



**NOBLE IRON INC.**

**INTERIM CONDENSED**

**CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited)

Expressed in Canadian Dollars

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER  
30, 2024 AND 2023**

# NOBLE IRON INC.

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**MANAGEMENT’S COMMENTS ON  
UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**NOTICE OF NO AUDITOR REVIEW OF 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 interim financial statements; they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed consolidated financial statements of Noble Iron Inc. (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 interim condensed consolidated financial statements in accordance with standards established by the CPA Canada for a review of interim financial statements by an entity’s auditor.

# NOBLE IRON INC.

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited)

AS AT SEPTEMBER 30, 2024 AND DECEMBER 31, 2023

In Canadian Dollars

|                                                    | <i>Notes</i> | <b>2024</b>      | <b>2023</b>      |
|----------------------------------------------------|--------------|------------------|------------------|
|                                                    |              | <b>\$</b>        | <b>\$</b>        |
| <b>Assets</b>                                      |              |                  |                  |
| <b>Current assets</b>                              |              |                  |                  |
| Cash and cash equivalents                          |              | 1,103,015        | 1,278,997        |
| Prepayment and other assets                        |              | 34,082           | 63,193           |
| <b>Total current assets</b>                        |              | <b>1,137,097</b> | <b>1,342,190</b> |
| <b>Total assets</b>                                |              | <b>1,137,097</b> | <b>1,342,190</b> |
| <b>Liabilities and Equity</b>                      |              |                  |                  |
| <b>Current liabilities</b>                         |              |                  |                  |
| Trade and other payables                           |              | 269,135          | 331,752          |
| <b>Total current liabilities</b>                   |              | <b>269,135</b>   | <b>331,752</b>   |
| <b>Total liabilities</b>                           |              | <b>269,135</b>   | <b>331,752</b>   |
| <b>Equity attributable to owners of the parent</b> |              |                  |                  |
| Share capital                                      | 4            | 1,023,744        | 1,023,744        |
| Other reserves                                     |              | 4,519,461        | 4,519,461        |
| Accumulated other comprehensive income             |              | -                | -                |
| Accumulated deficit                                |              | (4,675,243)      | (4,532,767)      |
| <b>Total equity</b>                                |              | <b>867,962</b>   | <b>1,010,438</b> |
| <b>Total equity and liabilities</b>                |              | <b>1,137,097</b> | <b>1,342,190</b> |

Subsequent events

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See Accompanying Notes to Interim Condensed Consolidated Financial Statements

# NOBLE IRON INC.

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

In Canadian Dollars

|                                                                     | Three months ended<br>September 30, |                  | Nine months ended<br>September 30, |                  |
|---------------------------------------------------------------------|-------------------------------------|------------------|------------------------------------|------------------|
|                                                                     | 2024                                | 2023             | 2024                               | 2023             |
|                                                                     | \$                                  | \$               | \$                                 | \$               |
| <b>Continuing operations</b>                                        |                                     |                  |                                    |                  |
| <b>Operating expenses</b>                                           |                                     |                  |                                    |                  |
| General and administrative                                          | 59,759                              | 213,168          | 181,071                            | 715,136          |
| <b>Loss from continuing operations</b>                              | <b>(59,759)</b>                     | <b>(213,168)</b> | <b>(181,071)</b>                   | <b>(715,136)</b> |
| <b>Finance income</b>                                               |                                     |                  |                                    |                  |
| Interest income                                                     | 11,645                              | 51,693           | 38,995                             | 320,107          |
| Foreign exchange gain / (loss)                                      | 329                                 | 25,657           | (400)                              | 168,085          |
| <b>Loss from continuing operations before taxation</b>              | <b>(47,785)</b>                     | <b>(135,818)</b> | <b>(142,476)</b>                   | <b>(226,944)</b> |
| Income tax                                                          | -                                   | -                | -                                  | -                |
| <b>Net loss</b>                                                     | <b>(47,785)</b>                     | <b>(135,818)</b> | <b>(142,476)</b>                   | <b>(226,944)</b> |
| <b>Other comprehensive gain</b>                                     |                                     |                  |                                    |                  |
| <i>Item that may be subsequently reclassified to profit or loss</i> |                                     |                  |                                    |                  |
| Foreign currency translation adjustment                             | -                                   | 572              | -                                  | 23,727           |
| <b>Total comprehensive loss</b>                                     | <b>-</b>                            | <b>(135,246)</b> | <b>-</b>                           | <b>(203,217)</b> |
| <b>(Loss) / earnings per share</b>                                  |                                     |                  |                                    |                  |
| Basic from continuing operations                                    | (0.00)                              | (0.00)           | (0.01)                             | (0.01)           |

