



NORTHFIELD

CAPITAL CORPORATION

Management's Discussion and Analysis

For the three months ended March 31, 2025



TABLE OF CONTENTS	Page
1. INTRODUCTION AND OVERVIEW	3
2. COMPANY OVERVIEW AND STRATEGY	4
3. 2025 Q1 HIGHLIGHTS AND PERFORMANCE SUMMARY	7
4. FINANCIAL HIGHLIGHTS	9
5. BUSINESS SEGMENT ANALYSIS.....	13
6. REALIZED GAINS AND LOSSES ON INVESTMENTS	23
7. RESULTS OF OPERATIONS	26
8. SUMMARY OF QUARTERLY RESULTS	29
9. FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES	30
10. RELATED PARTY TRANSACTIONS	34
11. RISKS AND RISK MANAGEMENT	34
12. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES	37
13. NON-IFRS FINANCIAL MEASURES	39
14. DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING	43
15. OUTLOOK AND STRATEGIC PRIORITIES	44
16. FORWARD-LOOKING INFORMATION	47
17. ADDITIONAL INFORMATION	49



1. INTRODUCTION AND OVERVIEW

This Management's Discussion and Analysis ("MD&A") provides a comprehensive analysis of the financial condition, operational performance, and future prospects of Northfield Capital Corporation ("Northfield" or the "Company") for the three months ended March 31, 2025. This MD&A has been prepared in accordance with Form 51-102F1 - *Management's Discussion & Analysis* and should be read in conjunction with the audited consolidated financial statements and related notes for the three months ended March 31, 2025, which have been prepared in accordance with IFRS® Accounting Standards as issued by the International Accounting Standards Board.

All amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated, and all figures are rounded to the nearest hundred thousand except for per share amounts. This MD&A is current as of May 30, 2025. Additional information about Northfield is available on SEDAR+ at www.sedarplus.ca.

Corporate Structure and Business Profile

Northfield is a diversified investment and operating company listed on the TSX Venture Exchange under the symbol "NFD.A". Our business model combines strategic investment activities with active management of our operating subsidiaries across multiple sectors:

Investment Platform: Northfield maintains a focused portfolio of equity investments in resource, aviation, manufacturing, and technology sectors, with particular emphasis on critical minerals, precious metals, and emerging growth opportunities.

Operating Businesses:

- **Aviation Services (TNA Group):** Provides chartered air services, flight training, and aircraft maintenance across Canada through True North Airways Inc. ("TNA") and related companies
- **Premium Spirits (Spirit of York):** Operates a growing craft distillery in Toronto's historic Distillery District
- **Vineyard & Winery (The Grange):** Produces award-winning wines at a historic estate vineyard in Prince Edward County, Ontario
- **Mineral Exploration (Voyageur Mineral Explorers Corp.):** Voyageur Mineral Explorers Corp. ("Voyageur") is a Canadian junior mineral exploration company with a specific focus on mineral properties in Northwest Manitoba and Northeast Saskatchewan, Canada. The Company owns a valuable package of royalties in the prolific Flin Flon greenstone belt, including: a net tonnage royalty on a portion of Foran Mining Corporation's McIlvenna Bay Project, including the McIlvenna Bay Deposit, and the Tesla Zone; an NSR on Foran Mining Corporation's Bigstone Deposit; and an NSR on a portion of Callinex Mines Inc.'s Pine Bay Project, including the Rainbow Deposit.

The Company's consolidated financial statements include the accounts of Northfield and its subsidiaries, with the following ownership structure as of March 31, 2025:

- Distillery Network Inc. (Spirit of York): 57.6% ownership
- The Grange of Prince Edward Inc.: 56.7% ownership



- True North Airways Group: 91.0% ownership (through Northfield Aviation Group Inc.) as at March 31, 2025. Subsequent to period end on May 27, 2025, upon the closing of the acquisition of the remaining minority interest, Northfield now holds a 100% ownership interest.
- Voyageur Mineral Explorers Corp.: 50.2% ownership

This integrated business model provides our shareholders with diversified exposure to growth opportunities through both public and private market investments, while offering operational leverage through our controlled subsidiaries.

2. COMPANY OVERVIEW AND STRATEGY

A Diversified Value-Creation Platform

Northfield operates as a strategic investment and active management platform listed on the TSX Venture Exchange under the symbol "NFD.A". Our differentiated business model combines the capital appreciation potential of a focused investment portfolio with the operational cash flow and growth opportunities of controlled operating businesses. This balanced approach enables us to create shareholder value through multiple economic cycles and market conditions.

Our mission is clear: to identify, acquire, and actively develop or invest in undervalued assets across selected sectors where our capital, expertise, and relationships can drive substantial value creation over time.

Investment Philosophy and Approach

Northfield's investment philosophy is guided by four foundational principles:

1. **High-Conviction Positions:** We take concentrated positions in businesses with compelling value propositions, focusing on opportunities where we can deploy between \$1-10 million of capital and achieve meaningful influence or control, as appropriate.
2. **Sector Expertise:** We focus on sectors where our management team and Board possess deep domain knowledge and relationship networks—primarily in critical minerals, precious metals, transportation, and specialty consumer products.
3. **Active Value Creation:** Unlike passive investment funds, we actively engage with our investee companies, providing strategic guidance, operational support, and access to our extensive network of industry relationships.
4. **Disciplined Capital Allocation:** We maintain a rigorous investment process that prioritizes asymmetric risk-reward opportunities, downside protection, and clear pathways to value realization.

This approach has enabled us to build substantial positions in high-potential companies like Juno Corp. (critical minerals) and G2 Goldfields (gold), which together represent over 75% of our investment portfolio value.

Integrated Business Model

Northfield's business model integrates four complementary segments that create a diversified value-creation platform:



Investment Operations (48% of asset value): Our core investment portfolio comprises strategic positions in both public and private companies, with a focus on critical minerals, precious metals, and royalty businesses. This segment provides capital appreciation potential and investment income.

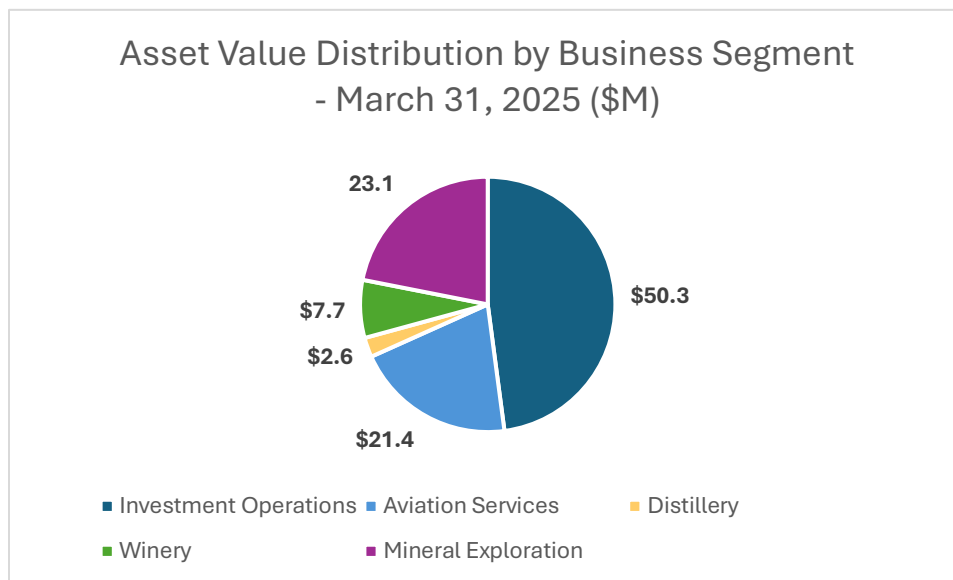
Aviation Services (TNA Group – 91% ownership as at March 31, 2025; 100% as of the date of this MD&A): Provides chartered air service, flight training, and aircraft maintenance across Canada with strategic expansion into Latin American markets. This business delivers stable cash flows with scalable growth opportunities in specialized aviation services.

Craft Distillery (Spirit of York – 57.6% ownership): A premium craft distillery in Toronto's historic Distillery District producing award-winning spirits with expanding distribution and brand recognition. This business provides exposure to the high-growth premium spirits category.

Vineyard & Winery (The Grange – 56.7% ownership): An established estate vineyard and winery in Prince Edward County producing premium wines with an integrated hospitality experience. This business combines agricultural assets with brand value and experiential retail opportunities.

Mineral Exploration (Voyageur – 50.2% ownership): An exploration-driven company with a valuable package of royalties in the prolific Flin Flon greenstone belt, focused on critical minerals and resource development across Canada. This business contributes to Northfield's portfolio through asset appreciation and further exposure to the burgeoning critical minerals sector.

This business combines agricultural assets with brand value and experiential retail opportunities.



This integrated model enables Northfield to:

- **Diversify risk exposure** across multiple sectors and asset classes
- **Deploy capital opportunistically** based on relative value and growth potential
- **Leverage operational expertise** across complementary businesses
- **Create strategic synergies** between portfolio companies



- **Access diverse liquidity sources** through both public and private markets

Active Management Approach

What truly differentiates Northfield is our **hands-on, value-additive approach** to managing both our investment portfolio and operating businesses. Our executive team and Board bring decades of entrepreneurial experience, industry relationships, and capital markets expertise to each investment.

For our investment portfolio, this means:

- Taking board positions or observer rights to influence strategic direction
- Providing access to capital through direct investment and third-party introductions
- Assisting with corporate development, M&A opportunities, and exit planning
- Accelerating growth through commercial introductions and partnership opportunities

For our operating businesses, this means:

- Recruiting and developing exceptional management teams
- Implementing disciplined capital allocation and operational efficiency initiatives
- Driving strategic expansion into adjacent markets and complementary offerings
- Building scalable platforms with multiple paths to value realization

Capital Allocation Framework

Northfield employs a disciplined capital allocation framework guided by our commitment to long-term value creation:

1. **Maintain Strong Liquidity:** We maintain substantial liquidity reserves (currently \$3.8 million in cash plus \$3.1 million in marketable securities) to ensure operational flexibility and capitalize on opportunistic investments.
2. **Reinvest in Growth:** We selectively reinvest in our highest-potential opportunities, whether through follow-on investments in portfolio companies or expansion capital for operating businesses.
3. **Strategic Acquisitions:** We pursue accretive acquisitions that enhance our existing platforms or provide entry into attractive adjacent markets.
4. **Return Capital:** We opportunistically repurchase shares when market valuations create compelling value, as evidenced by our recently announced normal course issuer bid.

