WOLVERINE ENERGY AND INFRASTRUCTURE INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the 3 Months Ended June 30, 2023 and 2022

(UNAUDITED)

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 condensed consolidated interim financial statements, the financial statements 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 Wolverine Energy and Infrastructure Inc. have been prepared by management and are the responsibility of management.

Wolverine Energy and Infrastructure Inc's. independent auditor has not performed a review of the accompanying unaudited condensed consolidated interim financial statements in accordance with the standards established by CPA Canada for a review of interim financial statements by an entity's auditor.

	Note	30-Jun-2023	31-Mar-2023
ASSETS			
Current Assets			
Cash and cash equivalents		2,439,066	911,809
Trade and other receivables	4	7,421,629	17,108,650
Other current assets		1,605,487	593,175
Total Current Assets		**11,466,182**	**18,613,634**
Property, plant and equipment	5	54,003,316	58,667,174
Intangible assets	6	964,113	1,097,773
Other long-term assets	7	47,950,052	54,353,654
Deferred income tax asset	10	998,160	795,294
Total Assets		**115,381,823**	**133,527,529**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Short-term borrowings	9	7,138,941	12,906,958
Accounts payable and accrued liabilities	8	15,881,472	17,440,476
Current portion of long-term debt	9	17,150,215	17,974,937
Total Current Liabilities		**40,170,628**	**48,322,371**
Long-term debt	9	61,564,501	63,630,544
Deferred income tax liability	10	4,067,658	5,390,246
Total Liabilities		**105,802,787**	**117,343,161**
Shareholders' Equity			
Share capital	11	54,058,280	54,058,280
Accumulated other comprehensive deficit		(925,196)	(841,000)
Retained earnings		(43,554,048)	(37,032,912)
Total Shareholders' Equity		**9,579,036**	**16,184,368**
Total Liabilities and Shareholders' Equity		**115,381,823**	**133,527,529**

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

Approved by the Board of Directors of Wolverine Energy and Infrastructure Inc.

(signed) "Darrell Peterson"
DARRELL PETERSON, DIRECTOR

(signed) "Jesse Douglas"
JESSE DOUGLAS, DIRECTOR

	Note	30-Jun-2023 3 Months	30-Jun-2022 3 Months
Revenue		7,910,271	12,175,866
Direct costs	12	4,900,363	8,977,132
Gross Profit		**3,009,908**	**3,198,734**
Operating Expenses			
Depreciation and amortization		4,189,539	5,158,798
Salaries and wages		1,287,414	1,700,338
Selling, general and administration		1,652,017	1,592,274
		7,128,970	**8,451,410**
Loss from Operations		**(4,119,062)**	**(5,252,676)**
Non-Operating Expense (Income)			
Finance costs	13	2,151,096	1,824,101
Gain on disposal of assets	5	(173,043)	(268,921)
Loss (gain) on foreign exchange		388,586	(595,313)
Other income		(8,500)	(10,333)
Loss on investments	7	1,566,924	6,625,821
		3,925,063	**7,575,355**
Loss before Income Tax		**(8,044,125)**	**(12,828,031)**
Income Tax			
Current tax expense		-	-
Deferred tax recovery	10	(1,522,989)	(2,704,629)
		(1,522,989)	**(2,704,629)**
Net Loss		**(6,521,136)**	**(10,123,402)**
Other comprehensive (loss) income		(84,196)	74,609
Comprehensive Loss		**(6,605,332)**	**(10,048,793)**
Net Loss per Common Share			
Basic		(0.06)	(0.09)
Diluted		(0.06)	(0.09)

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

	30-Jun-2023 3 Months	**30-Jun-2022 3 Months**
OPERATING ACTIVITIES		
Net loss	(6,521,136)	(10,123,402)
Items not affecting cash:		
Depreciation and amortization	4,189,539	5,158,798
Deferred tax recovery	(1,522,989)	(2,704,629)
Foreign exchange loss (gain)	388,586	(595,313)
Gain on dispositions	(173,043)	(268,921)
Loss on investments	1,566,924	6,625,821
Share-based compensation expense (recovery)	81,899	(150,262)
Bad debt expense	64,023	363,920
Amortization of deferred financing costs	34,108	83,331
Change in other long-term assets and liabilities	415,997	(572,476)
Funds used in operations	**(1,476,092)**	**(2,183,133)**
Changes in non-cash working capital	6,581,162	10,204,858
Cash from operations	**5,105,070**	**8,021,725**
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(72,967)	(583,670)
Disposal of property, plant and equipment	278,102	893,590
Disposal of Green Impact Partners Inc shares	4,836,678	-
Cash from investing activities	**5,041,813**	**309,920**
FINANCING ACTIVITIES		
Repayment of debt	(2,851,609)	(8,124,721)
Repayment of short-term borrowings	(5,768,017)	(1,544,113)
Cash used in financing activities	**(8,619,626)**	**(9,668,834)**
Decrease in cash and equivalents	**1,527,257**	**(1,337,189)**
Cash beginning of period	911,809	3,862,611
Cash end of period	**2,439,066**	**2,525,422**