See Accompanying Notes to Interim Condensed Consolidated Financial Statements

# NOBLE IRON INC.

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

In Canadian Dollars

|                                    | Share Capital     | Share Capital    | Other reserves   | Accumulated<br>other<br>comprehensive<br>income | Accumulated<br>deficit | Total equity   |
|------------------------------------|-------------------|------------------|------------------|-------------------------------------------------|------------------------|----------------|
|                                    | No.               | \$               | \$               | \$                                              | \$                     | \$             |
| Balance, January 1, 2023           | 27,267,479        | 9,203,988        | 4,519,461        | 2,156,609                                       | (6,410,920)            | 9,469,138      |
| Loss for the period                | -                 | -                | -                | -                                               | (226,944)              | (226,944)      |
| Other comprehensive income         | -                 | -                | -                | 23,727                                          | -                      | 23,727         |
| Total comprehensive loss           | -                 | -                | -                | 23,727                                          | (226,944)              | (203,217)      |
| Return of capital (note 4c)        | -                 | (8,180,244)      | -                | -                                               | -                      | (8,180,244)    |
| Balance, September 30, 2023        | 27,267,479        | 1,023,744        | 4,519,461        | 2,180,336                                       | (6,637,863)            | 1,085,678      |
| Balance, January 1, 2024           | 27,267,479        | 1,023,744        | 4,519,461        | -                                               | (4,532,767)            | 1,010,438      |
| Loss for the period                | -                 | -                | -                | -                                               | (142,476)              | (142,476)      |
| Total comprehensive loss           | -                 | -                | -                | -                                               | (142,476)              | (142,476)      |
| <b>Balance, September 30, 2024</b> | <b>27,267,479</b> | <b>1,023,744</b> | <b>4,519,461</b> | <b>-</b>                                        | <b>(4,675,243)</b>     | <b>867,962</b> |

See Accompanying Notes to Interim Condensed Consolidated Financial Statements

# NOBLE IRON INC.

## INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(Unaudited)

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

In Canadian Dollars

|                                                                   | <i>Notes</i> | <b>2024</b><br>\$ | <b>2023</b><br>\$  |
|-------------------------------------------------------------------|--------------|-------------------|--------------------|
| <b>Cash flows from operating activities</b>                       |              |                   |                    |
| Net loss                                                          |              | (142,476)         | (226,944)          |
| Adjustments for:                                                  |              |                   |                    |
| Interest income                                                   |              | (38,995)          | (320,107)          |
| Gain on sale of non-current investment                            | 3            | -                 | (200,632)          |
| Foreign exchange income                                           |              | (1,281)           | (1,431)            |
| Changes in working capital                                        | 6            | (33,506)          | (1,918,046)        |
| <b>Cash used in operating activities</b>                          |              | <b>(216,258)</b>  | <b>(2,667,160)</b> |
| <b>Investing activities</b>                                       |              |                   |                    |
| Interest received                                                 |              | 23,631            | 320,107            |
| Disposal of non-current investments                               | 3            | -                 | 4,400,632          |
| <b>Net cash from investing activities</b>                         |              | <b>23,631</b>     | <b>4,720,739</b>   |
| <b>Financing activities</b>                                       |              |                   |                    |
| Return of capital                                                 | 4            | -                 | (8,180,244)        |
| <b>Net cash used in financing activities</b>                      |              | <b>-</b>          | <b>(8,180,244)</b> |
| Effects of exchange rate differences on cash and cash equivalents |              | 16,645            | 25,158             |
| Net decrease in cash and cash equivalents                         |              | (192,627)         | (6,126,665)        |
| Cash and cash equivalents, beginning of period                    |              | 1,278,997         | 7,480,406          |
| <b>Cash and cash equivalents, end of period</b>                   |              | <b>1,103,015</b>  | <b>1,378,899</b>   |