This framework ensures that capital is deployed to its highest and best use, balancing near-term returns with long-term value creation.

Value Creation Model

Northfield's value creation model is based on three complementary approaches:



Build: We identify and develop high-potential operating businesses in specialty sectors where we can establish sustainable competitive advantages and drive organic growth.

Transform: We actively engage with our investee companies to enhance strategic positioning, operational performance, and market valuation through hands-on involvement and strategic guidance.

Monetize: We strategically realize value through various mechanisms including public listings, strategic sales, dividend streams, or continued compounding of capital within successful ventures.

This multifaceted approach enables Northfield to generate returns across different timeframes and market conditions, creating a resilient platform for long-term value creation.

Strategic Vision

Looking forward, Northfield is positioned to capitalize on several compelling macro trends:

- **Critical Minerals Revolution:** Our substantial investment in the critical minerals sector through Juno Corp. and Voyageur positions us to benefit from the accelerating global transition to clean energy and electrification.
- **Resource Sector Resurgence:** Our strategic investments in precious metals and mineral royalties position us to benefit from favorable supply-demand dynamics in key commodity markets.
- **Aviation Services Consolidation:** The fragmented regional aviation market presents opportunities for our TNA Group to expand through strategic acquisitions and service extensions.
- **Premium Beverage Premiumization:** Both our distillery and winery operations are benefiting from the continued consumer shift toward premium, authentic, and locally-produced beverages.

By maintaining our disciplined investment approach, operational excellence, and strategic focus, Northfield aims to deliver sustained growth in net asset value and shareholder returns over the long term.

With our strong capital position, diversified business model, and focused investment approach, Northfield is exceptionally well-positioned to accelerate value creation in the years ahead.

3. 2025 Q1 HIGHLIGHTS AND PERFORMANCE SUMMARY

Financial Highlights

- **Net Asset Value:** \$88.2 million (\$6.22 per basic share) as of March 31, 2025, representing a 2.1% increase from \$72.9 million (\$6.09 per basic share) as of December 31, 2024.
- **Net Income:** \$1.2 million attributable to shareholders (\$0.08 per basic share and diluted share) for the three months ended March 31, 2025, compared to a net loss of \$1.8 million (\$0.16 per basic and diluted share) in same three months in 2024.
- **Investment Portfolio:** \$48.1 million in cash net of credit facilities, cash equivalents, marketable securities and other investments as of March 31, 2025, representing a decrease of \$8.3 million (15%) from December 31, 2024.



- **Acquisition of Voyageur:** On January 2, 2025, Northfield obtained control of Voyageur, a publicly listed Canadian junior resource company with exploration and evaluation assets in Canada, trading under the symbol "VOY" on the Canadian Securities Exchange ("CSE"). Northfield agreed to acquire an aggregate of 4,787,301 common shares of Voyageur in consideration for the issuance to such shareholders of an aggregate of 718,095 class A restricted voting shares in the capital of the Company. As a result of this transaction, Northfield's ownership increased from 35.1% to 50.2%.
- **Strong Balance Sheet:** Strong working capital position at \$4.3 million, providing significant capacity for new investment opportunities.
- **Share Split:** On February 11, 2025, completed a 5-for-1 forward share split of both Class A and Class B shares.
- **Normal Course Issuer Bid:** On January 15, 2025, initiated a normal course issuer bid to purchase up to 708,505 Class A shares (representing 5% of outstanding Class A shares at the time).

Operational Highlights

- **Aviation Services:** Training of new pilots, scheduled repair and maintenance costs and higher fuel costs weighed on margins and therefore decreased gross margin to 5% for the three months ended March 31, 2025 compared to 11% for the same period in 2024.
- **Fleet Enhancement & Aircraft Loan:** On March 14, 2025, Northfield, along with certain of its subsidiaries, entered into an aircraft loan agreement with Echo Capital Fund I Inc., a private lender in the aviation space, to finance the purchase of aircraft by Spruce Goose Aviation Inc., a wholly-owned subsidiary. The agreement provided for a loan of up to US\$5.195 million with a five-year term. Interest is based on a variable floating rate equal to the annual interest rate posted by Laurentian Bank of Canada plus 300 basis points, calculated and compounded monthly. The proceeds were used to purchase high-performance helicopters, including a 1999 Eurocopter AS350-B3 for US\$1.595 million, with the remaining amount available for additional aircraft purchases prior to June 30, 2025. The loan is secured against certain aircraft and contains customary terms and covenants.
- **Spirits Production:** Gross margin increased to 11% for the three months ended March 31, 2025 compared to losses of 28% for the same period in 2024. Overhead allocation was reduced from prior year and thereby created better operating margins for the current period.
- **Vineyard & Winery:** Gross margin decreased to 6% for the three months ended March 31, 2025 compared to 38% for the same period in 2024 as a result of higher costs related to the start of new restaurant operations at the winery.

Investment Portfolio Performance

- **Realized Gains:** Generated \$6.6 million in realized gains on investment portfolio, compared to \$1.3 million in realized losses for same period in prior year.
- **Unrealized Losses:** \$3.3 million in unrealized losses on investment portfolio, compared to \$1.1 million in unrealized gains for the same period in prior year.



- **Portfolio Composition:** Continued to refine investment focus with approximately 91% of investments concentrated in the resource sector, including critical minerals and precious metals companies.

Subsequent Events

- **Acquisition of remaining minority interest of Northfield Aviation:** On May 27, 2025, Northfield's wholly-owned subsidiary, Spruce Goose, completed a share purchase agreement to acquire all of the shares of Northfield Aviation not already owned by Spruce Goose (9%). As consideration, Spruce Goose caused Northfield to issue to the vendor 60,000 Class A restricted voting shares of the Company ("**Northfield Aviation Acquisition**"). Upon completion of the transaction, Northfield holds a 100% ownership interest in Northfield Aviation.
- **Juno share acquisition:** On May 27 2025, Northfield announced that it entered into share purchase agreements with five shareholders of Juno pursuant to which Northfield agreed to acquire an aggregate of 5,123,044 common shares of Juno Corp. As consideration, Northfield will issue to such shareholders an aggregate of 3,725,848 Class A restricted voting shares in the capital of Northfield ("**Juno Share Acquisition**"). Closing of the Juno share acquisition is anticipated to be completed upon Northfield obtaining disinterested shareholder approval in accordance with the policies of the TSXV.
- **Additional Class B voting share issuance:** On May 27, 2025, Northfield announced the proposed issuance of an aggregate of 4,968 Class B multiple voting shares of the Company to Mr. Robert Cudney, the President, Chief Executive Officer and a director of the Company, on a non-brokered private placement basis at a price of \$6.00 per Class B share, for aggregate gross proceeds of \$29,808 in order for Mr. Cudney to maintain his pro rata voting interest in respect of the Class B shares following the completion of the Juno Share Acquisition and the Northfield Aviation Acquisition.

4. FINANCIAL HIGHLIGHTS

Financial Performance Overview

Northfield Capital achieved significant financial improvements in Q1 2025, demonstrating the resilience of our diversified business model and validating our strategic investment decisions. Our balanced approach to capital allocation, combined with operational enhancements across our business segments, has driven substantial value creation despite variable market conditions.

Key Performance Metrics

Financial Metric (\$ millions)	2025Q1	2024Q1	Change	% Change
Consolidated Revenue	\$4.8	\$1.4	\$3.4	245%
- Net Investment Income/(Loss)	\$3.5	\$(0.1)	\$3.6	3600%
- Operating Business Revenue	\$1.3	\$1.4	\$(0.1)	1%
EBITDA	\$1.9	\$(1.2)	\$3.1	258%
Net Income/(Loss) to Shareholders	\$1.2	\$(1.8)	\$3.0	167%
Earnings Per Share (Basic)	\$0.08	\$(0.16)	\$0.24	(150%)



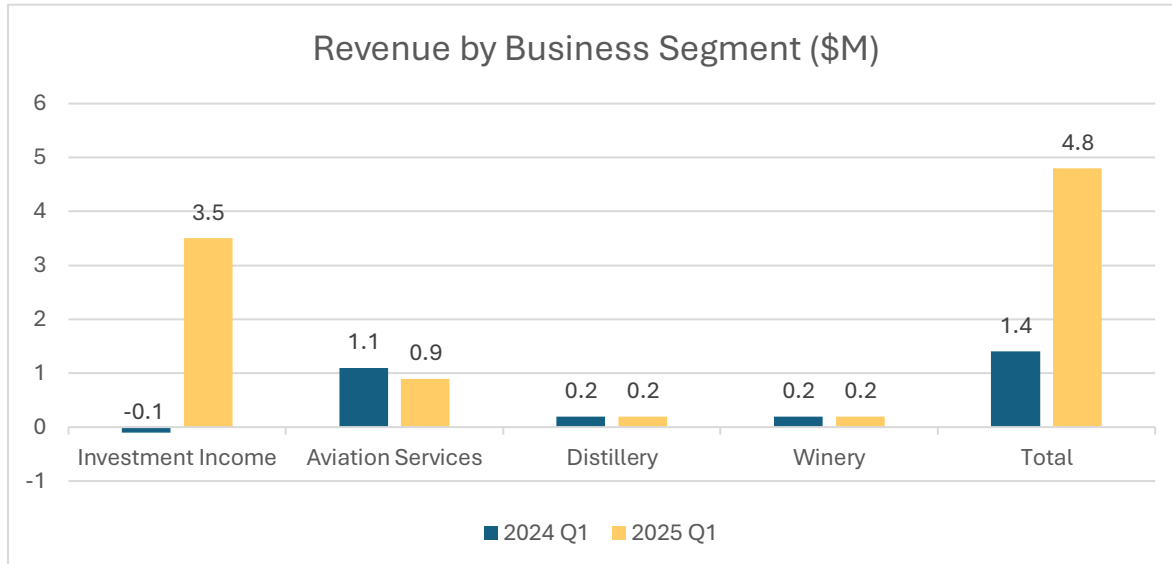
	2025Q1	2024Q4	Change	% Change
Total Assets	\$105.0	\$86.8	\$18.2	21%
Shareholders' Equity	\$79.0	\$74.7	\$4.3	6%
Net Asset Value Per Share	\$6.22	\$6.09	\$0.13	2%
Cash & Marketable Securities	\$6.9	\$8.5	\$(1.6)	(18%)

