

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

SEPTEMBER 30, 2026

ROK RESOURCES INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

(Unaudited, expressed in $000s)	**September 30, 2026**	December 31, 2025
Assets		
Current Assets		
Cash and cash equivalents	**19,110**	5,744
Accounts receivable (Note 12)	**9,292**	6,675
Prepaids and deposits	**443**	220
Risk management contracts (Note 12)	**-**	141
	28,845	12,780
Non-current Assets		
Deposit on acquisition (Note 14)	**500**	-
Property, plant and equipment (Note 4)	**98,201**	103,832
Marketable securities (Note 8)	**7,570**	9,179
	135,116	125,791
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (Note 12)	**14,574**	8,154
Current portion of RSU liability (Note 7)	**1,413**	556
Current portion of lease liability	**131**	114
Current portion of decommissioning obligations (Note 5)	**565**	1,572
	16,683	10,396
Non-current Liabilities		
Non-current portion of lease liability	**197**	179
Non-current portion of RSU liability (Note 7)	**735**	80
Non-current portion of decommissioning obligations (Note 5)	**12,323**	14,426
Deferred income tax	**11,307**	10,306
	41,245	35,387
Shareholders' Equity		
Share capital (Note 6a)	**28,708**	28,035
Contributed surplus	**8,068**	8,270
Retained earnings	**57,095**	54,099
	93,871	90,404
	135,116	125,791

Subsequent event (Note 14)

See accompanying notes to the interim condensed consolidated financial statements.

ROK RESOURCES INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
For the three and nine months ended September 30

	Three months ended		Nine months ended	
(Unaudited, expressed in $000s)	**2026**	2025	**2026**	2025
Revenue:				
Oil and natural gas sales (Note 10)	**19,274**	16,137	**56,146**	53,758
Royalties	**(3,113)**	(2,972)	**(8,895)**	(9,008)
Oil and natural gas sales, net of royalties	**16,161**	13,165	**47,251**	44,750
Realized gain on commodity contracts (Note 12)	**-**	498	**395**	7,033
Unrealized gain (loss) on commodity contracts (Note 12)	**-**	(14)	**(141)**	1,067
Processing and other income	**266**	423	**1,260**	1,613
Total revenue and other income	**16,427**	14,072	**48,765**	54,463
Expenses and other items:				
Operating expenses	**10,299**	9,947	**28,558**	29,521
General and administrative	**1,265**	1,119	**4,353**	3,591
Business development	**61**	111	**239**	111
Gain on dispositions (Note 3)	**(4,058)**	-	**(4,058)**	-
Stock-based compensation (Note 6b & 7)	**141**	111	**611**	607
Depletion and depreciation (Note 4)	**3,757**	4,566	**11,361**	14,657
Impairment expense (Note 4)	**-**	3,400	**-**	3,400
Net finance expense (Note 11)	**1,331**	518	**2,411**	1,774
Unrealized loss (gain) on marketable securities (Note 8)	**3,785**	(2,744)	**1,609**	1,230
Foreign exchange	**(122)**	(17)	**(316)**	63
Total expenses and other items	**16,459**	17,011	**44,768**	54,954
Income (loss) before income taxes	**(32)**	(2,939)	**3,997**	(491)
Deferred income tax expense (recovery)	**5**	(740)	**1,001**	(25)
Net income (loss) and comprehensive income (loss)	**(37)**	(2,199)	**2,996**	(466)
Net income (loss) per share (Note 6c)				
Basic	**(0.00)**	(0.01)	**0.01**	(0.00)
Diluted	**(0.00)**	(0.01)	**0.01**	(0.00)

See accompanying notes to the interim condensed consolidated financial statements.