See Accompanying Notes to Interim Condensed Consolidated Financial Statements

# NOBLE IRON INC.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**

In Canadian Dollars

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### 1. Corporate information:

Noble Iron Inc. (the "Company") was incorporated under the Company Act (British Columbia) and was continued under the Business Corporations Act (Ontario) on November 5, 2008. The address of the Company's registered office is 365 Bay St., Suite 800, Toronto, Ontario, M5H 2V1. The interim condensed consolidated financial statements of the Company, as at and for the three and nine months ended, September 30, 2024 and 2023, comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

Noble Iron Inc. is currently listed on the NEX Exchange under the symbol NIR-H. Until June 30, 2022, the Company operated in enterprise asset management software for the construction and industrial equipment industry under the name "Texada Software".

Noble Iron Inc. operated under the name "Texada Software". Texada Software develops software applications to manage the complete equipment ownership lifecycle: from equipment purchasing, rental and sales transactions, inventory management, maintenance and depreciation tracking through to used equipment sales, disposal, and inventory replenishment. Texada Software offers in the cloud or client-based software and is scalable to meet the needs of any equipment rental company, dealership, construction company, contractor, and any customer who owns or uses construction or industrial equipment.

Effective June 30, 2022, the company sold its Texada Software operations in Canada and Australia. Accordingly, the results of operations and the gain on the software business are presented as discontinued operations separate from the company's continuing operations. Prior period information has been reclassified to present the Texada Software operations as discontinued operations.

On July 12, 2023, at its annual and special meeting of shareholders of the Company (the "2023 Meeting"), the shareholders approved a special resolution authorizing the voluntary liquidation and dissolution of the Company (the "Winding Up"). The Winding Up commenced immediately following the 2023 Meeting and will proceed in accordance with the provisions of the Business Corporations Act (Ontario) and the plan of liquidation and dissolution approved at the meeting by the Shareholders in connection with the Winding Up. The Winding Up will include the distribution of cash to shareholders in one or more instalments and will be completed following the payment of outstanding liabilities, including expenses of the Winding Up, and an assessment of available funds, if any, on a distribution date to be determined pursuant to the plan of liquidation and dissolution approved at the 2023 Meeting. In connection with the Winding Up, the shareholders also approved the delisting of its common shares from the TSXV and an application to the Ontario Securities Commission and other applicable securities regulators to cease being a reporting issuer, both in due course, as part of the Winding Up. In all cases, the Winding Up and related resolutions granted to the board of directors of the Company the discretion to discontinue the Winding Up and related matters if the board determines it is in the best interests of the Company to do so.

The Winding Up and related matters are subject to the receipt of all required consents and approvals, including the securities regulators and the TSXV and compliance with all applicable corporate and other laws. The Winding Up may not be completed for some time, and is dependent on the receipt of, among other things, tax clearances from applicable taxing authorities. The Winding Up will proceed subject to the receipt of corporate, securities and tax laws advice.

### 2. Basis of preparation:

#### (a) Statement of compliance:

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim financial reporting". The notes presented in these interim condensed consolidated financial statements include only significant changes and transactions occurring since the Company's last year end and are not fully inclusive of all disclosure required by International Financial Reporting Standards ("IFRS") for annual consolidated financial statements.



# NOBLE IRON INC.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

In Canadian Dollars

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### 2. Basis of preparation: (continued)

#### (a) Statement of compliance: (continued)

These interim condensed consolidated financial statements should be read in conjunction with the Company's annual audited consolidated financial statements for the years ended December 31, 2023 and 2022, (the "2023 Annual Financial Statements") which are available on SEDAR and have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board ("IASB"). The interim condensed consolidated financial statements were authorized for issue by the Board of Directors on November 29, 2024.

These interim condensed consolidated financial statements follow the same accounting policies and methods of application as the 2023 Annual Financial Statements. These interim condensed consolidated financial statements are presented in Canadian dollars.

#### (b) Basis of measurement:

The interim condensed consolidated financial statements have been prepared on the historical cost basis, except as otherwise disclosed.