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

	Note	30-Jun-2023 3 Months	30-Jun-2022 3 Months
Share Capital			
Balance, beginning of period		54,058,280	54,058,280
Acquisition of treasury shares	11	-	-
Balance, end of period	11	**54,058,280**	**54,058,280**
Accumulated Other Comprehensive Income (Loss)			
Balance, beginning of period		(841,000)	(800,376)
Other comprehensive income		(84,196)	74,609
Balance, end of period		**(925,196)**	**(725,767)**
Retained Earnings			
Balance, beginning of period		(37,032,912)	(11,821,899)
Net loss		(6,521,136)	(10,123,402)
Balance, end of period		**(43,554,048)**	**(21,945,301)**
Total Shareholders' Equity		**9,579,036**	**31,387,212**

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

1. Description of the Business

Wolverine Energy and Infrastructure Inc. (“Wolverine” or the “Company”) is incorporated under the Business Corporations Act of Alberta. The Company’s common shares are traded on the TSX Venture Exchange under the symbol “WEII”. The head office is located at 450-1018 8th Ave, Calgary AB T2P 1J2.

The Company is a full service, diversified energy and infrastructure service provider in Western Canada and the United States. The Company services both conventional and renewable energy sectors providing specialized equipment rental and infrastructure services including production testing services and rentals, oilfield and energy rentals, heavy equipment rentals, civil/infrastructure construction, and environmental clearing to its clients throughout Western Canada and the United States.

The Company's revenue and profits are impacted by seasonality. Activity peaks in the third and fourth fiscal quarters.

2. Basis of Presentation

These condensed consolidated interim financial statements (the “financial statements”) have been prepared by management using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board. The financial statements do not include all the information required for full annual statements and should be read in conjunction with the annual audited consolidated financial statements for the years ended March 31, 2023 and 2022.

These financial statements were approved by the Company’s Board of Directors on August 28, 2023.

These financial statements have been prepared using accounting policies and estimates which are consistent with note 3 of the annual audited consolidated financial statements as at March 31, 2023 and for the years ended March 31, 2023 and 2022 as filed on SEDAR at www.sedar.com.

These financial statements are recorded and presented in Canadian dollars, the Company’s functional currency, and have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. All values are rounded to the nearest dollar, except where otherwise indicated.

The financial statements of the Company comprise the financial statements of the Company and the entities it controls. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with subsidiaries and has the ability to affect those returns through its power over the subsidiaries’ relevant activities. Subsidiaries are consolidated from the date control is obtained and deconsolidated from the date control ceases. All intercompany transactions, balances, income, and expenses are eliminated on consolidation. The Company has applied uniform accounting policies throughout all consolidated entities and the reporting dates of the subsidiaries are all consistent with that of the Company.

3. Summary of Significant Accounting Policies, Estimates and Judgements

Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are the same as those set out in the annual audited consolidated financial statements for the year ended March 31, 2023. Unless otherwise stated, these policies have been consistently applied to all periods presented.

Impairment of financial assets is recorded when there are expected credit losses, defined as the present value of all cash shortfalls over the expected life of the financial instrument. The impairment model requires entities to recognize expected credit losses in profit or loss for all financial assets, including those that are newly originated or acquired.

Significant Estimates and Judgments

The timely preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported assets, liabilities, revenues, expenses, gains, losses, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The estimates and underlying assumptions are reviewed by management on an ongoing basis, with any adjustments recognized in the period in which the estimate is revised.

The key estimates and judgments concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities include those related to the determination of cash generating units, depreciation and amortization, recoverability of assets, other provisions and contingent liabilities, inventory valuation, deferred income taxes, provision for expected credit losses, fair value of financial instruments, and net investments in foreign subsidiaries. Readers are cautioned that the preceding list is not exhaustive and other items may also be affected by estimates and judgments.