ROK RESOURCES INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and nine months ended September 30

	Three months ended		Nine months ended	
(Unaudited, expressed in $000s)	**2026**	2025	**2026**	2025
Cash flows provided by (used in):				
Operating activities				
Net income (loss)	**(37)**	(2,199)	**2,996**	(466)
Adjustments for:				
Gain on dispositions	**(4,058)**	-	**(4,058)**	-
Unrealized loss (gain) on commodity contracts (Note 12)	**-**	14	**141**	(1,067)
Unrealized loss (gain) on marketable securities (Note 8)	**3,785**	(2,744)	**1,609**	1,230
Depletion and depreciation (Note 4)	**3,757**	4,566	**11,361**	14,657
Impairment expense	**-**	3,400	**-**	3,400
Other income from deferred revenue	**-**	(46)	**-**	(322)
Stock-based compensation (Note 6b and 7)	**141**	111	**611**	607
Unrealized foreign exchange	**(33)**	-	**(347)**	-
RSU cash settlement (Note 7)	**(214)**	-	**(214)**	-
Net finance expense (Note 11)	**1,331**	518	**2,411**	1,774
Net interest expense received (paid)	**92**	32	**107**	(259)
Deferred income tax	**5**	(740)	**1,001**	(25)
Abandonment costs paid (Note 5)	**(635)**	(378)	**(1,007)**	(869)
Change in non-cash working capital (Note 13)	**(247)**	3,300	**2,013**	(293)
	3,887	5,834	**16,624**	18,367
Investing activities				
Acquisitions	**(29)**	-	**(29)**	-
Expenditures on property, plant and equipment (Note 4)	**(8,896)**	(3,237)	**(14,432)**	(4,940)
Proceeds on property, plant and equipment disposals (Note 3)	**9,522**	-	**9,522**	-
Long term non-refundable deposit (Note 14)	**(500)**	-	**(500)**	-
Change in non-cash working capital (Note 13)	**1,213**	1,166	**1,567**	1,103
	1,310	(2,071)	**(3,872)**	(3,837)
Financing activities				
Proceeds on option exercises	**217**	-	**466**	-
Amounts paid on Credit Facility	**-**	-	**-**	(7,349)
Share buyback	**(87)**	(355)	**(87)**	(385)
Lease payments	**(36)**	(36)	**(110)**	(108)
	94	(391)	**269**	(7,842)
Foreign exchange on cash and cash equivalents	**33**	-	345	-
Increase in cash and cash equivalents	**5,324**	3,372	**13,366**	6,688
Cash and cash equivalents, beginning of period	**13,786**	3,316	**5,744**	-
Cash and cash equivalents, end of period	**19,110**	6,688	**19,110**	6,688

See accompanying notes to the interim condensed consolidated financial statements.

ROK RESOURCES INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited, expressed in 000s)	**Number of Shares**	**Share Capital**	**Warrants**	**Contributed Surplus**	**Retained Earnings**	**Total**
Balance at December 31, 2025	217,764	28,035	-	8,270	54,099	90,404
Net income	-	-	-	-	2,996	2,996
Share buyback (Note 6a)	(231)	(87)	-	-	-	(87)
Stock option exercises	1,912	760	-	(294)	-	466
Stock-based compensation	-	-	-	92	-	92
Balance at September 30, 2026	**219,445**	**28,708**	**-**	**8,068**	**57,095**	**93,871**
Balance at December 31, 2024	219,769	28,420	4,562	3,531	64,894	101,407
Net loss	-	-	-	-	(466)	(466)
Share buyback	(2,005)	(385)	-	-	-	(385)
Warrant expiry	-	-	(4,562)	4,562	-	-
Stock-based compensation	-	-	-	153	-	153
Balance at September 30, 2025	217,764	28,035	-	8,246	64,428	100,709

See accompanying notes to the interim condensed consolidated financial statements.

1. REPORTING ENTITY

ROK Resources Inc. ("ROK" or the "Company") is a public company that is engaged in oil and gas exploration and development activities in Western Canada. The Company's head offices are located in Regina, Saskatchewan, Canada and Calgary, Alberta, Canada, and the Company's shares are listed and publicly traded on the TSX Venture Exchange (the "Exchange") under the trading symbol "ROK".

2. BASIS OF PRESENTATION

These interim condensed consolidated financial statements (the "Financial Statements") have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting" under IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS").

