 993,586	\$ 929,032
Accruals	257,589	271,210
	\$ 1,251,175	\$ 1,200,242

Trade payables and accruals are non-interest bearing, unsecured and due on demand.

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

7. Common shares

Authorized

Unlimited number of common shares without par value.

	Number of Common shares	Amount
Balance, December 31, 2023 and December 31, 2024	304,126,688	\$ 84,237,825
Option exercise	2,100,000	221,541
Balance, September 30, 2025	306,226,688	\$ 84,459,366

8. Share-based payments reserve

	Number of stock options	Weighted average exercise price CAD	Carrying amount of options	Number of DSU	Weighted average exercise price CAD	Carrying amount of DSU	Total carrying amount
Balance, December 31, 2023	12,582,500	\$ 0.12	\$ 852,549	10,878,453	\$ 0.07	\$ 655,377	\$ 1,507,926
Granted / Vested	4,725,000	0.03	128,246	2,789,253	0.06	100,994	229,240
Expired	(2,700,000)	0.05	(127,542)	-	-	-	(127,542)
Balance, December 31, 2024	14,607,500	\$ 0.10	\$ 853,253	13,667,706	\$ 0.06	\$ 756,371	\$ 1,609,624
Granted / Vested	500,000	0.13	29,571	367,769	0.11	30,245	59,816
Exercised	(2,100,000)	0.08	(109,881)	-	-	-	(109,881)
Expired	(5,782,500)	0.08	(353,309)	-	-	-	(353,309)
Forfeited	-	-	-	(5,011,433)	-	(282,689)	(282,689)
Balance, September 30, 2025	7,225,000	\$ 0.10	\$ 419,634	9,024,042	\$ 0.07	\$ 503,927	\$ 923,561

Option Plan

The Company maintains a stock option plan pursuant to which the Company may grant stock options up to 10% of the number of issued and outstanding common shares of the Company at the time of the stock option grant. The 10% limit includes both the stock option plan and any other share compensation plan, including the Deferred Share Units ("DSU") plan. The terms and conditions of each option granted under the Plan are determined by the Board upon the recommendations of the Compensation Committee.

During the three and nine months ended September 30, 2025, the Company granted no options and 500,000 stock options, respectively, and options vested in the amount of \$20,214 and \$29,571, respectively, during the three and nine months ended September 30, 2025 (4,725,000 options granted for the three and nine months ended September 30, 2024, with a total value of \$128,246).

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

8. Share-based payments reserve (continued)

At September 30, 2025, outstanding options to acquire common shares of the Company were as follows:

Grant date	Expiry date	Options exercise price (CAD\$)	Options outstanding (#)	Options exercisable (#)	Grant date estimated fair value (\$)	Black-Scholes Inputs				
						Grant date share price (\$)	Expected volatility based on historical share prices	Expected life (yrs)	Expected dividend yield	Risk-free interest rate
18-May-21	18-May-26	0.48	350,000	350,000	108,741	0.45	118%	5	0%	0.95%
13-Aug-21	13-Aug-26	0.37	50,000	50,000	11,747	0.37	113%	5	0%	0.84%
5-Nov-21	5-Nov-26	0.31	300,000	300,000	33,970	0.31	114%	5	0%	1.36%
9-Mar-22	9-Mar-27	0.12	1,650,000	1,650,000	112,527	0.12	107%	5	0%	1.65%
10-Aug-23	10-Aug-28	0.08	200,000	200,000	9,759	0.08	114%	5	0%	3.93%
29-Aug-24	29-Aug-29	0.05	4,175,000	4,175,000	113,319	0.05	114%	5	0%	3.01%
1-Apr-25	1-Apr-30	0.13	500,000	125,000	29,571	0.13	118%	5	0%	2.57%
			7,225,000	6,850,000	419,634					

DSU Plan

On June 23, 2015, the Company adopted a DSU plan for the benefit of non-executive directors which provided the Company with the ability to issue DSUs from treasury and reserve for issuance of common shares of the Company up to a maximum of 3,000,000 DSUs. On June 27, 2018, shareholders approved an amendment to the DSU plan pursuant to which the maximum number of DSUs granted cannot exceed 5% of the number of issued and outstanding common shares of the Company at the date of grant, subject to an aggregate maximum number of common shares issuable from all share-based compensation plans of 10%.

The DSUs are deferred and will be redeemed in the form of one common share for each DSU held on the date the participant ceases to be an eligible director. During the three and nine months ended September 30, 2025, the Company granted 115,984 and 367,769 DSUs, respectively, with a fair value of \$9,263 and \$30,245, respectively, based on the quoted market price of the Company's common shares at the date of grant (2,361,980 DSUs and 2,655,730 DSUs, respectively, DSUs with a grant date fair value of \$80,039 and \$90,786, respectively, during the three and nine months ended September 30, 2024). As the DSUs will be settled in shares, the value of the DSUs is recorded in share-based payments reserve at the time of issue.