4. Accounts Receivable

	30-Jun-2023	31-Mar-2023
Trade receivables	8,457,779	19,086,875
Other receivables	3,334,251	4,366,880
Allowance for doubtful accounts	(4,370,401)	(6,345,105)
	7,421,629	**17,108,650**
Aged trade receivables		
Current (<30 days)	2,450,447	8,886,079
31-60 days	580,218	4,988,886
61-90 days	844,200	1,166,613
>90 days	4,582,914	4,045,297
	8,457,779	**19,086,875**

	30-Jun-2023	31-Mar-2023
Allowance for doubtful accounts		
Balance, beginning of period	6,345,105	6,292,775
Additions during the period	214,910	1,645,967
Balances written-off and recovered during the period	(2,189,614)	(1,593,637)
Balance, end of period	**4,370,401**	**6,345,105**

5. Property, Plant and Equipment

Cost	Land	Buildings	Equipment	Right of Use Equipment	Total
March 31, 2022	**1,174,740**	**3,077,978**	**125,944,183**	**9,835,986**	**140,032,887**
Additions	-	-	3,288,801	458,637	3,747,438
Disposals	(1,134,740)	(2,865,260)	(6,637,748)	(913,651)	(11,551,399)
Foreign exchange	-	5,255	1,225,651	62,924	1,293,830
March 31, 2023	**40,000**	**217,973**	**123,820,887**	**9,443,896**	**133,522,756**
Additions	-	-	72,967	-	72,967
Disposals	-	-	(339,703)	(154,866)	(494,569)
Foreign exchange	-	(1,485)	(694,584)	(17,175)	(713,244)
June 30, 2023	**40,000**	**216,488**	**122,859,567**	**9,271,855**	**132,387,910**

Accumulated Depreciation	Land	Buildings	Equipment	Right of Use Equipment	Total
March 31, 2022	**-**	**456,951**	**57,825,521**	**5,200,200**	**63,482,672**
Depreciation	-	121,569	15,676,212	2,500,260	18,298,041
Disposals	-	(396,361)	(5,700,939)	(1,805,418)	(7,902,718)
Foreign exchange	-	5,189	926,116	46,282	977,587
March 31, 2023	**-**	**187,348**	**68,726,910**	**5,941,324**	**74,855,582**
Depreciation	-	875	3,457,908	597,096	4,055,879
Disposals	-	-	(174,614)	(137,561)	(312,175)
Foreign exchange	-	(1,485)	(202,250)	(10,957)	(214,692)
June 30, 2023	**-**	**186,738**	**71,807,954**	**6,389,902**	**78,384,594**

Net Book Value	Land	Buildings	Equipment	Right of Use Equipment	Total
March 31, 2022	1,174,740	2,621,027	68,118,662	4,635,786	76,550,215
March 31, 2023	40,000	30,625	55,093,977	3,502,572	58,667,174
June 30, 2023	**40,000**	**29,750**	**51,051,613**	**2,881,953**	**54,003,316**

As of June 30, 2023, Management assessed that there were no indicators of impairment since the last impairment test was performed as of March 31, 2023.

6. Intangibles

Cost	Customer Relationships	Non-Compete Agreements	Software	Tradename	Total
March 31, 2022	**2,341,000**	**1,906,115**	**200,182**	**695,000**	**5,142,297**
Impairment	-	(116,000)	-	-	(116,000)
Foreign exchange	-	32,749	-	-	32,749
March 31, 2023	**2,341,000**	**1,822,864**	**200,182**	**695,000**	**5,059,046**
Foreign exchange	-	(9,253)	-	-	(9,253)
June 30, 2023	**2,341,000**	**1,813,611**	**200,182**	**695,000**	**5,049,793**

Accumulated Depreciation	Customer Relationships	Non-Compete Agreements	Software	Tradename	Total
March 31, 2022	**1,042,090**	**1,136,020**	**96,087**	**695,000**	**2,969,197**
Depreciation	294,093	596,213	96,088	-	986,394
Impairment	-	(27,067)	-	-	(27,067)
Foreign exchange	-	32,749	-	-	32,749
March 31, 2023	**1,336,183**	**1,737,915**	**192,175**	**695,000**	**3,961,273**
Depreciation	73,523	52,130	8,007	-	133,660
Foreign exchange	-	(9,253)	-	-	(9,253)
June 30, 2023	**1,409,706**	**1,780,792**	**200,182**	**695,000**	**4,085,680**