#### (c) Functional and presentation currency:

Amounts included in the interim financial statements of each entity that is a foreign operation are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The interim condensed consolidated financial statements are presented in Canadian dollars ("presentation currency"), which is also Noble Iron Inc.'s functional currency.

#### (d) Use of estimates and judgments:

Use of estimates:

The preparation of interim condensed financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expense. Actual results may differ from these estimates. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Management periodically reviews its estimates and underlying assumptions relating to the following items:

##### i. Taxes

Deferred tax assets and liabilities contain estimates about the nature and timing of future permanent and temporary differences as well as the future tax rates that will apply to those differences. Changes in tax laws and rates as well as changes to the expected timing of reversals may have a significant impact on the amounts recorded for deferred tax assets and liabilities. Management monitors current and potential changes to tax law and bases its estimates on the best available information at each reporting date.

Use of judgments:

The preparation of interim condensed consolidated financial statements in conformity with IFRS requires management to make judgments that affect the application of accounting policies and the interpretation of accounting standards.

# NOBLE IRON INC.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

In Canadian Dollars

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### 2. Basis of preparation: (continued)

#### (e) New standards and interpretations adopted:

The International Accounting Standards Board (“IASB”) has issued the following amendments, revisions, and new International Financial Reporting Standards (“IFRS”) that are not yet effective and while considered relevant to the Group, they have not yet been adopted by the Group.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company’s annual consolidated financial statements for the year ended December 31, 2023 except for the adoption of new standards effective January 1, 2024, if any. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The following amendments were applied and adopted by the Company for the first time. These did not have an impact on the interim condensed consolidated financial statements of the Company.

i. On January 23, 2020, the IASB issued amendments to IAS 1 Presentation of Financial Statements to clarify the requirements for classifying liabilities as current or non-current. The amendments include specifying the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists and expectations about events after the balance sheet date are not relevant. The amendments are effective for annual reporting periods beginning on or after January 1, 2024.

### 3. Sale of non-current investment

On April 18, 2022, the Company entered into an agreement to sell its operating business, called Texada Software (“Texada”), for total proceeds of \$37,200,000. The Company’s entities that were involved in the sale included Systematic Computer Services Corporation (“Systematic”), which operates as “Texada Software,” and is owned by a directly owned subsidiary of the Company, called wholly RentOnTheDot, Inc. (“ROTD”); as well as the Company’s wholly owned subsidiary, Texada Software Pty Ltd, which operates as “Texada Software,” in Australia. The transaction was completed on June 30, 2022.

The agreement required that the Company subscribe for a \$4,200,000 equity interest (“Rollover Interest”), approximately a 7.4% equity stake which is subject to dilution, in Texada Software’s new parent company, a wholly owned subsidiary of Banneker Partners. In addition, the amount of \$4,200,000 of the purchase price was used to acquire the Rollover Interest.

On October 31, 2022, the Company announced that it had entered into a definitive equity purchase agreement (the “EPA”) with Banneker Partners Fund II, L.P. (“BP Fund”), pursuant to which BP Fund would acquire the Rollover Interest that Noble Iron held in BP Tex Parent, LP from the Company for a purchase price of US\$3,257,797 (the US\$ equivalent of C\$4,200,000.00 at the time Noble Iron made the investment in the Preferred LP Interests). The Company received TSXV approval for the sale of the rollover interest on November 4, 2022. The sale closed on January 5, 2023. The Canadian dollar value of the cash received on January 5, 2023 was \$4,400,632 resulting in a foreign exchange gain of \$200,632. The gain is included in the foreign exchange gain on the consolidated statements of comprehensive income.

### 4. Share capital:

#### (a) Authorized:

The Company has authorized 100,000,000 preferred shares without par value, issuable in one or more series as well as an unlimited number of common shares without par value. As of September 30, 2024, there are 27,267,479 (December 31, 2023 – 27,267,479) fully paid for common shares issued and outstanding. There are no preferred shares outstanding as at September 30, 2024 and December 31, 2023.

# NOBLE IRON INC.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

In Canadian Dollars

### 4. Share capital (continued):

#### (b) Issued:

Issued and outstanding common shares were 27,267,479 as of September 30, 2024 and as of December 31, 2023. During the nine months ended September 30, 2023, the Company issued no common shares. There are no preferred shares outstanding as at September 30, 2024 or December 31, 2023.