These Financial Statements follow the same accounting policies and method of computation as the Company's annual audited financial statements for the year ended December 31, 2025, with the exception of certain disclosures that are normally required to be included in annual financial statements which have been condensed or omitted. These Financial Statements should be read in conjunction with the Company's audited annual consolidated financial statements for the year ended December 31, 2025. These Financial Statements were approved and authorized for issuance by the Company's Board of Directors on November 18, 2026.

Adoption of Accounting Standards

Effective January 1, 2026, the Company adopted amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures. These amendments clarify recognition and derecognition of financial assets and liabilities, including settling of financial liabilities using an electronic payment system, and the classification of certain financial assets. In addition, there are new disclosure requirements related to equity instruments designated as fair value through other comprehensive income(loss). As a result of the adoption of the amendment to IFRS 9, ROK no longer deducts the value of outstanding cheques from cash and cash equivalents and accounts payable and accrued liabilities at the end of each reporting period. Up to December 31, 2025, the value of outstanding cheques were deducted from cash and cash equivalents, accounts payable and accrued liabilities. This change was accounted for prospectively for periods beginning on and after January 1, 2026.

The following table summarizes the impact of adopting amendments to IFRS 9 on the Company's balance sheet at January 1, 2026:

As at ($000s)	**December 31, 2025**	**Effect of Change**	**January 1, 2026**
Cash and cash equivalents	5,744	365	6,109
Accounts payable and accrued liabilities	8,154	365	8,519

Standards Issued but not yet Effective

Presentation and Disclosure in Financial Statements IFRS 18 'Presentation and Disclosure in Financial Statements' ("IFRS 18") was issued in April 2024 by the International Accounting Standards Board and replaces IAS 1 'Presentation of Financial Statements'. The standard introduces a new defined structure to the statement of comprehensive income with related disclosure requirements. Key changes to the statement of comprehensive income and notes to the consolidated financial statements include:

- classification of income and expenses into defined categories with mandatory new subtotals;
- disclosure of management-defined performance measures in the notes to the financial statements; and
- enhanced aggregation and disaggregation requirements to improve the effectiveness of how information is communicated.

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is required to be applied retrospectively. Early adoption is permitted. The Company is currently assessing the extent of the impact of IFRS 18 on its consolidated financial statements. IFRS 18 results in a consequential amendment to IAS 7 'Statement of Cash Flows' which will result in a material change to the presentation of the Company's consolidated statement of cash flows, as interest and financing expense currently classified within operating activities will be presented within financing activities. The adoption of IFRS 18 is not expected to have an impact on the Company's financial position, net earnings, or total cash flows. The Company will continue its assessment of the presentation and disclosure impacts of IFRS 18, including finalizing the identification of management-defined performance measures and implementation of the related presentation and disclosure requirements.

3. ASSET DISPOSITIONS

a) Saskatchewan non-core assets disposition

In July 2026, the Company closed the disposition of certain oil and gas assets in Southeast Saskatchewan for cash proceeds of $7.2 million, after closing adjustments and transaction costs. The assets had a carrying value of $8.5 million and an associated decommissioning liability of $3.2 million, resulting in a gain on disposal of $1.8 million. The transaction was accounted for as follows:

($000s)	
Development and production assets (net of accumulated depletion & depreciation)	8,526
Decommissioning obligations	(3,185)
Total net assets disposed	**5,341**
Cash consideration	8,000
Purchase price adjustments	(586)
Transaction costs	(225)
Total proceeds received	**7,189**
Realized gain on disposal	**1,848**

b) Steelman disposition

In August 2026, the Company closed the disposition of certain oil and gas assets in the Steelman area of Saskatchewan for cash proceeds of $2.3 million, after closing adjustments and transaction costs. The assets had a carrying value of $0.3 million and an associated decommissioning liability of $0.2 million, resulting in a gain on disposal of $2.2 million. The transaction was accounted for as follows:

($000s)	
Development and production assets (net of accumulated depletion & depreciation)	349
Decommissioning obligations	(226)
Total net assets disposed	**123**
Cash consideration	2,400
Purchase price adjustments	9
Transaction costs	(76)
Total proceeds received	**2,333**
Realized gain on disposal	**2,210**