Net Book Value	Customer Relationships	Non-Compete Agreements	Software	Tradename	Total
March 31, 2022	1,298,910	770,095	104,095	-	2,173,100
March 31, 2023	1,004,817	84,949	8,007	-	1,097,773
June 30, 2023	**931,294**	**32,819**	**-**	**-**	**964,113**

As of June 30, 2023, Management assessed that there were no indicators of impairment since the last impairment test was performed as of March 31, 2023.

7. Other Long-Term Assets

	30-Jun-2023	31-Mar-2023
Net profit interest in Sound Energy[1]	5,350,000	5,350,000
Investment in Fleet Energy[2]	1,642,857	1,642,857
Other long-term receivables[3]	5,005,553	5,005,553
Investment in Green Impact Partners Inc[4]	35,888,773	42,292,375
Investment in joint venture[5]	62,869	62,869
	47,950,052	**54,353,654**

[1]The Company has a 10% net profit interest in any future cash flows from the Kechoula structure within the Sidi Moktar exploration license, and a 5% net profit interest in any future cash flows from structures within the Sidi Moktar license other than the Kechoula structure. The asset is measured in accordance with IFRS 6, where commercial activities are at a pre-production stage.

[2]There have been no changes to the fair value of the fleet energy investment since year end. Fair value was determined using Level 2 inputs.

[3]The Company classifies certain receivables as long-term based on the expected timing of settlement. During the year, the Company transferred certain balances to long-term based on their expected settlement date.

[4]The Company holds shares in Green Impact Partners Inc. (GIP) amounting to approximately 22% of the total GIP shares outstanding from the sale of the Company's midstream assets. GIP shares are listed on the TSX-V. On June 28, 2023, the Company sold 551,000 shares for net proceeds of 4,836,678, resulting in a realized gain of $235,828. For the 3 months ended June 30, 2023, the change in the remaining investment was a net loss of $1,802,752 made up of a 22% equity loss pickup of $851,000, and markdown of investment of $2,653,752 based on the June 30, 2023 share price of GIP.

[5]The Company has an investment in a joint venture for water processing. There are currently no operations at the joint venture.

8. Accounts Payable

	30-Jun-2023	31-Mar-2023
Trade payables	7,551,240	10,807,124
Other payables and accrued liabilities	8,330,232	6,633,352
	15,881,472	**17,440,476**

9. Short-Term Borrowings and Debt

Short-Term Borrowings

During the first quarter ended June 30, 2023, the Company paid off $2,000,000 of the demand revolving facility to bring it down from $15,000,000 to $13,000,000 of which $7,138,941 was drawn at June 30, 2023 (March 31, 2023 – $12,906.958). The facility bears interest at prime plus 1.25% with available borrowing capacity based on a percentage of eligible receivables at each reporting period.

Debt

	30-Jun-2023	31-Mar-2023
Term debt[1]	56,921,172	58,560,431
IFRS 16 lease liabilities[2]	3,289,303	3,968,391
Note payable[3]	10,000,000	10,000,000
Term demand debt[4]	4,513,889	5,034,722
Government loans[5]	709,002	757,932
Term demand debt	-	11,763
Vendor take back agreement[6]	240,000	265,000
Promissory notes[7]	3,500,000	3,500,000
	79,173,366	82,098,239
Deferred financing costs	(458,650)	(492,758)
	78,714,716	81,605,481
Current portion	(17,150,215)	(17,974,937)
Long term portion	**61,564,501**	**63,630,544**

[1]Term debt bearing interest at 6.85%, repayable in blended fixed monthly payments of $963,283 and maturing between July 2026 with a balloon payment of $4,741,649 and September 2028 with a balloon payment of $8,061,164. The debt is secured by a general security agreement.

[2]Lease liabilities are recorded at the present value of future minimum lease payments, with lease payments being apportioned between principal and interest, where interest is determined to be the Company's incremental borrowing rate of 6.85% or, if known, the implicit interest rate charged by the lessor. Blended fixed monthly payments average approximately $173,490 with lease maturity dates between August 2023 and January 2028.