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

9. Related party transactions

Key management personnel compensation

In addition to their contracted fees, executive officers participate in the Company's stock option program (Note 8). The Company also has a DSU plan which provides non-executive directors with the ability to redeem annual director compensation through the issuance of common shares of the Company. Certain executive officers are subject to mutual termination notices ranging from three to twelve months. Key management personnel compensation paid comprised:

	Nine months ended September 30, 2025	Nine months ended September 30, 2024
Short term employee benefits	\$ 324,808	\$ 254,750
Share-based payments	59,816	198,111
	\$ 384,624	\$ 452,861

Officers and directors had 125,000 options vest during the nine months ended September 30, 2025 (4,000,000 options vested for the nine months ended September 30, 2024).

The Company is party to certain management contracts. These contracts require payments of approximately \$1.2 million upon the occurrence of a change in control of the Company, as defined by each officer's respective consulting agreement. The Company is also committed to payments upon termination of approximately \$384,000 pursuant to the terms of these contracts due within one year. As triggering events have not yet taken place, no amounts have been accrued for these items.

As at September 30, 2025, the Company had \$4,636 (December 31, 2024 - \$nil) owing to its management personnel. Such amounts are unsecured, non-interest bearing, with no fixed terms of payment and are due on demand.

10. Commitments and contingencies

Environmental

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

Contract commitment

The Company has a contract with financial advisors that contains a success fee that is payable on consummation of a transaction. As a transaction has not taken place, the contingent payment has not been reflected in these consolidated financial statements.

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

11. Lease liability

In November 2024, the Company entered into a lease agreement for land in Kryvyi Rih. The monthly rent payable under the terms of the lease was \$11,820. The lease is for fixed term of five years commencing December 2024. The Company used a discount rate of 11.5% in determining the present value of the lease payments.

Lease liability as at December 31, 2023	\$	-
Additions		544,475
Interest expense		4,962
Lease payments		(11,821)
Lease liability as at December 31, 2024	\$	537,616
Interest expense		42,219
Lease payments		(106,385)
Foreign exchange		7,811
Lease liability as at September 30, 2025	\$	481,261

	September 30,	December 31,
	2025	2024
Current lease liability	\$ 96,436	\$ 87,350
Non-current lease liability	384,825	450,266
	\$ 481,261	\$ 537,616

Future undiscounted minimum lease payments for the lease agreements are as follows:

	September	December 31,
	30, 2025	2024
Within one year	\$ 141,847	\$ 141,847
After one year but not more than five years	449,181	555,566
More than five years	-	-
	\$ 591,028	\$ 697,413

BLACK IRON INC.

Notes to the condensed consolidated interim financial statements
(Expressed in U.S. dollars)

For the three and nine months ended September 30, 2025 and 2024

12. Royalty agreement with Anglo American

In November 2024, the Company announced it had entered into a royalty agreement and offtake agreement with Anglo American Marketing Limited (“Anglo American”) for a \$4,000,000 royalty investment, offtake rights and future potential construction prepayments. Under the terms of the royalty agreement, Anglo American will invest \$4,000,000 in two tranches for a gross revenue royalty of 1% should the prevailing 65% iron CFR China iron ore price be less than \$120 per tonne and 1.5% should the price be equal to or higher than \$120 per tonne for the first 60,000,000 tonnes of production at the Shymanivske project (the “Royalty”). Subject to the Company renewing its permit and commencing production, the term of the royalty agreement will be the longer of ten years from the commencement of extraction of iron ore concentrate and the period required for the Company to produce 60 million tonnes of iron ore concentrate.

The first tranche of the royalty agreement consisting of \$2,600,000 was received in November 2024. The second tranche of the royalty agreement consisting of \$1,400,000 will be paid contingent upon the renewal of the Shymanivske project permit by the Company. The Royalty will become effective after Black Iron receives the second tranche.

The Company has pledged its shares in its Shymanivske Steel LLC subsidiary as security for the royalty agreement.

The Company reserves the right to buy back the Royalty at any time during the term at a price that provides a pre-agreed internal rate of return of 25% to Anglo American.

Anglo American’s investment in the Royalty secures it offtake rights to the higher of (a) 60% or (b) 2,400,000 tonnes per year during the Phase 1 of production for life of mine, with Phase 1 defined as the period when the Company is producing 4,000,000 tonnes per year. The offtake agreement also provides for a right of first offer for Anglo American to further invest at least 15% of the Phase 1 construction cost as part of a consortium after the conflict in Ukraine ends. Such an investment would increase Anglo American’s offtake to 100% of the Phase 1 production. Additionally, Anglo American has first refusal rights to fund a further 15% of expansion construction costs for Phase 2 of the Shymanivske project. Such funding of Phase 2 would secure Anglo American 100% of the life of mine offtake rights for Phase 2 of the Shymanivske project.

As at September 30, 2025, the deposit liability has been accounted for as a financial instrument at FVPL, as a level 3 instrument in the fair value hierarchy as the Royalty is not yet effective. Due to the short-term nature of the instrument, the fair value approximates the face value of the instrument.