4. PROPERTY, PLANT AND EQUIPMENT

The Company's property, plant and equipment ("PP&E") consist of development and production assets ("D&P") and right-of-use leased assets ("ROU"). D&P include the Company's interests in developed petroleum and natural gas properties, as well as interests in infrastructure such as facilities and pipelines. PP&E consist of the following amounts:

Cost ($000s)	**D&P**	**ROU**	**Total**
Balance, December 31, 2025	180,588	556	181,144
Additions	14,461	128	14,589
Disposals (Note 3)	(9,826)	-	(9,826)
Change in decommissioning provisions	16	-	16
Balance, September 30, 2026	**185,239**	**684**	**185,923**
Accumulated Depletion & Depreciation ($000s)			
Balance, December 31, 2025	77,011	301	77,312
Disposals (Note 3)	(951)	-	(951)
Depletion & depreciation	11,272	89	11,361
Balance, September 30, 2026	**87,332**	**390**	**87,722**
Net Carrying Amount ($000s)			
Balance, December 31, 2025	103,577	255	103,832
Balance, September 30, 2026	**97,907**	**294**	**98,201**

Future development costs relating to the development of proved and probable oil and gas reserves in the amount of $141.8 million (December 31, 2025 - $172.8 million) were included in the depletion calculated for the period ended September 30, 2026.

5. DECOMMISSIONING OBLIGATIONS

Decommissioning obligations arise as a result of the Company's net ownership interests in petroleum and natural gas assets including well sites, pipelines, processing facilities and infrastructure. The following table provides a reconciliation of the carrying amount of the obligation associated with the retirement of oil and gas properties:

($000s)	
Balance, December 31, 2025	15,998
Disposals (Note 3)	(3,411)
Liabilities incurred	105
Change in estimate	(89)
Liabilities settled	(1,007)
Accretion expense	1,292
Balance, September 30, 2026	**12,888**
Current portion	565
Non-current portion	12,323
Balance, September 30, 2026	**12,888**

At September 30, 2026, the total estimated amount to settle ROK's decommissioning obligations on an uninflated and undiscounted basis was $56.2 million (December 31, 2025 - $66.7 million) and on an inflated and undiscounted basis was $90.6 million (December 31, 2025 - $106.2 million). The inflated, undiscounted future value of decommissioning obligations was determined by applying an inflation factor of 2.0% (December 31, 2025 – 2.0%) and subsequently discounting the inflated amount using the Company credit-adjusted rate of 12.0% (December 31,

2025 – 12.0%) to arrive at the balance of $12.9 million. These costs are expected to be incurred over the next 20 years.

There are material uncertainties about the amount and timing of the decommissioning obligations, which include the future market prices for services and equipment required to undertake decommissioning activities, the government regulations and industry practices that set out the relevant standards, and the lifespan of the Company's portfolio of exploration and production assets.

6. SHARE CAPITAL

a) Common shares

At September 30, 2026, the Company was authorized to issue an unlimited number of Class B Shares, with no par value, with holders of Class B Shares entitled to one vote per share and to dividends, if declared. Outstanding Class B Shares as of September 30, 2026, are as follows:

(000s)	Class B shares	Amount
Balance, December 31, 2024	219,769	28,420
Share repurchases	(2,005)	(385)
Balance, December 31, 2025	217,764	28,035
Stock option exercise	1,912	760
Shares purchased and cancelled	(231)	(87)
Balance, September 30, 2026	**219,445**	**28,708**

In August 2026, the Company announced its intention to effect a normal course issuer bid ("NCIB") through the facilities of the Exchange. Pursuant to the NCIB, the Company is entitled, during the period from August 13, 2026, to August 12, 2027, to purchase on the Exchange up to 18,157,025 Class B Shares in total, representing 10% of Class B Shares issued and outstanding as of August 13, 2026, after excluding shares beneficially owned by directors and executive officers of the Company and persons who beneficially own or exercise control or direction over more than 10% of the issued and outstanding Class B Shares of the Company. The price which the Company paid for purchased shares was the market price at the time of acquisition. The actual number of Class B Shares which were purchased and the timing of the purchases was determined by the Company. All shares purchased under the NCIB are cancelled. During the quarter ended September 30, 2026, the Company purchased and cancelled 231,000 Class B Shares at an average price of $0.38 per share for total cost of $87,000.