[3]Unsecured promissory note for $10,000,000, bearing interest at 12.6% per annum, paid quarterly, for a term of 5 years, maturing in February 2026, with the option to repay any outstanding principal and accrued interest beginning on or after the 3-year anniversary of the issue date of February 2021.

[4]Term demand debt bearing interest at prime plus 1.50%, repayable in interest only payments until August 2022, with fixed principal repayments of $173,611 beginning in September 2022. The loan is renewable on an annual basis for up to 5 years ending August 2025 based on an annual credit review being performed. The loan is secured by a general security agreement. The Company does not expect any adverse impacts or changes from the annual credit review.

[5]The Company has acquired interest free and forgivable loans from the Canadian and US governments based on meeting the eligibility criteria of Covid-19 loan programs. These loans are eligible to be forgiven up to 40% or repaid before any interest begins to accrue.

[6]Vendor take-back loan bearing interest at 3%. In accordance with the Vendor, there are no set repayment terms. The Company has recorded the entire amount of the loan as current portion of long-term debt.

[7]Promissory notes related to the acquisition of WCM and certain Seisline assets bearing interest at 8%. This is included in the current portion of debt.

Scheduled Principal Repayments

For the 12 months ending:	
2024	17,150,215
2025	9,016,211
2026	9,241,965
2027	23,068,056
2028	9,755,779
Thereafter	10,941,140
	79,173,366

Debt Covenants

The Company has the following debt covenants for period ending June 30, 2023:

Debt Covenant	Threshold	Compliance
Cash flow coverage ratio[1]	Not less than 1.35	Compliance waived
Debt service coverage ratio[2]	Not less than 2.0	Compliance waived
Debt to equity ratio[3]	Not greater than 2.75	Compliance waived
Funded debt to EBITDA ratio[4]	Not greater than 3.0	Compliance waived
Funded debt to EBITDA ratio[4]	Not greater than 3.5	Compliance waived

The Company is not compliant with its covenants and has obtained waivers. The company continues to have productive discussions with its lenders on the course to both reducing debt and adjustments to long-term covenants.

[1]Defined as EBITDA divided by contractual repayments of principal and interest on all debt including leases classified under IFRS 16 for the trailing 12 months and where EBITDA is defined as net earnings (loss) before income tax, interest expense and depreciation and amortization as defined under IFRS and normalized for transactions and public company expenses.

[2]Defined as EBITDA and any other non-cash expenses acceptable to the lender less net maintenance capital expenditures and cash taxes, divided by the annual blended payments required on the loan plus and interest on short-term borrowings.

[3]Defined as short-term borrowings plus the current and long-term portion of debt and the balance of shareholders' equity on the statement of financial position in accordance with IFRS.

[4]Defined as short-term borrowings plus the current and long-term portion of debt divided by EBITDA where EBITDA is defined as net earnings (loss) before income tax, interest expense and depreciation and amortization as defined under IFRS and normalized for transaction and public company expenses.

10. Income Tax

Net Deferred Tax Asset and Liability Continuity

	31-Jun-2023	31-Mar-2023
Opening balance liability	4,594,953	5,263,830
Origination and reversal of temporary differences	(1,522,989)	(678,174)
Impact of foreign exchange rate	(2,466)	9,296
Ending balance liability	**3,069,498**	**4,594,952**
Deferred income tax liability	4,067,658	5,390,246
Deferred income tax asset	998,160	(795,294)
Net Deferred Tax Liability	**3,069,498**	**4,594,952**

The Company has a loss carry forward balance of $5,297,598 (March 31, 2023 – $5,094,916) which represents potential future tax savings to the Company. The Company considers it probable that some future taxable profits will be available against which the losses giving rise to this deferred tax asset can be applied. Accordingly, the Company has recognized a deferred tax asset or a reduction to its net deferred tax liability, as applicable to the extent the company believes in has sufficient future tax earnings.