Performance Analysis

Revenue Growth

Consolidated revenue increased by \$3.4 million (or 245%) to \$4.8 million in 2025 Q1. This was driven by:

- **Investment Portfolio Turnaround:** Net investment income swung to a positive \$3.5 million from a loss of \$0.1 million in 2024 Q1, representing a change of \$3.6 million. This recovery was fueled primarily by \$6.6 million in realized gains, namely from the realization of gains on Voyageur upon the consolidation (\$4.9 million) and the partial sale of G2 Goldfields (\$1.7 million). Offsetting this are unrealized losses of \$3.3 million on the mark to market of investments held in the portfolio for the period.
- **Decrease in Aviation Revenue:** Aviation revenue was decreased by \$0.2 million in 2025 Q1 compared to the same period in prior year, primarily due to the seasonality of the business as well as a customer charter contract (government) being delayed in renewal until mid-year.



Profitability – 2025 Q1

- **EBITDA:** Consolidated EBITDA improved to \$1.9 million, a \$3.1 million positive swing from the negative \$1.2 million recorded in 2024 Q1. This improvement reflects both the substantial recovery in investment performance and enhanced operational efficiency across our business segments.

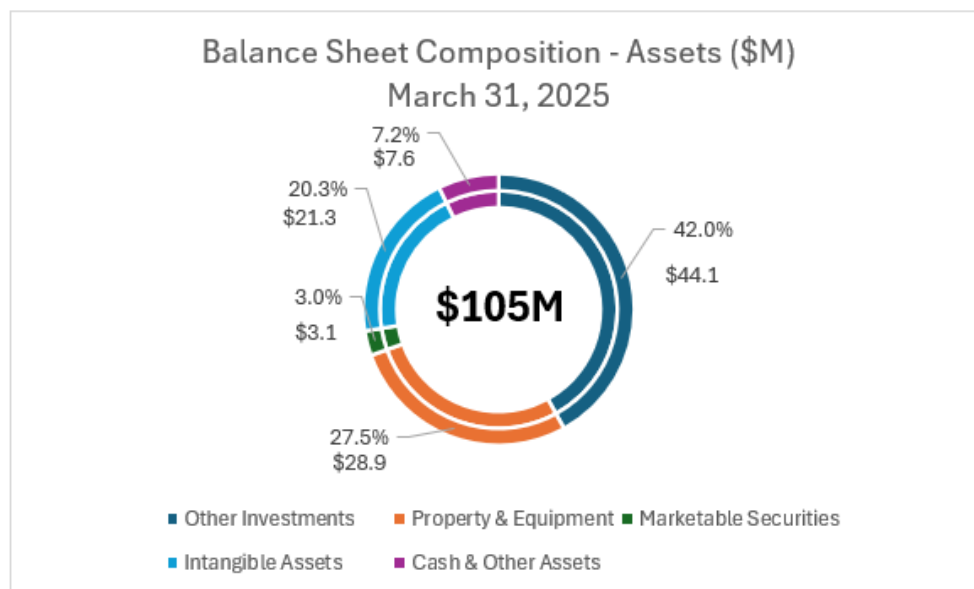


- **Net Income:** Net income attributable to shareholders reached \$1.2 million (\$0.08 per share), compared to net loss of \$1.8 million (\$0.16 loss per share) in 2024 Q1.
- **Gross Margin:** Overall gross margin from operating subsidiaries remained consistent at \$0.1 million, reflecting our focused efforts on operational efficiency. The aviation segment's gross margin percentage decreased from 11% in 2024 Q1 to 5% in the current period due to the additional training of new pilots, ongoing repairs and maintenance costs and increased fuel costs. The distillery segment's gross margin percentage improved from -28% in 2024 Q1 to 11% in the current period due to the reduction in overhead allocation attributable to cost of sales. The winery segment's gross margin percentage decreased from 38% in 2024 Q1 to 6% in the current period as a result of higher costs related to the start of new restaurant operations at the winery.

Balance Sheet Strength

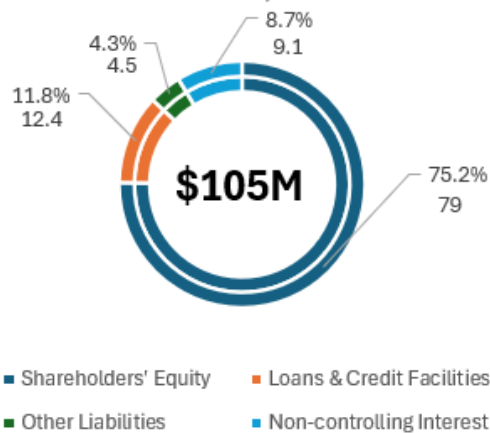
Northfield maintained a robust balance sheet in 2025 Q1, providing a solid foundation for our growth initiatives:

- **Asset Growth:** Total assets increased by 21% to \$105.0 million, primarily driven by appreciation in our investment portfolio and strategic capital investments in our operating businesses and the acquisition of Voyageur and the intangible assets – royalty rights acquired in the transaction (\$21.3 million).
- **Equity Enhancement:** Shareholders' equity increased by 21% to \$88.2 million, bolstered by both profitable operations and our acquisition of Voyageur.
- **Liquidity Position:** While cash and marketable securities decreased slightly to \$6.9 million from \$8.5 million, our overall liquidity position remains strong, representing approximately 7% of total assets and providing ample resources for opportunistic investments and operational needs.



**Balance Sheet Composition - Liabilities & Equity (\$M)**

March 31, 2025

**Capital Management**

Our disciplined approach to capital management has strengthened our financial foundation:

- **Acquisition of Voyageur:** Successfully closed the acquisition of aggregate of 4,787,301 common shares of Voyageur, boosting Northfield's ownership to 50.2%.
- **Capital Allocation:** Deployed \$0.3 million in new investments and \$3.3 million in strategic capital expenditures to support growth initiatives across our business segments.

Our prudent financial management ensures that Northfield maintains both the stability to weather market fluctuations and the flexibility to capitalize on emerging opportunities. The significant improvements in our financial performance validate our strategic direction and position us well for continued growth in 2025 and beyond.

Segment Financial Performance

Each of our business segments contributed to our overall financial improvement:

- **Investment Operations:** Generated net income of \$3.5 million in 2025 Q1, a \$3.6 million improvement from the \$0.1 million loss recorded in 2024 Q1. This turnaround was driven by the realized gains on the sale of investments in our portfolio as described above.
- **Aviation Services:** Revenue declined by \$0.2 million compared to 2024 Q1, and the gross margin decreased from 11% to 5% in the current period due to increased cost of sales as described above.
- **Distillery Operations:** Revenue was consistent compared to 2024 Q1, and the gross margin improved from -28% in 2024 Q1 to 11% in the current period. This is the direct result of improved overhead allocations associated with sales.
- **Winery Operations:** Revenue was consistent compared to 2024 Q1, and gross margin decreased from 38% in 2024 Q1 to 6% in the current period. This is a result of higher costs related to the start of new restaurant operations at the winery.



The diverse performance of our business segments demonstrates the resilience of our diversified business model and our ability to create value through both financial investments and operating businesses. It is important to note that our businesses are subject to seasonal fluctuations, with the majority of revenue and operational activities occurring during the latter part of the year. This seasonality highlights our strategic planning and ensures that we are well-positioned to capitalize on peak periods while maintaining steady growth throughout the fiscal year. As we continue to optimize our portfolio and drive operational improvements, we expect to further enhance our financial performance in the years ahead.

5. BUSINESS SEGMENT ANALYSIS

Northfield's integrated business model encompasses four complementary segments, each with distinct value drivers and growth trajectories. In 2025 Q1, all segments demonstrated consistent progress toward their strategic objectives, contributing to Northfield's overall performance. Our balanced approach to capital allocation across these segments enhances our resilience while providing multiple avenues for value creation.

AVIATION SERVICES (TNA GROUP)

Operational Overview

The TNA Group, our aviation services platform (91% ownership as of March 31, 2025 but 100% as of May 27, 2025), delivered a slight decrease in revenue while continuing to execute strategic expansion initiatives that position the business for accelerated growth in the future. Operating a diverse fleet of fixed-wing aircraft and helicopters, TNA provides essential air transportation, flight training, and aircraft maintenance services across Canada, with an expanding presence in Latin America.