b) Stock options

The Company has a stock option plan whereby options can be granted from time to time to directors, officers, employees and consultants at the discretion of the Board of Directors. The number of options that can be granted is limited to 10% of the total shares issued and outstanding. Options issued typically vest one-third on the date of the grant, one-third after one year following the date of the grant, and one-third after two years following the grant date. Options issued expire five years following the date of the grant. A summary of the changes in stock options is presented below:

(000s, except per option price)	Stock options	Weighted average exercise price
Balance, December 31, 2024	18,995	0.27
Options forfeited/expired	(13,485)	0.27
Options issued	1,250	0.20
Balance, December 31, 2025	6,760	0.28
Options forfeited	(1,283)	0.30
Options exercised	(1,912)	0.24
Options issued	500	0.26
Balance, September 30, 2026	**4,065**	**0.28**
Exercisable, September 30, 2026	**3,161**	**0.30**

The following summarizes information about stock options outstanding as at September 30, 2026:

Exercise prices	Number of options outstanding (000s)	Weighted average term to expiry (years)	Number of options exercisable (000s)
0.20	793	3.72	493
0.21	703	3.02	433
0.25	190	0.48	190
0.26	479	4.58	145
0.30	850	0.92	850
0.35	275	1.91	275
0.40	775	1.42	775
	4,065	**2.40**	**3,161**

For the three and nine months ended September 30, 2026, the Company recognized $20,000 and $92,000 (September 30, 2025 - $41,000 and $153,000) in stock-based compensation expense.

c) Net income per share

The table below summarizes the weighted average ("WA") number of common shares outstanding used in the calculation of net income (loss) per share for the three and nine months ended September 30, 2026 and 2025:

	Three months ended		Nine months ended	
(000s)	**2026**	**2025**	**2026**	**2025**
WA common shares outstanding, basic	218,943	218,589	218,376	219,369
Dilutive effect of stock options	-	-	516	-
WA common shares outstanding, diluted	218,943	218,589	218,892	219,369
Net income (loss) ($000s)	(37)	(2,199)	2,996	(466)
$ per common share, basic	(0.00)	(0.01)	0.01	(0.00)
$ per common share, diluted	(0.00)	(0.01)	0.01	(0.00)

The Company uses the treasury stock method to determine the impact of dilutive securities. Under this method, only "in-the-money" dilutive instruments impact the calculation of diluted net income per share. The treasury stock method assumes that the proceeds received from the exercise of all potentially dilutive instruments are used to repurchase common shares at the average market price during the period.

In computing diluted net income per share for the nine months ended September 30, 2026, a total of 1,900,000 stock options were excluded as they were not in-the-money based on a weighted average trading price of the Company's common shares of $0.29 for the period, and therefore anti-dilutive. In computing diluted net income per share for the three months ended September 30, 2026, a total of 4,064,504 stock options were excluded (three and nine months ended September 30, 2025 – 6,760,000) as their impact was anti-dilutive to the net loss per share for the period.

7. LONG-TERM INCENTIVE COMPENSATION

In June 2025, the Company's Board of Directors approved a new Restricted Share Unit Plan ("RSU Plan") as an additional form of long-term incentive compensation which allows the Board to grant Restricted Share Units ("RSUs") to directors, officers, employees and consultants of the Company. At the time of redemption of RSUs granted, a cash payment equal to the fair market value of each redeemed RSU is to be paid to the RSU holders. The fair market value is determined based on the volume weighted average trading price per common share of the Company on the Exchange for the last five trading days ending immediately before the redemption date.