11. Shareholders’ Equity

Authorized Share Capital
Unlimited Class A Voting Common Shares
Unlimited Class B Non-Voting Common Shares
Unlimited Class C Voting Non-Cumulative Redeemable Preferred Shares
Unlimited Class D & E Non-Voting Non-Cumulative Redeemable Preferred Shares

Unlimited Class A Voting Common Shares	Number of Shares	$Amount
Balance at March 31, 2023	110,345,824	54,058,280
Balance at June 30, 2023	**110,345,824**	**54,058,280**

	30-Jun-2023 3 Months	30-Jun-2022 3 Months
Weighted average number of common shares outstanding		
Basic	110,345,824	110,345,824
Diluted	110,345,824	110,345,824

Restricted Share Unit (RSU) Plan

The RSU Plan has been designed to provide a mechanism by which equity-based incentives may be awarded to the employees, consultants, directors, and officers of the Company, to recognize and reward their significant contributions to the long-term success of the Company and to align the employees', consultants' directors’, and officers' interests more closely with the shareholders of the Company. Pursuant to the RSU Plan, the Board, through the Company's Compensation Committee, may grant RSUs as an incentive payment to eligible persons. The Board intends to use RSUs issued under the RSU Plan as part of the Company's overall executive compensation plan. Vesting terms of the RSU will be determined by the Board at time of issuance. The maximum number of Common Shares that may be reserved for issuance under the RSU Plan shall not exceed 11,034,582 (10%) of the outstanding Common

Shares of the Company. For the 3 months ended June 30, 2023, there were nil RSUs granted (2022 – nil) and nil RSUs settled (2022 – nil). Compensation expense recorded for the unsettled units was a recovery of $106,310 based on the June 30, 2023 share price (2022 – recovery of $150,262).

Acquisition of Treasury Shares

Treasury shares are held by the Company for the purpose of issuing shares under the Company's RSU Plan. For the 3 months ended June 30, 2023, the Company acquired nil common shares (2021 – 2,840,909) as treasury shares for $nil (2021 – $2,500,000). At June 30, 2023, the Company is holding 3,045,909 (March 31, 2022 – 3,045,909) treasury shares.

12. Direct Costs

	30-Jun-2023 3 Months	**30-Jun-2022 3 Months**
Personnel costs	3,349,286	5,483,177
Equipment rentals and other	426,825	1,288,224
Maintenance and repairs	302,188	731,218
Fuel and supplies	500,478	791,596
Contractor costs	321,586	682,917
	4,900,363	**8,977,132**

13. Finance Costs

	30-Jun-2023 3 Months	**30-Jun-2022 3 Months**
Interest on long-term debt	1,871,722	1,639,475
Interest on short-term borrowings	245,266	101,295
Amortization of deferred financing costs	34,108	83,331
	2,151,096	**1,824,101**

14. Related Party Transactions

	30-Jun-2023 3 Months	**30-Jun-2022 3 Months**
Expenses paid and rebilled to GIP[1]	-	1,610,918
Salaries, wages and benefits[2]	593,692	101,306
	593,692	**1,712,224**

[1]Relates to expenses paid and rebilled at cost by Wolverine in accordance with the Transition Services Agreement (TSA) with Green Impact Partners Inc. (GIP). All expenses recorded by Wolverine are presented net of amounts rebilled to GIP under the TSA. Wolverine and GIP are related parties by virtue of Wolverine owing approximately 25% of the common shares of GIP and through Wolverine's Executive Chairman being the Chief Executive Officer of GIP.

[2]Relates to key management personnel of the Company and includes salaries, wages, short-term benefits and RSU grants.

15. Capital Management

	30-Jun-2023	31-Mar-2023
Current assets	11,466,182	18,613,634
Current liabilities	(40,170,628)	(48,322,371)
Long-term debt	61,564,501	63,630,544
Shareholders’ equity	9,579,036	16,184,368
	42,439,091	**50,106,175**

The Company’s objectives when managing capital are to: (i) ensure the Company has the financial capacity to execute on its strategy to increase market share through organic growth or strategic acquisitions; (ii) maintain financial flexibility in order to meet financial commitments and maintain the confidence of shareholders, creditors, and the market; and (iii) optimize the use of capital to provide an appropriate return on investment to shareholders. Management considers the Company’s current assets less current liabilities, long-term debt, and shareholders’ equity as the components of capital to be managed.

The Company’s overall capital management strategy remained unchanged from prior periods. The Company has established criteria for sound financial management and manages the capital structure based on current economic conditions, risk characteristics of underlying assets and planned capital and liquidity requirements. Total capitalization is maintained or adjusted by drawing on existing credit facilities, issuing new debt or equity securities, through sale of shares in investment in Green Impact Partners, and the disposal of underperforming assets when required.