Financial Performance

(\$ millions)	2025Q1	2024Q1	Change	% Change
Revenue	\$0.9	\$1.1	\$(0.2)	(18%)
Cost of Sales	\$(0.8)	\$(0.9)	\$0.1	(11%)
Gross Margin	\$0.04	\$0.20	\$(0.16)	(80%)
Gross Margin %	5%	18%	(13%)	(72%)
Operating Expenses	\$(0.8)	\$(0.7)	\$(0.1)	14%
Segment EBITDA	\$(0.4)	\$(0.5)	\$0.1	(20%)

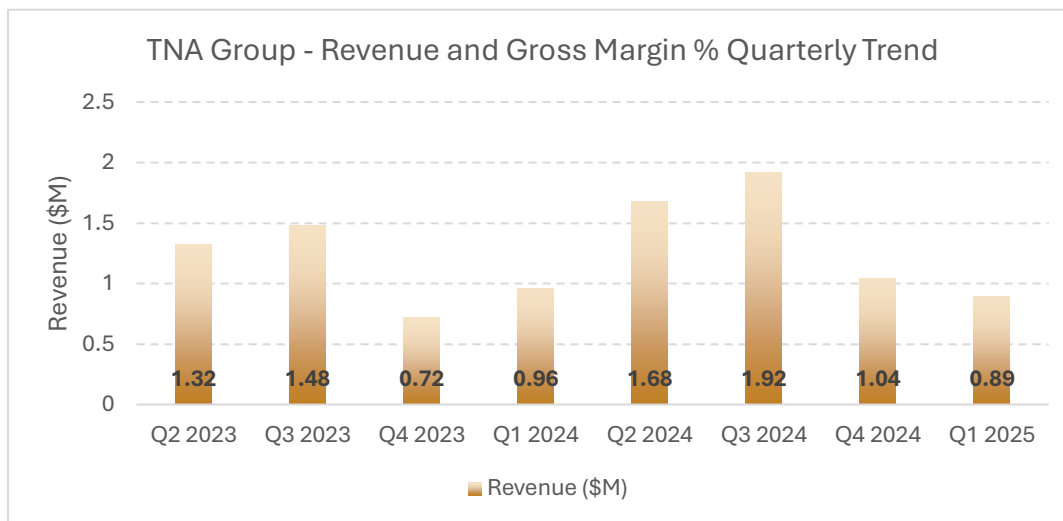
Strategic Developments

TNA executed several transformative initiatives in early 2025:

- Infrastructure Expansion:** Continued the construction of hangar at Huronia Airport in Midland, Ontario, serving as a key base for executive charter services, complementing the existing 10,000-square-foot hangar in Sudbury that houses Omar Aviation, a wholly-owned TNA subsidiary providing maintenance services.
- Latin American Expansion:** Continued the establishment of TNA SOUTH in El Salvador and continued to develop the strategic land acquired in 2024 (50 acres, \$0.8 million investment) in El Zonte, also known as Bitcoin Beach, to support operations in Central America, targeting the growing mining, resource exploration, and tourism sectors. Positioned to leverage El Salvador's progressive digital asset legislation by accepting Bitcoin for charter payments.



3. **Fleet Enhancement:** Strategically expanded capabilities with the acquisition of two high-performance helicopters – a 1999 Eurocopter AS350-B3 (\$1.595 million USD) and a 1980 Bell 206B-3 Jet Ranger (\$395,000 USD) – significantly enhancing capacity for firefighting, resource sector logistics, and private charter services. In addition, TNA successfully obtained 704 Operator's Certificate, enabling operation of mid-size and light executive jets for premium charter services, namely for operation of the Gulfstream G100 jet.



Note: Aviation services show seasonal patterns with typically stronger performance in Q2-Q3.

Outlook

The aviation segment is positioned for revenue growth and possible margin improvement in 2025:

- **Additional Aircrafts:** With the 704 operators certificate to operate the Gulfstream G100 and the 2 new helicopters as described above, capacity for additional charter revenue is increased and TNA expects to continue to drive revenue growth as a result.
- **Maintenance Revenue Stream:** The completion of the Sudbury maintenance hangar in Q2 2024 continues to enable TNA to capture higher-margin maintenance revenue from both its own fleet and third-party customers.
- **Latin American Operations:** Commercial operations in El Salvador are expected to commence in Q3 2025, providing access to the growing Central American market and opportunities for counter-seasonal revenue to complement Canadian operations.
- **Strategic Acquisitions:** The fragmented regional aviation market presents compelling acquisition opportunities to expand TNA's geographic footprint and service offerings.

With these initiatives, we expect the aviation segment to achieve revenue growth of 15-20% in 2025 with margin improvement as infrastructure investments begin to yield returns and operational efficiencies take effect.

**DISTILLERY OPERATIONS (SPIRIT OF YORK)****Operational Overview**

Spirit of York (57.6% ownership), our premium craft distillery located in Toronto's historic Distillery District, achieved consistent revenue in 2025 Q1. The operation produces a portfolio of award-winning spirits including vodka, gin, whisky, and specialty liqueurs distributed through both on-premises retail and wholesale channels.

Financial Performance

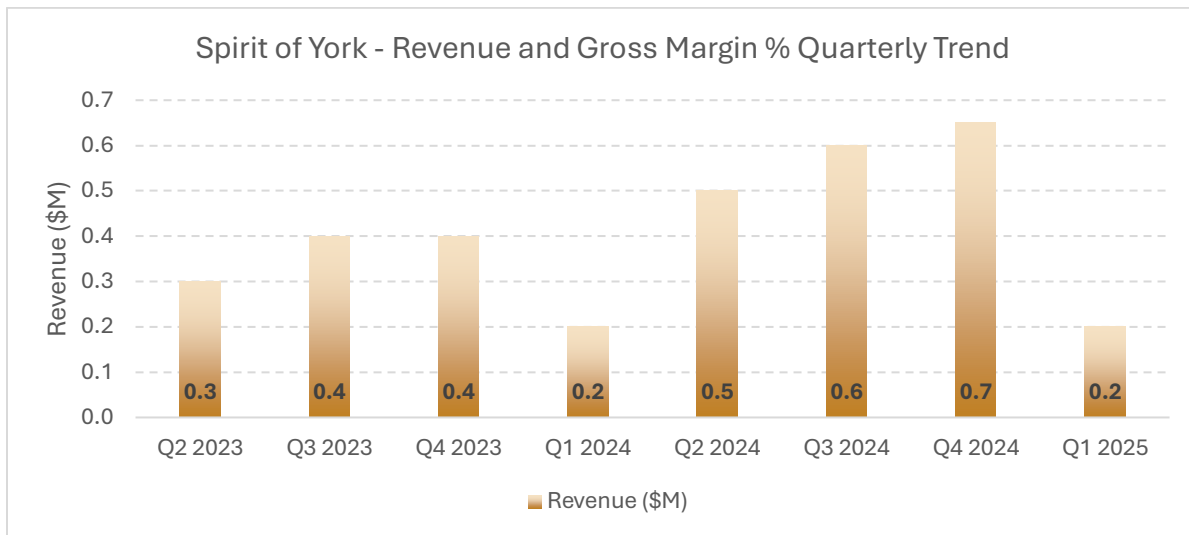
(\$ millions)	2025Q1	2024Q1	Change	% Change
Revenue	\$0.2	\$0.2	\$0.0	0%
Cost of Sales	\$(0.2)	\$(0.3)	\$0.1	46%
Gross Margin	\$0.02	\$(0.06)	\$0.08	139%
Gross Margin %	11%	(28%)	61%	139%
Operating Expenses	\$(0.8)	\$(0.6)	\$(0.2)	(42%)
Segment EBITDA	\$(0.6)	\$(0.4)	\$(0.2)	(47%)

Spirit of York improved its gross margin by 139% compared to 2024 Q1, reflecting adjustments to overhead allocations associated with sales and some improved production efficiencies. Segment EBITDA was negative at \$(0.6) million as we strategically invested in brand building, market expansion, and talent acquisition.

Strategic Developments

Key drivers in 2025 Q1 included:

1. **Major Strategic Partnership:** Continued strategic branding position as the Official Gin of Live Nation Canada, Inc. in Ontario through a three-year partnership launched in 2024, bringing Spirit of York Premium Gin to concertgoers at four major music festivals and eight Live Nation venues across Ontario, including Toronto's legendary Budweiser Stage. Created "The Garden," an immersive, botanical-inspired lounge at the venue's Lakehouse, designed to embody the 15 botanicals infused in Spirit of York's handcrafted gin.
2. **Premium Canadian Positioning:** Commitment to Canadian craftsmanship by sourcing 100% of ingredients – including heritage grains and pristine water – from Canadian farmers, strengthening Canada's agricultural economy while ensuring premium quality that commands higher price points.
3. **Distribution Expansion:** Increased distribution points both at the LCBO and in licensees across Ontario as the sales team secured relationships to ensure placement of product in premium restaurants and independent retailers as well as specialty liquor outlets across Ontario.



Outlook

Spirit of York is positioned for continued growth and margin improvement in 2025:

- **Production Scale Efficiencies:** As production and sales volumes increase and our sales team expands our distribution in Ontario through the LCBO, we expect to realize additional economies of scale that will grow revenue and further enhance gross margins.
- **Category Expansion:** Planned introduction of a new line of ready-to-drink (RTD) products potentially in Q2 2025 will access the rapidly growing premium cocktail segment with higher-velocity products.
- **Distribution Depth:** Strategic focus on building depth within existing markets through enhanced merchandising, point-of-sale programs, and trade marketing initiatives.
- **Experiential Retail:** Expansion of on-premise experiences, including enhanced distillery tours, tasting programs, and private events to drive high-margin direct sales and brand advocacy.

With these initiatives, we expect the distillery segment to achieve revenue growth of 15-20% in 2025 with continued gross margin improvement, positioning the business to potentially approach EBITDA breakeven in as early as 2026.

WINERY OPERATIONS (THE GRANGE)

Operational Overview

The Grange of Prince Edward (56.7% ownership), our estate vineyard and winery located in Ontario's Prince Edward County, demonstrated resilience and strategic progress despite agricultural challenges. The operation encompasses 40 acres of vineyards, a historic barn winery, and an integrated hospitality experience focused on premium cool-climate wines.