For RSUs granted to non-directors, one-third of the granted RSUs will vest on each of the first, second and third years following the date of grant, unless otherwise determined by the Board of Directors of the Company. RSUs granted

to directors vest immediately but are not redeemable until the holder ceases to be a director of the Company. As such, the cost and liability associated with RSUs granted to non-directors are recognized evenly over the term of vesting, while the cost and liability of RSUs granted to directors are fully recognized on the date of grant due to their immediate vesting. As previously mentioned, the initial cost and liability of granted RSUs is based on a 5-day volume weighted average trading price per common share of the Company at the time of grant. This initial cost valuation of RSUs is recognized as part of stock-based compensation. Subsequent revaluation of RSUs on a periodic basis is based on the same process at each subsequent period end with the results of each revaluation recognized as a gain or loss on RSU liability in finance expenses.

As of September 30, 2026, a balance of 6,507,691 RSUs previously granted to directors, officers, and employees of the Company remain outstanding after cash settlement of $214,000 on 799,999 RSUs was realized during the three months ended September 30, 2026. For the three and nine months ended September 30, 2026, the Company recognized $121,000 and $519,000, respectively, in stock-based compensation expense in relation to the ongoing vesting of RSUs (three and nine months ended September 30, 2025 $70,000 and $454,000, respectively). Furthermore, the Company recognized revaluation losses of $1,040,000 and $1,208,000 in finance expense on the existing RSU liability for the three and nine months ended September 30, 2026 (three and nine months ended September 30, 2025 - $96,000). As at September 30, 2026, the balance of the RSU liability was $2,148,000 (September 30, 2025 - $550,000).

8. MARKETABLE SECURITIES

The Company maintains ownership of 18,925,000 common shares of EMP Metals Corp. (“EMP”), a public entity which trades on the Canadian Securities Exchange under the trading symbol “EMPS”. The EMP common shares are subject to escrow provisions under which 50% of the EMP common shares were released from escrow in September 2026 and the remaining 50% are to be released from escrow in September 2027. The EMP common shares are accounted for as a financial asset and are measured at fair value through profit or loss at each period end. As of September 30, 2026, these marketable securities had an assessed fair value of $7.6 million (December 31, 2025 - $9.2 million), resulting in an unrealized loss of $3.8 million and an unrealized loss of $1.6 million for the three and nine months ended September 30, 2026, respectively (unrealized gain of $2.7 million and unrealized loss of $1.2 million for the three and nine months ended September 30, 2025, respectively).

9. CREDIT FACILITY

As of September 30, 2026, the Company maintained a $1.5 million credit facility with a chartered bank for issuing letters of credit/guarantees for general corporate purposes (the “Credit Facility”). Periodic reviews of the Credit Facility occur semi-annually on or before June 30 and November 30 of each year. The Credit Facility bears issuance fees on issued letters of credit/guarantees equal to an annual rate of 2.75% for the time period issued during the calendar year against the face value of each letter of credit/guarantees. The Credit Facility is secured by a floating charge debenture on the assets of the Company. The bank may cancel the availability of the Credit Facility at any time without prior notice or demand, acting in its sole discretion. As of September 30, 2026, letters of guarantees summing to $0.2 million remained issued on this Credit Facility to certain counterparties.

The Company is required to maintain certain covenants throughout the term of the Credit Facility, as follows:

- Make expenditures toward asset retirement and abandonment and reclamation liabilities each fiscal year to the extent necessary to remain compliant with provincial, federal, and/or energy industry regulator requirements.
- Maintain a minimum adjusted working capital ratio (as defined in the lending agreement) of 1.00. As of September 30, 2026, the Company’s adjusted working capital ratio was 2.03.

As at September 30, 2026, the Company was compliant with all restrictions and covenants for the Credit Facility.

10. REVENUE

The following table presents the Company's oil and natural gas revenue disaggregated by product type for the three and nine months ended September 30, 2026 and 2025:

	Three months ended		Nine months ended	
($000s)	2026	2025	2026	2025
Oil sales	16,837	14,465	48,486	46,105
NGL sales	1,455	1,203	4,718	4,295
Natural gas sales	982	469	2,942	3,358
Total	**19,274**	**16,137**	**56,146**	**53,758**

As at September 30, 2026, receivables from contracts with customers, which are included in accounts receivable, were $7.3 million (December 31, 2025 - $4.6 million).