#### (c) Return of capital

On December 8, 2022, the Company announced the return of capital to all common shareholders of the Company of \$1.00 per share as a reduction to stated capital totaling \$27,267,479. The Company distributed \$27,267,479 on December 23, 2022 capital derived from the sale of Texada business resulting in reduction of stated capital to \$9,203,988.

On July 21, 2023, the Company announced the return of capital to all the common shareholders of the Company of \$0.30 per share as a reduction to stated capital totaling \$8,180,244. The Company distributed \$8,180,244 on August 8, 2023 from the remaining cash reserves post sale of the Texada business resulting in stated capital of \$1,023,744.

### 5. Net income per share:

The computations for basic and diluted income per share for the three and nine months ended September 30, 2024 and 2023 are as follows:

|                                                       | Three Months Ended<br>September 30 |            | Nine months ended<br>September 30 |            |
|-------------------------------------------------------|------------------------------------|------------|-----------------------------------|------------|
|                                                       | 2024                               | 2023       | 2024                              | 2023       |
|                                                       | \$                                 | \$         | \$                                | \$         |
| Net loss from continuing operations                   | (47,785)                           | (135,818)  | (142,476)                         | (226,944)  |
| Weighted average number of common shares outstanding: |                                    |            |                                   |            |
| Basic                                                 | 27,267,479                         | 27,267,479 | 27,267,479                        | 27,267,479 |
| Net (loss) per share:                                 |                                    |            |                                   |            |
| Basic from continuing operations                      | (0.00)                             | (0.00)     | (0.01)                            | (0.01)     |

### 6. Change in non-cash operating working capital:

|                                          | 2024            | 2023               |
|------------------------------------------|-----------------|--------------------|
|                                          | \$              | \$                 |
| Prepaid expenses and other assets        | 29,111          | 30,466             |
| Accounts payable and accrued liabilities | (62,617)        | (1,948,512)        |
|                                          | <u>(33,506)</u> | <u>(1,918,046)</u> |

# NOBLE IRON INC.

## NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023

In Canadian Dollars

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### 7. Financial risk management:

The Company is exposed to foreign exchange risk, credit risk, and liquidity risk related to its underlying financial assets and liabilities. Risk management strategies are designed to ensure that Company's risks and related exposures are consistent with its business objectives and overall risk tolerance. There have been no significant changes to the Company's risk management strategies since December 31, 2023, and no assurance can be provided that these strategies will continue to be effective.

#### (a) Foreign exchange risk:

Foreign exchange risk is the risk that the fair value, or the future value cash flow of a financial instrument, will fluctuate due to changes in foreign exchange rates.

The company is exposed to the currency exchange rate risk on the following balances held in United States dollars: \$97,516.

The company does not use derivative financial instruments to mitigate its exposure to currency risk. Management, however, mitigates currency risk by regular monitoring, transacting in stable currencies and minimizing the net exposure in any foreign currency at any point in time. A one percent change in the value of the United States currency will result in the increase/decrease in the company's net income (loss) of \$975.

#### (b) Credit risk:

Credit risk is the financial risk of non-performance by a contracted counter party. The Company primarily sells its software to customers operating in the equipment rental and distribution industry.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The Company deposits its cash with reputable financial institutions and limits the exposure by counterparty. Management therefore believes the risk of loss to be remote.

#### (c) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. The Company believes that it has access to sufficient cash to cover the expected short-term and long-term cash requirements.

# **NOBLE IRON INC.**

## **NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

(Unaudited)

**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2024 AND 2023**

In Canadian Dollars

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### **8. Determination of fair values:**

#### **(a) Financial Assets:**

Management has determined that the carrying amount of its short-term financial assets, including cash, approximates fair value at the reporting date.

#### **(b) Financial liabilities:**

Management has determined that the carrying amount of its short-term financial liabilities, including accounts payable and accrued liabilities approximate fair value at the reporting date due to the short-term maturity of these obligations.

#### **(c) Fair value:**

As of September 30, 2024, the Company did not have any financial instruments which are measured at fair value.