16. Risk Management

Litigation

From time to time the Company is subject to claims and lawsuits arising in the ordinary course of operations. In the opinion of management, the ultimate resolution of such pending legal proceedings will not have a material adverse effect on the Company's financial position.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company’s cash needs are met with cash generated by operations, strategic sale of assets, financing provided by short-term borrowings and long-term debt (Note 9). At June 30, 2023, Wolverine is in breach of its financial covenants, however has waivers. There is no assurance that covenants will continue to be waived. If financial covenants are not met and the Company is unable to obtain waivers, the debt may become due on demand. This material uncertainty may cast significant doubt with respect to the ability of the Company to continue as a going concern. Wolverine is in the process of negotiating covenant relief from its lenders. No agreements have been reached as of the date of the consolidated interim financial statements and therefore, there can be no assurance that such agreements will be reached.

The Company manages liquidity risk through management of its capital structure, monitoring and reviewing actual and forecasted cash flows, and maintaining credit facilities to ensure there are available cash resources to meet the Company’s liquidity needs. The Company believes that in conjunction with the sale certain other long term assets that it has access to sufficient capital through internally generated cash flows, strategic sale of assets and external sources (bank credit markets, if required) to meet current spending forecasts. After examining the economic factors that could cause liquidity risk, the Company believes it will have sufficient liquidity to support its operations and meet its financial obligations for at least twelve months. The consolidated financial statements have been prepared on a going concern basis, which presumes that Wolverine will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The consolidated financial statements do not reflect adjustments and classifications of assets, liabilities, revenues and expenses which would be necessary if the Company were unable to continue as a going concern.

All the accounts payable and accrued liabilities are due in less than one year.

The following are undiscounted contractual maturities of financial liabilities, including estimated interest:

	Total	< 1 Year	1-3 Years	4-5 Years	After 5 Years
Short-term borrowings	**7,138,941**	7,138,941	-	-	-
Accounts payable and accrued liabilities	**15,881,472**	15,881,472	-	-	-
Debt, excluding lease liabilities	**101,228,665**	14,673,622	37,521,947	32,621,373	16,411,723
Lease liabilities	**3,657,505**	1,672,519	1,437,948	547,038	-
Total	**127,906,583**	**39,366,554**	**38,959,895**	**33,168,411**	**16,411,723**

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Company manages exposure through its normal operating and financing activities. The Company is exposed to interest rate risk primarily through short-term and long-term borrowings with floating interest rates. Other borrowings have fixed interest rates and would only be subject to interest rate fluctuations as refinancing is required.

Credit Risk

The Company is primarily exposed to credit risk from customers. The maximum exposure to credit risk is equal to the carrying value of the accounts receivable and note receivable. The Company's trade receivables are with customers in the infrastructure, construction, mining, oil and natural gas, agriculture, forestry, government, potash, and utilities industries and are subject to credit risk. In order to reduce credit risk, the Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. Additionally, the Company continuously reviews individual customer trade receivables taking into account payment history and aging of the trade receivables to monitor collectability. In accordance with IFRS 9, Financial Instruments, the Company reviews impairment of its trade and other receivables at each reporting period and its allowance for expected future credit losses. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends, and other information. Monitoring procedures are in place to ensure that follow up action is taken to recover overdue amounts. The Company reviews receivables on a regular basis to ensure that an adequate loss allowance is made. Provisions recorded by the Company are reviewed regularly to determine if any balances should be written off. The allowance for doubtful accounts could materially change as a result of fluctuations in the financial position of the Company's customers. The Company completes a detailed review of its historical credit losses as part of its impairment assessment.

Foreign Exchange Rate Risk

The Company is exposed to foreign exchange rate risk primarily through its US foreign subsidiary, including the foreign exchange translation of the US subsidiary to Canadian dollars each period that flows through other comprehensive income (loss) on the statement of earnings (loss) and comprehensive income (loss) as well as the revaluation of any foreign denominated intercompany receivables and payables between the Canadian parent and US subsidiary, which are recorded as foreign exchange gain or loss on the statement of earnings (loss) and comprehensive earnings (loss).