11. NET FINANCE EXPENSE

The components of net finance expense for the three and nine months ended September 30, 2026 and 2025, are as follows:

	Three months ended		Nine months ended	
($000s)	2026	2025	2026	2025
Interest income	(116)	(71)	(150)	(78)
Interest expenses and bank charges	24	39	43	96
Debt interest expense	-	-	-	241
RSU liability revaluation loss	1,040	96	1,208	96
Lease liability interest expense	6	7	18	24
Accretion on debt	-	-	-	26
Accretion on decommissioning obligations	377	447	1,292	1,369
Total	**1,331**	**518**	**2,411**	**1,774**

12. FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks and the Company's objectives, policies and processes for measuring and managing these risks, and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to market conditions and the Company's activities.

Credit risk

Credit risk reflects the risk of loss if counterparties do not fulfill their contractual obligations and arises principally from the Company's receivables from joint operations partners and petroleum and natural gas customers. In determining the recoverability of trade and other receivables, the Company considers the type and age of the outstanding receivables, the credit risk of the counterparties, and the recourse available to the Company. The maximum exposure to credit risk for accounts receivable and accruals, net of expected credit loss at the reporting date by type of customer was:

Carrying Amount ($000s)	**September 30, 2026**	**December 31, 2025**
Oil and natural gas customers	7,276	4,619
Joint operations partners	1,550	1,861
Accruals and other	466	195
Total	**9,292**	**6,675**

The Company applies the simplified approach to providing for expected credit losses as prescribed by IFRS 9, which permits the use of lifetime expected loss provision for all accounts receivable and accrued receivables. The expected credit losses below also incorporate forward looking information.

Aging ($000s)	**September 30, 2026**	**December 31, 2025**
0 - 30 days	7,649	4,984
30 - 90 days	385	101
Greater than 90 days	1,486	1,912
Expected credit loss	(228)	(322)
Total	**9,292**	**6,675**

The Company considers amounts outstanding greater than 90 days to be at greater risk of being uncollectible, unless circumstances on particular balances provide certainty of collection. Receivables normally collectible within 30 to 60 days can take longer as information requests and timing can come into effect in dealing with receivables from joint venture partners. At September 30, 2026, there were $0.2 million in receivables which were considered uncollectible (December 31, 2025 - $0.3 million).

Liquidity risk

The table below outlines the contractual maturities of the Company's financial liabilities as at September 30, 2026:

($000s)	**Less than 1 year**	**1-2 years**	**Thereafter**	**Total**
Accounts payable	14,574	-	-	14,574
Lease obligations [(1)]	155	135	78	368
	14,729	**135**	**78**	**14,942**

(1) Reflects timing of lease payments on existing lease obligations

Commodity price risk

Commodity price risk is the risk that the fair value of the future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices have fluctuated widely in recent years due to global and regional factors including supply and demand fundamentals, inventory levels, weather and economic and geopolitical factors.

The Company manages risk associated with the changes in commodity prices by entering into a variety of risk management contracts. The Company assesses the effects of movement in commodity prices on income before tax.

Subsequent to September 30, 2026, the Company entered into risk management contracts for the following 2026 and 2027 periods:

Type of Contract	**Quantity**	**Period**	**Price Range CA/bbl**
WTI Collars	398 bbl/d	Q4 2026	115.00-140.10
WTI Collars	600 bbl/d	Q1 2027	115.00-140.10

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign currency exchange rates. The majority of the Company's administrative and operational costs will be based and paid in CAD.

The Company is exposed to the risk of fluctuations in foreign exchange rates between the Canadian dollar and the US dollar given the risk of changes in the USD/CAD exchange rate on crude oil sales based on USD benchmark prices.

Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in prevailing market interest rates. Given that the existing Credit Facility facilitates solely the issuance of letters of credit and is not for the drawing of funds, the Company's cash flows are not subject to risk of fluctuating interest rates on drawn debt.

Fair value of financial instruments

The Company's financial instruments as at September 30, 2026, include, accounts receivable, deposits, accounts payable and accrued liabilities, risk management contracts and marketable securities.