**Financial Performance**

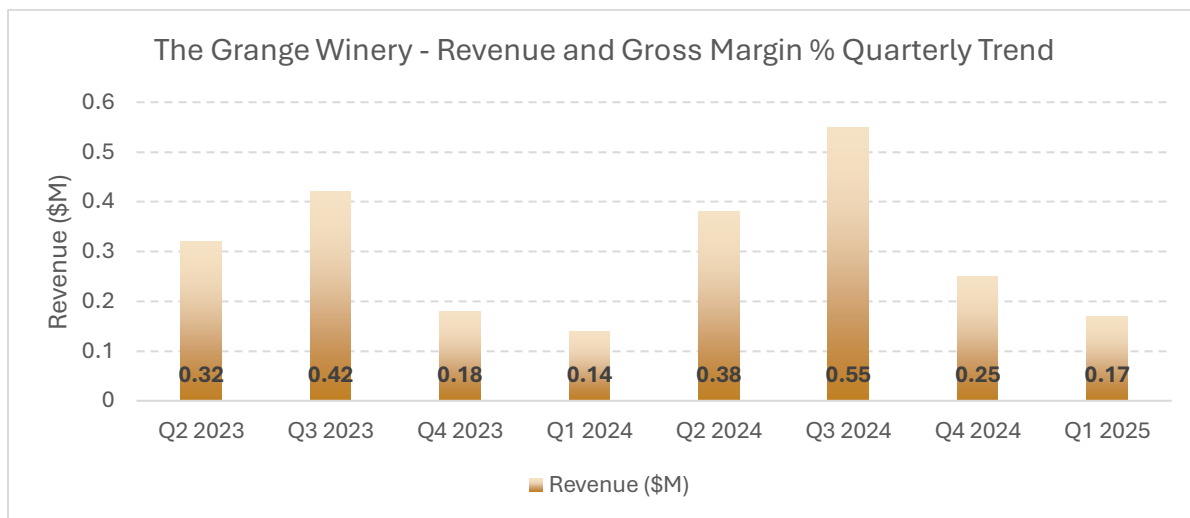
(\$ millions)	2025Q1	2024Q1	Change	% Change
Revenue	\$0.17	\$0.14	\$0.03	17%
Cost of Sales	\$(0.16)	\$(0.09)	\$(0.07)	(77%)
Gross Margin	\$0.01	\$0.05	\$(0.04)	(18%)
Gross Margin %	6%	38%	(32%)	(84%)
Operating Expenses	\$(0.3)	\$(0.3)	\$0.0	(19%)
Segment EBITDA	\$(0.3)	\$(0.2)	\$(0.1)	(22%)

The Grange generated revenue growth of 17% to \$0.17 million from 2024 Q1, reflecting stronger direct-to-consumer sales, expanded hospitality offerings, and improved distribution to licensees and the LCBO during a seasonally slow period. Gross margin decreased to 6% from 38% in 2024 Q1, namely due to the start of new restaurant operations during the period. Segment EBITDA remained negative at \$(0.3) million due to the seasonality of the business and lack of tourism in Prince Edward County in 2025 Q1, however licensee and LCBO sales continue to climb and we anticipate further growth through the balance of 2025 and we continue to make vineyard operational improvements, hospitality enhancements, and further brand development to grow case volume.

Strategic Developments

Key drivers in 2025 Q1 included:

1. **Strategic Cultural Partnership:** Continued fulfilling our responsibility of the three-year partnership with Roy Thomson Hall and Allied Music Centre (home to the iconic Massey Hall and TD Music Hall), positioning The Grange's wines across hospitality spaces of these legendary Toronto concert venues.
2. **Vineyard Optimization:** Prepared for the strategic replanting of additional acres with high-value varietal clones to increase yield and margins. Further replanting is expected in the remainder of 2025 and 2026 to full complete the vineyard rejuvenation.
3. **Hospitality Enhancement:** Expanded on-site visitor experiences including new restaurant program and new menus to further grow culinary program and draw local and tourism traffic to increase sales on-site.
4. **LCBO Sales:** The Ontario Governments "Support Ontario" Program has provided for the onboarding of additional wines in the LCBO. More products are planned for launch into Q2 2025.



Outlook

The Grange is positioned for continued growth and improvement in 2025:

- **Yield Improvement:** Vineyard enhancement initiatives are expected to increase grape yield and quality in the 2025 harvest, reducing reliance on purchased fruit and improving cost structure.
- **Hospitality Expansion:** Planned enhancement of the event space will increase capacity for high-margin weddings and corporate events, which deliver both immediate revenue and long-term customer acquisition benefits.
- **Product Premiumization:** Strategic focus on limited-production, estate-grown wines commanding premium price points will drive both revenue growth and margin expansion.
- **Channel Optimization:** Continued emphasis on direct-to-consumer channels will improve margin mix while reducing dependence on competitive wholesale channels – including LCBO distribution and licensee adoption.

With these initiatives, we expect the winery segment to achieve revenue growth of 15-20% in 2025 with continued gross margin improvement as operational efficiencies and channel optimization efforts yield incremental benefits.

INVESTMENT OPERATIONS

Operational Overview

Northfield's investment operations, our largest business segment by asset value, delivered a positive performance in 2025 Q1, generating realized gains that validate our focused investment approach. Our investment portfolio spans public and private companies, with strategic concentrations in critical minerals, precious metals, and royalty interests.



Financial Performance

(\$ millions)	2025Q1	2024Q1	Change	% Change
Realized Gains/(Losses)	\$6.6	\$(1.3)	\$7.9	591%
Unrealized Gains/(Losses)	\$(3.3)	\$1.1	\$(4.4)	(392%)
Interest and Other Income	\$0.1	\$0.1	\$0.0	0%
Total Investment Income	\$3.5	\$(0.1)	\$3.6	3068%
Operating Expenses	\$(0.8)	\$(0.7)	\$(0.1)	(28%)
Segment EBITDA	\$2.6	\$(0.8)	\$3.4	441%

The investment segment generated total investment income of \$3.5 million in 2025 Q1, a \$3.6 million improvement from the \$0.1 million loss recorded in 2024 Q1. This performance was driven by \$6.6 million in realized gains, partially offset by \$3.3 million in unrealized losses. Segment EBITDA improved to \$2.6 million, a \$3.4 million positive swing from 2024 Q1.

Portfolio Composition and Performance

Our investment portfolio is strategically concentrated in sectors where we maintain differentiated insights and competitive advantages:

Sector	% of Portfolio	Fair Value (\$M)	Change From Dec 31, 2024
Critical Minerals	47%	\$32.5	3%
Gold	15%	\$10.3	16%
Royalty*	0%	\$0	(100%)
Transportation	4%	\$2.9	(37%)
Other Sectors	2%	\$1.4	17%
Total Portfolio	100%	\$47.1	(12%)

*Note: Royalty interests were included in Portfolio Composition at Dec. 31, 2024 as part of investment in Voyageur. As of Jan. 2, 2025, Voyageur is consolidated and these interests are accounted for as Intangible Assets – Royalty Interests (\$21.3 million).

Key investment positions driving performance in 2025 Q1 included:

1. **Juno Corp. (16.8% ownership):** Our premier investment position (did not appreciate as of March 31, 2025). Juno had the following transformative discoveries in 2024. Juno's three major discoveries - Vespa Complex (high-grade critical minerals), Pluto, and North Edge (high-grade gold) - position it as a leader in the Ring of Fire. Highlights include:
 - 24 holes drilled at Vespa revealing high-grade vanadium-titanium-scandium - Notable intercepts: 48.7% Fe, 10.9% TiO₂, 1.1% V₂O₅ over 25.1m
 - Pluto discovery: 78.9 g/t Au over 3.9m including 370.0 g/t Au over 0.6m
 - North Edge discovery: 25.9 g/t Au over 2.3m
 - Expanded claim holdings to 5,300 sq km (58% of Ring of Fire)
 - Successfully raised C\$36.5 million in 2024



2. **Voyageur Mineral Explorers Corp.** (50.2% ownership): This junior exploration company with royalty assets operated by Foran Mining Corporation (TSX:FOM) progressed towards development of the McIlvenna Bay Deposit, resource delineation drilling of the Tesla Zone, evaluation of the Bigstone deposit and near mine exploration of several promising targets. On January 2, 2025, we increased our position further to 50.2% through a private market transaction whereby we issued 718,095 Northfield Class A shares in exchange for 4,787,301 common shares of Voyageur (14.9% interest). Operations of Voyageur are now consolidated into the operations of Northfield and the royalty interests are accounted for as Intangible Assets on the balance sheet instead of Other Investments.
3. **G2 Goldfields** (0.6% ownership): This gold exploration investment (\$4.5 million fair value at March 31, 2025) appreciated following successful exploration results. We strategically reduced our position, realizing gains of \$1.7 million while maintaining substantial exposure to future upside.

Summary of Investment Portfolio

The following information regarding the portfolio is historical as at the dates indicated and may change due to the ongoing investment activities of Northfield, in addition to fluctuations in the fair values of investments. The fair value of investments has been measured in accordance with Northfield's accounting policy and the amounts at which Northfield's investments could be disposed of currently may differ from their carrying values for a variety of reasons discussed in "Risk Factors" below.

The portfolio consists of investments, cash and cash equivalents. The fair value of individual positions as a percentage of portfolio assets is used by management to monitor concentration, exposure and other factors.

As at March 31, 2025, the portfolio consisted of the following:

As at March 31, 2025, the portfolio consists of the following:

Portfolio assets by investment type	Number of positions	Cost \$000's	Total fair value \$000's	Percentage of portfolio
Equity - Public	19	27,136	14,798	30%
Equity - Private	13	8,494	32,172	66%
Warrant - Public	7	-	201	0%
Call Option - Public	0	-	-	0%
Equity investments	39	35,629	47,171	96%
Cash and cash equivalents, net of bank indebtedness			1,774	4%
Total portfolio			48,945	100%

As at December 31, 2024, the portfolio consisted of the following:

As at December 31, 2024, the portfolio consists of the following:

Portfolio assets by investment type	Number of positions	Cost \$000's	Total fair value \$000's	Percentage of portfolio
Equity - Public	16	31,109	20,986	38%
Equity - Private	11	8,287	32,028	58%
Warrant - Public	6	-	240	1%
Call Option - Public	0	-	-	0%
Equity investments	33	39,396	53,254	96%
Cash and cash equivalents, net of bank indebtedness			2,252	4%
Total portfolio			55,506	100%



At March 31, 2025, equity investments represented 96% of the portfolio. Northfield held 31 equity investments (19 public and 13 private). This compares to 27 equity investments representing 96% of portfolio assets as of December 31, 2024 (16 public and 11 private). At March 31, 2025, cash and cash equivalents, net of credit facilities represented 4% of the portfolio (December 31, 2024 – 4%). As such, Northfield is well capitalized and has the ability to make meaningful new equity investments as opportunities present themselves.