17. Segmented Reporting

3 Months June 30, 2023	**Canada**	**United States**	**Corporate**	**Elimination**	**Total**
Revenue	4,903,014	3,007,257	2,434,520	(2,434,520)	7,910,271
Direct costs	(3,018,445)	(1,890,842)	8,924	-	(4,900,363)
Gross profit	**1,884,569**	**1,116,415**	**2,443,444**	**(2,434,520)**	**3,009,908**
Depreciation	(2,252,824)	(937,460)	(2,584,222)	1,584,967	(4,189,539)
Salaries and wages	(766,682)	(301,277)	(219,455)	-	(1,287,414)
Selling, general and admin	(1,298,861)	(777,638)	(425,071)	849,553	**(1,652,017)**
Operating expense	**(4,318,367)**	**(2,016,375)**	**(3,228,748)**	**2,434,520**	**(7,128,970)**
Operating loss	**(2,433,798)**	**(899,960)**	**(785,304)**	**-**	**(4,119,062)**
Non-op (expense) income	(3,447)	(523,606)	(3,398,010)	-	(3,925,063)
Loss before tax	**(2,437,245)**	**(1,423,566)**	**(4,183,314)**	**-**	**(8,044,125)**

3 Months June 30, 2022	**Canada**	**United States**	**Corporate**	**Elimination**	**Total**
Revenue	5,903,512	6,272,354	2,103,987	(2,103,987)	12,175,866
Direct costs	(3,823,617)	(5,157,863)	4,348	-	(8,977,132)
Gross profit	**2,079,895**	**1,114,491**	**2,108,335**	**(2,103,987)**	**3,198,734**
Depreciation	(3,000,262)	(1,466,381)	(2,796,142)	2,103,987	(5,158,798)
Salaries and wages	(1,020,269)	(535,571)	(144,498)	-	(1,700,338)
Selling, general and admin	(599,945)	(182,145)	(810,184)	-	(1,592,274)
Operating expense	**(4,620,476)**	**(2,184,097)**	**(3,750,824)**	**2,103,987**	**(8,451,410)**
Operating loss	**(2,540,581)**	**(1,069,606)**	**(1,642,489)**	**-**	**(5,252,676)**
Non-op (expense) income	(150,773)	463,339	(7,887,921)	-	(7,575,355)
Loss before tax	**(2,691,354)**	**(606,267)**	**(9,530,410)**	**-**	**(12,828,031)**

Assets and Liabilities

June 30, 2023	Canada	United States	Corporate	Elimination	Total
Current assets	37,216,617	6,672,917	170,907,044	(203,330,396)	11,466,182
Property, plant and equipment	6,646,232	19,313,845	28,043,239	-	54,003,316
Intangibles	-1,933	-	966,046	-	964,113
Other assets	5,653	-	76,466,540	(28,522,141)	47,950,052
Deferred tax asset	998,160	-	-	-	998,160
Total assets	44,864,729	25,986,762	276,382,869	(231,852,537)	115,381,823
Current liabilities	46,830,205	25,398,211	173,518,208	(205,575,996)	40,170,628
Long-term debt	234,968	599,251	60,730,282	-	61,564,501
Deferred tax liability	490,480	-	3,577,178	-	4,067,658
Total liabilities	**47,555,653**	**25,997,462**	**237,825,668**	**(205,575,996)**	**105,802,787**
Total shareholders’ equity	**(2,690,924)**	**(10,700)**	**38,557,201**	**(26,276,541)**	**9,579,036**
Total liabilities and shareholders’ equity	**44,864,729**	**25,986,762**	**276,382,869**	**(231,852,537)**	**115,381,823**

March 31, 2023	Canada	United States	Corporate	Elim	Total
Current assets	51,020,281	7,833,612	158,250,157	(198,490,416)	18,613,634
Property, plant and equipment	11,846,874	20,749,857	26,070,443	-	58,667,174
Intangibles	5,230	-	1,092,543	-	1,097,773
Other assets	5,853	-	82,869,942	(28,522,141)	54,353,654
Deferred tax asset	2,186,183	-	(1,390,889)	-	795,294
Total assets	65,064,421	28,583,469	266,892,196	(227,012,557)	133,527,529
Current liabilities	69,638,795	25,345,822	154,073,770	(200,736,016)	48,322,371
Long-term debt	546,648	695,260	62,388,636	-	63,630,544
Deferred tax liability	669,197	113,765	4,607,284	-	5,390,246
Total liabilities	**70,854,640**	**26,154,847**	**221,069,690**	**(200,736,016)**	**117,343,161**
Total shareholders’ equity	**(5,790,219)**	**2,428,623**	**45,822,505**	**(26,276,541)**	**16,184,368**
Total liabilities and shareholders’ equity	**65,064,421**	**28,583,470**	**266,892,195**	**(227,012,557)**	**133,527,529**