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in accordance with the following hierarchy:

Level 1 - inputs are based on quoted market prices in active markets that the Company has the ability to access at the measurement date.

Level 2 - inputs are based on quoted prices in the markets that are not active or based on prices that are observable for the asset or liability.

Level 3 - inputs are based on unobservable market data for the asset or liability.

The Company aims to maximize the use of observable inputs when preparing calculations of fair value. Classification of each measurement into the fair value hierarchy is based on the lowest level of input that is significant to the fair value calculation.

The fair value of cash and cash equivalents, accounts receivable, deposits, and accounts payable and accrued liabilities approximate their carrying amounts due to their short terms to maturity. The fair value measurement of the marketable securities have a fair value hierarchy of Level 1. The fair value measurement of the risk management contracts have a fair value hierarchy of Level 2.

The fair values of financial derivatives are recurring measurements and are determined whenever possible based on observable market data. If not available, the Company uses third party models and valuation methodologies that utilize observable market data including forward benchmark commodity prices, forward interest rates and forward foreign exchange rates to estimate the fair value of financial derivatives. In addition to market information, the Company incorporates transaction specific details that market participants would utilize in a fair value measurement, including the impact of non-performance risk. The valuation technique used has not changed in the period.

Capital management

The Company's objectives when managing capital are to ensure the Company will have sufficient financial capacity, liquidity, and flexibility to fund the Company's operations and potential strategic transactions for the foreseeable future. The Company is dependent upon funding these activities through a combination of available cash, debt and equity, which it considers to be the components of its capital structure as outlined below.

The Company monitors leverage and adjusts its capital structure based on its net surplus level. Net Surplus is calculated as current assets less current liabilities, excluding the current portion of risk management contracts, debt, lease liabilities, decommissioning obligations, and RSU liabilities. In order to facilitate the management of its net surplus, the Company prepares annual budgets, which are updated as necessary depending on varying factors including current and forecast commodity prices, changes in capital structure, execution of the Company's business plan and general industry conditions. The annual budget is approved by the Board of Directors and updates are prepared and reviewed as required.

($000s)	September 30, 2026	December 31, 2025
Cash and cash equivalents	19,110	5,744
Accounts receivable	9,292	6,675
Prepaids and deposits	443	220
Accounts payable and accrued liabilities	(14,574)	(8,154)
Net Surplus	**14,271**	**4,485**

The Company regularly monitors its capital structure and, as necessary, adjusts to changing economic circumstances and the underlying risk characteristics of its assets in order to meet current and upcoming obligations and investments by the Company. The Company frequently reviews alternate financing options and arrangements to meet its current and upcoming commitments and obligations.

The Company's objectives when managing capital are: (i) to maintain a flexible capital structure, which optimizes the cost of capital at acceptable risk; and (ii) to maintain investor, creditor and market confidence in order to sustain the future development of the business. The Company's share capital is not subject to external restrictions with the exception of lender approval on payment of dividends.

13. SUPPLEMENTAL CASH FLOW INFORMATION

For the periods ended September 30	Three months ended		Nine months ended	
($000s)	2026	2025	2026	2025
Accounts receivable	(969)	752	(2,617)	3,959
Prepaids and deposits	(228)	493	(223)	(51)
Accounts payable and accrued liabilities	2,163	3,221	6,420	(3,098)
Change in non-cash working capital	**966**	**4,466**	**3,580**	**810**
Relating to:				
Operating activities	(247)	3,300	2,013	(293)
Investing activities	1,213	1,166	1,567	1,103
Change in non-cash working capital	**966**	**4,466**	**3,580**	**810**

14. SUBSEQUENT EVENTS

On September 18, 2026, ROK entered into a purchase and sale agreement with an arm's length counterparty to purchase certain oil and gas assets in the Kaybob region of Alberta for $3.5 million. As of September 30, 2026, ROK had paid a deposit of $500,000 towards this acquisition. Closing of the acquisition will occur as certain conditions of the purchase and sale agreement are fulfilled.