Investments by Industry

The following table summarizes the carrying value and cost of Northfield's investments, both public and private, aggregated by industry as at March 31, 2025 and December 31, 2024:

Portfolio investments by industry (\$000's)	% of Northfield Portfolio	As at March 31, 2025			% of Northfield Portfolio	As at December 31, 2024		
		Fair value	Cost	Difference		Fair value	Cost	Difference
Critical Minerals	69%	32,523	7,093	25,430	59%	31,551	7,093	24,458
Gold	22%	10,308	20,899 -	10,590	17%	8,868	20,991 -	12,123
Royalty	0%	67	-	67	13%	7,058	3,754	3,304
Transportation	6%	2,948	4,081 -	1,132	9%	4,569	3,953	616
Holding Company	1%	622	1,855 -	1,233	1%	398	1,855 -	1,457
Technology	0%	164	582 -	418	0%	188	482 -	294
Oil & Gas	0%	152	200 -	48	0%	98	200 -	102
Tin	0%	200	200	-	0%	200	200	-
Copper	0%	50	101 -	51	0%	-	101 -	101
Cannabis	0%	13	500 -	487	0%	13	500 -	487
Crypto	0%	123	118	5	1%	309	266	43
Total portfolio investments	100%	47,171	35,629	11,542	99%	53,254	39,396	13,857

Investments by Geography

The following table summarizes the locations of Northfield's investments, both public and private, according to their headquarters as at March 31, 2025 and December 31, 2024:

Headquarters of investee	As at March 31, 2025		As at December 31, 2024	
	Number of investments	Fair value \$000's	Number of investments	Fair value \$000's
Canada	38	47,048	32	52,945
United States	1	123	1	309
Total	39	47,171	33	53,254

At March 31, 2025, 1 of Northfield's 39 investees were located outside of Canada. These investments represented 0.3% of the fair value of the portfolio. This compares to 1 of 33 investees representing 0.6% of the fair value of the portfolio as at December 31, 2024. Northfield does not have significant exposure to investments denominated in currencies other than the Canadian dollar. Management does not set restrictions on allocations by geography and does not conduct any hedging activities.

*Investments by Size*

The following table summarizes the size of Northfield's investments according to their market capitalizations in Canadian dollars as at March 31, 2025 and December 31, 2024:

Investments by issuer size (market cap)	As at March 31, 2025		As at December 31, 2024	
	Number of investments	Fair value \$000's	Number of investments	Fair value \$000's
Under 350 million	26	14,970	21	20,960
350 million to 1 billion	0	0	0	0
Over 1 billion	1	123	1	266
Private investments (unallocated)	12	32,078	11	32,028
Total	39	47,171	33	53,254

At March 31, 2025, 26 of Northfield's 39 investments were in investees with market capitalizations of less than \$350 million. These investments represented 30% of the portfolio. This compares to 21 of 33 investments representing 39% of the portfolio as at December 31, 2024. When considering the size of public issuers in which to invest, management does not set restrictions or target allocations for the portfolio, instead focusing on total potential returns and appropriateness of such investments in the context of Northfield's overall portfolio. Smaller investees may be subject to significant price fluctuations and positions in smaller issuers may be difficult to build or exit due to lack of liquidity.

Strategic Developments

Key investment activities and developments in 2025 Q1 included:

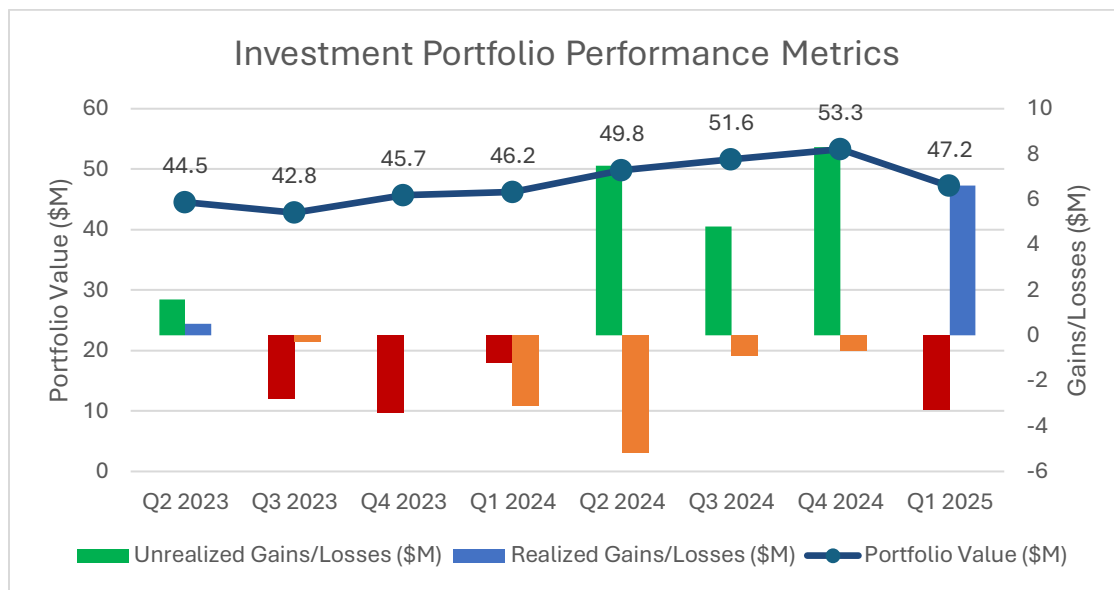
1. **Private Company Value Creation:** Actively engaged with private company holdings, particularly Juno Corp., providing strategic guidance, capital introduction services, and operational support to accelerate value creation.
2. **Strategic Block Acquisitions:** Negotiated strategic block acquisitions in key holdings, closed the acquisition of 4.8 million additional shares of Voyageur, strengthening our influence in high-conviction positions.

Outlook

The investment segment is well-positioned to create substantial value in 2025:

- **Critical Minerals and Precious Metals Focus:** Our significant exposure to the critical minerals and precious metals sector through Juno Corp. positions us to benefit from accelerating global demand for battery metals, clean energy materials and precious metals (namely gold).
- **Royalty Advancement:** Our expanded position in Voyageur is advancing as underlying royalty assets (Foran Mining Corporation) continues to ramp up towards production.
- **New Investment Initiatives:** Our strong capital position enables us to pursue compelling new opportunities should they arise, particularly in the resource sector where we maintain information advantages.

With these initiatives and favorable positioning, we expect the investment segment to remain the primary driver of Northfield's net asset value growth in 2025 and beyond.



The diversified nature of our business segments provides both stability and multiple avenues for value creation. While our investment operations delivered exceptional performance in 2024, our operating businesses continue to build scale, enhance operational efficiency, and develop sustainable competitive advantages that will drive long-term value. This balanced approach enables Northfield to generate shareholder returns through various market conditions while maintaining strategic flexibility.

6. REALIZED GAINS AND LOSSES ON INVESTMENTS

Overview of Investment Monetization Activity

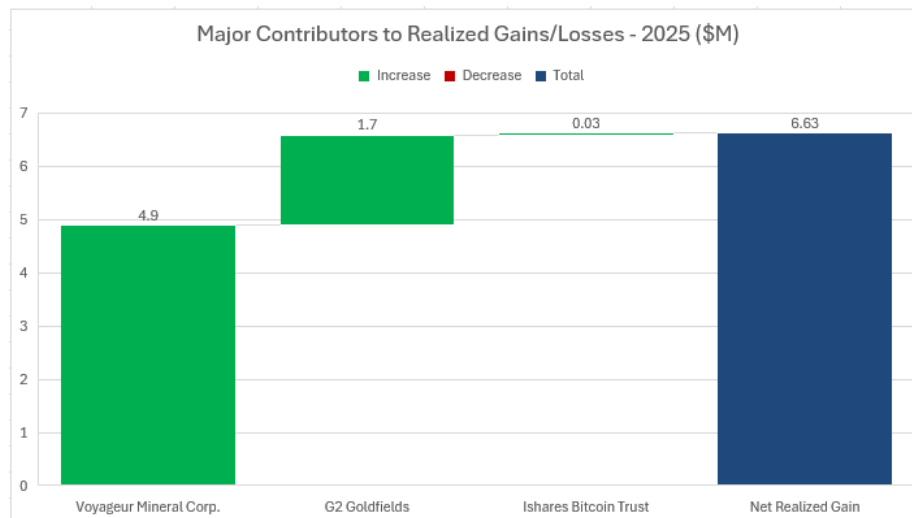
During 2025 Q1, Northfield executed a portfolio rebalancing initiative to optimize capital allocation. This disciplined approach to portfolio management resulted in the monetization of several investment positions throughout the year.

For the three months ended March 31, 2025, Northfield realized aggregate net gains of \$6.6 million on investment dispositions.

**Summary of Major Investment Dispositions**

The following table summarizes the major realized gains and losses on investment dispositions during 2025 Q1:

Investment	Industry	Proceeds (\$000's)	Cost Basis (\$000's)	Realized Gain/(Loss) (\$000's)	ROI (%)
Marketable Securities					
iShares Bitcoin Trust	Cryptocurrency	\$174	\$148	\$26	18%
Subtotal - Marketable Securities		\$174	\$148	\$26	18%
Other Investments					
Voyageur Mineral Explorers	Royalty	\$9,875	\$4,944	\$4,931	100%
G2 Goldfields Inc.	Gold	\$1,846	\$190	\$1,656	870%
Subtotal – Other Investments		\$11,721	\$5,134	\$6,587	128%
TOTAL DISPOSITIONS		\$11,895	\$5,282	\$6,613	125%

**Strategic Rationale and Capital Recycling**

The significant realized gains in 2025 Q1 were largely the result of deliberate portfolio restructuring decisions. Our investment approach emphasizes long-term value creation, which occasionally necessitates difficult decisions to exit positions and redeploy capital productively. Key strategic considerations behind our major disposition activities included:

**Voyageur Mineral Explorers Corp.**

We strategically increased our holdings at Voyageur to enhance our exposure to critical minerals exploration and royalty interests in Canada. Due to the additional shares purchased in 2025 Q1, Northfield owned 50.2% of the issued and outstanding Voyageur shares. As a result, the operations of Voyageur were consolidated into Northfield's as of January 2, 2025 and a resulting realized gain of \$4.9 million was recognized in the statement of operations for the current period.

G2 Goldfields Inc.

The partial monetization of our G2 Goldfields position represented a successful execution of our investment strategy. Since our initial investment, G2 Goldfields had appreciated substantially following successful exploration results and growing market recognition. Our decision to realize \$1.7 million in gains (870% ROI) on a portion of our position allowed us to:

1. Return a significant portion of our original capital while maintaining substantial exposure to future upside
2. Rebalance the portfolio
3. Generate liquidity for deployment into new opportunities

We maintained a substantial position valued at \$4.5 million at 2025 Q1, representing our continued conviction in the company's long-term prospects.

Deployment of Monetization Proceeds

The \$2.0 million in proceeds generated from investment dispositions was strategically redeployed throughout 2025 Q1:

1. **Follow-on Investments:** \$150,000 was allocated to follow-on investments in existing holdings, including:
 - Titanium Transportation Group: \$150,000 open market purchases
2. **New Investments:** \$175,000 was deployed into new positions, including:
 - Maritime Launch Services Inc.: \$100,000 initial position
 - Vicunau Metals Corp: \$50,000 initial position
 - Boreal Gold Inc.: \$25,000 initial position
3. **Operating Business Support:** A portion of the proceeds supported strategic initiatives in our operating businesses, particularly the aviation segment's infrastructure development.
4. **Liquidity Enhancement:** The remaining proceeds enhanced our overall liquidity position, providing capacity for opportunistic investments in 2025.

This disciplined approach to capital recycling ensures that our portfolio remains optimally positioned to capitalize on our highest-conviction opportunities while maintaining appropriate diversification and liquidity.



Future Monetization Pipeline

Looking to the remainder of 2025, we have identified several potential monetization opportunities within our existing portfolio:

1. **Milestone-Based Value Crystallization:** Several portfolio companies are approaching operational milestones that could trigger valuation re-ratings and create favorable monetization conditions.
2. **Strategic M&A Activity:** Increasing consolidation activity in the resource sector may generate opportunities for advantageous exits from selected positions, particularly among smaller exploration-stage companies.
3. **Portfolio Optimization:** We continue to evaluate all positions against our investment criteria and return expectations and will act decisively to exit positions that no longer meet our thresholds for capital allocation.

Our approach to monetization remains disciplined and opportunistic rather than calendar driven. We will continue to evaluate each position based on its risk-adjusted return potential, strategic fit, and opportunity cost relative to alternative investments. This balanced approach allows us to optimize our capital allocation while maintaining exposure to our highest-conviction, long-term value creation opportunities.

The significant portfolio adjustments executed in 2025 Q1 have enhanced the quality and focus of our investment portfolio, positioning Northfield to generate improved investment returns in the remainder of 2025 and beyond.

7. RESULTS OF OPERATIONS

Consolidated Performance

Northfield achieved a significant improvement in financial performance for the three months ended March 31, 2025, reporting net income attributable to shareholders of \$1.2 million (\$0.08 per share) compared to a net loss of \$1.8 million (\$(0.16) per share) for the three months ended March 31, 2024. This \$2.6 million positive swing primarily resulted from:

1. Increased net investment income of \$3.5 million, driven by realized gains of \$6.6 million on the investment portfolio
2. Revenue growth of 31.7% across operating businesses to \$9.0 million, reflecting expanded operations and market reach
3. Improved gross margin from operating subsidiaries, which increased by 64.1% to \$1.9 million

The following table summarizes the consolidated results of operations for the three months ended March 31, 2025 and 2024:

(\$ millions)	2025Q1	2024Q1	Change	% Change
Net Investment Income (Loss)	\$3.5	\$(0.1)	\$3.6	3,068%
Revenue	\$1.3	\$1.4	\$(0.1)	(7%)
Cost of Sales	\$(1.2)	\$(1.3)	\$0.1	8%
Gross Margin from Operating Subsidiaries	\$0.1	\$0.1	\$0	0%
Sub-Total	\$3.6	\$0.1	\$3.5	3,068%



Operating Expenses	\$(3.0)	\$(2.2)	\$(0.8)	(36%)
Income (Loss) Before Income Taxes	\$0.6	\$(2.2)	\$2.8	127%
Income Tax Recovery	\$0.0	\$0.0	\$0.0	0%
Net Income (Loss)	\$0.6	\$(2.2)	\$2.8	127%
Net Income (Loss) Attributable to Shareholders	\$1.2	\$(1.8)	\$3.0	167%
Net Loss Attributable to Non-controlling Interest	\$(0.6)	\$(0.4)	\$(0.2)	(50%)

Operating expenses increased to \$3.0 million in 2025 Q1 from \$2.2 million in 2024 Q1, primarily due to:

- Expanded marketing initiatives to support growth in operating businesses (\$0.2 million increase)
- Investment in professional talent and compensation (\$0.1 million increase in salaries and consulting fees)
- Non-cash stock-based compensation of \$0.2 million related to option grants (no comparable expense in 2024 Q1)
- Increased professional fees of \$0.3 million from Voyageur acquisition

Segment Performance

Northfield operates across four distinct business segments, each with unique performance drivers and strategic priorities:

Investment Portfolio Operations

The investment segment, which represents Northfield's core investment activities, delivered substantially improved performance in 2025 Q1:

(\$ millions)	2025Q1	2024Q1	Change	% Change
Realized Gain/(Loss) on Investments	\$6.6	\$(1.3)	\$7.9	(608%)
Unrealized Gain/(Loss) on Investments	\$(3.3)	\$1.1	\$(4.4)	(400%)
Interest and Other Income	\$0.1	\$0.2	\$(0.1)	(50%)
Operating Expenses	\$(0.8)	\$(0.8)	\$0	0%
Net Income (Loss)	\$2.6	\$(0.8)	\$3.4	(425%)

The significant improvement in investment performance was primarily driven by realized gains of \$6.6 million, reflecting substantial appreciation in key holdings, particularly in the critical minerals and royalty sectors. These gains were partially offset by unrealized losses of \$3.3 million, largely attributable to strategic portfolio rebalancing activities.

The realized losses were concentrated in our core investments:

- Rocky Shore Gold Ltd.: \$2.3 million loss
- Titanium Transportation Group: \$1.7 million loss

Operating expenses increased by \$0.9 million, primarily due to non-cash stock-based compensation and increased professional fees associated with investment activities.

**Aviation Services (TNA)**

The aviation segment demonstrated decreased revenue growth while continuing to invest in strategic initiatives:

(\$ millions)	2025Q1	2024Q1	Change	% Change
Revenue	\$0.9	\$1.1	\$(0.2)	(18%)
Cost of Sales	\$(0.8)	\$(0.9)	\$0.1	11%
Gross Margin	\$0.04	\$0.20	\$(0.16)	(80%)
Gross Margin %	5%	18%	(13%)	(72%)
Operating Expenses	\$(0.8)	\$(0.7)	\$(0.1)	(14%)
Net Loss	\$(0.8)	\$(0.5)	\$(0.3)	(60%)

The aviation segment experienced a revenue drop of 18% to \$0.9 million. Gross margin percentage decreased to negative 5% from positive 18% in the prior year, reflecting higher training costs, repairs and maintenance and operational costs.

Strategic initiatives during 2025 Q1 included:

- Acquired a second Airbus A-Star helicopter to expand services in Canadian market.
- Acquired a Bell 206 Helicopter to support Latin American market expansion
- Continue construction on the maintenance hangar in Sudbury

These investments position the aviation segment for improved profitability and market reach in 2025 and beyond.

Distillery Operations (Spirit of York)

The distillery segment delivered consistent revenue during the seasonally slower period:

(\$ millions)	2025Q1	2024Q1	Change	% Change
Revenue	\$0.2	\$0.2	\$0.0	0%
Cost of Sales	\$(0.2)	\$(0.3)	\$0.1	46%
Gross Margin	\$0.02	\$(0.10)	\$0.12	139%
Gross Margin %	11%	(50%)	61%	139%
Operating Expenses	\$(0.8)	\$(0.5)	\$(0.3)	(42%)
Net Loss	\$(0.8)	\$(0.6)	\$(0.2)	(24%)

Operating expenses increased by \$0.3 million, primarily due to:

- Expanded sales and marketing initiatives to support brand development
- Addition of key talent to support growth objectives
- Lease of additional office space to accommodate team expansion

The distillery segment remains in growth investment mode as it scales operations and builds brand presence in the competitive craft spirits market.



Vineyard & Winery Operations (The Grange)

The winery segment demonstrated slight revenue growth during the seasonally slower period:

(\$ millions)	2025Q1	2024Q1	Change	% Change
Revenue	\$0.17	\$0.14	\$0.03	17%
Cost of Sales	\$(0.16)	\$(0.09)	\$(0.07)	(77%)
Gross Margin	\$0.01	\$0.05	\$(0.04)	(18%)
Gross Margin %	6%	38%	32%	(84%)
Operating Expenses	\$(0.3)	\$(0.3)	\$0.0	(19%)
Net Loss	\$(0.3)	\$(0.2)	\$(0.1)	(22%)

Operating expenses increased by \$0.1 million, primarily related to enhanced marketing and sales initiatives and improvements to support hospitality operations.

First Quarter Results

For the three months ended March 31, 2025, Northfield reported a net income attributable to shareholders of \$0.8 million (\$0.08 per share) compared to a net loss of \$1.8 million (\$0.16 per share) in the first quarter of 2024. The improvement of \$2.6 million was primarily driven by:

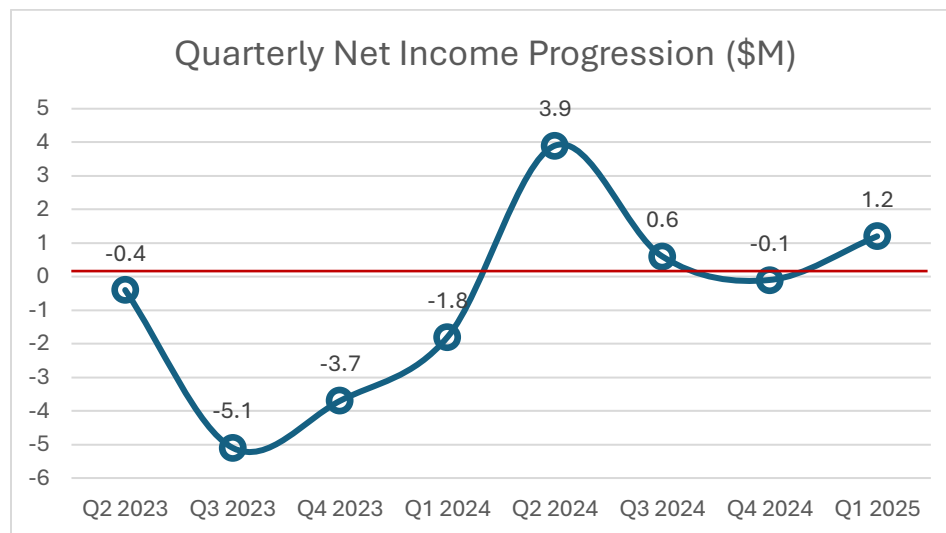
1. Increased net investment income of \$3.5 million, primarily from realized gains on investments
2. Revenue drop across operating businesses of 11% to \$1.3 million

This performance demonstrates the continued positive momentum investment activities during the first quarter of 2025 and reflects the seasonality of the operating businesses.

8. SUMMARY OF QUARTERLY RESULTS

The following table summarizes Northfield's quarterly financial performance for the past eight quarters:

(\$millions, except per share data)	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Net Investment Income (Loss)	\$1.4	\$(4.3)	\$(1.4)	\$(0.1)	\$7.3	\$1.1	\$1.9	\$3.5
Revenue	\$1.7	\$2.6	\$1.5	\$1.4	\$2.0	\$3.1	\$2.4	\$1.3
Cost of Sales	\$(1.1)	\$(1.7)	\$(2.1)	\$(1.3)	\$(1.7)	\$(1.7)	\$(1.8)	\$(1.2)
Gross Margin	\$0.6	\$0.9	\$(0.6)	\$0.1	\$0.3	\$1.4	\$0.6	\$0.1
Operating Expenses	\$(2.2)	\$(2.7)	\$(1.8)	\$(2.2)	\$(2.8)	\$(3.6)	\$(3.4)	\$(3.0)
Income (Loss) Before Income Taxes	\$(0.2)	\$(6.1)	\$(3.8)	\$(2.2)	\$4.8	\$(1.1)	\$(0.9)	\$0.6
Net Income (Loss) Attributable to Shareholders	\$(0.4)	\$(5.1)	\$(3.7)	\$(1.8)	\$3.9	\$0.6	\$(0.1)	\$1.2
Earnings (Loss) Per Share	\$(0.04)	\$(0.46)	\$(0.28)	\$(0.16)	\$0.32	\$0.05	\$(0.01)	\$0.08



Northfield's quarterly results demonstrate the inherent variability associated with investment operations and the seasonal nature of certain operating businesses. Key factors contributing to quarterly fluctuations include:

1. **Investment Valuation:** The timing of realized and unrealized gains/losses on investments can create significant quarter-to-quarter variability
2. **Seasonal Factors:** Aviation, distillery and winery operations experience seasonal patterns, with stronger performance typically in summer months
3. **Investment Timing:** The timing of investment activities and strategic initiatives can impact quarterly results
4. **Non-recurring Items:** Items such as stock-based compensation and non-recurring professional fees can affect specific quarters

Despite these quarterly fluctuations, the overall trend demonstrates improving performance.

9. FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Financial Position

Northfield maintains a strong financial position, with total assets of \$105 million and shareholders' equity of \$88.2 million as of March 31, 2025, compared to total assets of \$86.8 million and shareholders' equity of \$72.9 million as of December 31, 2024.



The following table summarizes key financial position metrics:

(\$ millions)	March 31, 2025	December 31, 2024	Change	% Change
Cash and Cash Equivalents	\$3.8	\$3.6	\$0.2	6%
Marketable Securities	\$3.1	\$4.9	\$(1.8)	(37%)
Other Investments	\$44.1	\$48.4	\$(4.3)	(9%)
Property and Equipment	\$28.9	\$26.0	\$2.9	11%
Other Assets	\$25.1	\$3.9	\$21.2	544%
Total Assets	\$105.0	\$86.8	\$18.2	21%
Loans and Credit Facilities	\$12.4	\$9.5	\$1.3	14%
Other Liabilities	\$4.5	\$4.4	\$0.1	2%
Total Liabilities	\$16.9	\$13.9	\$3.0	22%
Shareholders' Equity	\$79.0	\$74.7	\$4.3	6%
Non-controlling Interest	\$9.1	\$(1.8)	\$10.9	(606%)
Total Equity	\$88.1	\$72.9	\$15.2	21%

The \$15.2 million increase in total equity primarily resulted from:

- Net proceeds from equity private placements of \$3.1 million
- Net income attributable to shareholders of \$0.8 million
- Offset by a \$10.9 million increase in the deficit attributable to non-controlling interests

Working capital, defined as current assets less current liabilities, decreased to \$4.4 million at March 31, 2025, from \$7.1 million at December 31, 2024, providing a solid foundation for ongoing operations and strategic initiatives.

Liquidity and Capital Resources

Northfield maintains substantial liquidity to support its ongoing operations and strategic initiatives. Primary sources of liquidity include:

1. **Cash and Cash Equivalents:** \$3.8 million as of March 31, 2025
2. **Marketable Securities:** \$3.1 million of highly liquid public company investments
3. **Credit Facilities:** Unutilized bank credit line of \$0.2 million
4. **Investment Portfolio Monetization:** Ability to selectively monetize portions of the investment portfolio as required



The following table summarizes the Company's cash flows for the three months ended March 31, 2025 and 2024:

(\$ millions)	2025Q1	2024Q1	Change
Cash Flows from Operating Activities	\$0.9	\$(0.5)	\$1.4
Cash Flows from Investing Activities	\$(2.9)	\$(0.1)	\$(2.8)
Cash Flows from Financing Activities	\$2.2	\$(0.2)	\$2.4
Net Change in Cash	\$0.2	\$(0.9)	\$1.1
Cash, Beginning of Year	\$3.6	\$4.1	\$(0.5)
Cash, End of Year	\$3.8	\$3.2	\$0.6

Operating activities generated \$0.9 million in 2025 Q1 compared to \$0.5 million used in 2024 Q1, primarily due to:

- Net income (\$0.6 million) in 2025 Q1 compared to net loss (\$2.2 million) in 2024 Q1
- Increased investment in working capital to support operating business growth
- Timing of investment activities and portfolio adjustments
- Expanded marketing and business development initiatives

Investing activities used \$2.9 million in 2025 Q1, primarily for property and equipment purchases:

- Helicopter (2) acquisition (\$3.1 million)
- Aircraft maintenance hangar construction in progress (\$0.2 million)
- Equipment and facility upgrades for operating businesses (\$0.1 million)
- Offset by cash received from acquisition of the Voyageur (\$0.7 million)

Financing activities generated \$2.2 million in 2025 Q1, primarily from:

- Net proceeds from new equipment financing loan of \$2.3 million
- Offset by loan repayments of \$0.1 million and lease payments of \$0.1 million

Northfield's capital allocation strategy balances multiple priorities:

1. Maintaining adequate liquidity for operational needs
2. Funding strategic growth initiatives in operating businesses
3. Supporting investment activities to build long-term shareholder value
4. Opportunistic share repurchases when market conditions are favorable

Management believes that current liquidity resources are sufficient to fund operations, support strategic initiatives, and pursue compelling investment opportunities for the foreseeable future.



Credit Facilities

Northfield maintains the following credit facilities to support its operations:

1. **Corporate Bank Line:** \$1.0 million credit facility with a major Canadian bank, with \$0.8 million drawn as of March 31, 2025 (December 31, 2024: \$0.8 million). Interest rate at March 31, 2025 was 5.45% (December 31, 2024 - 6.45%).
2. **Winery Credit Line:** \$0.2 million facility for The Grange operations, with \$0.2 million drawn as of March 31, 2025 (December 31, 2024: \$0.2 million). Interest rate is prime plus 1.0% (6.95% at March 31, 2025).
3. **Margin Accounts:** Various broker margin accounts secured by marketable securities, with \$1.1 million drawn as of March 31, 2025 (December 31, 2024: \$1.2 million). Interest rates range from prime plus 1.5% to prime plus 2.0%.
4. **Aircraft Loan Agreement:** In March 2025, Northfield, along with certain of its subsidiaries, entered into an aircraft loan agreement with Echo Capital Fund I Inc., a private lender in the aviation space, to finance the purchase of aircraft by Spruce Goose Aviation Inc., a wholly-owned subsidiary. The agreement provides for a loan of up to US\$5.195 million with a five-year term. Interest is based on a variable floating rate equal to the annual interest rate posted by Laurentian Bank of Canada plus 300 basis points, calculated and compounded monthly. The proceeds were used to purchase high-performance helicopters, including a 1999 Eurocopter AS350-B3 for US\$1.595 million, with the remaining amount available for additional aircraft purchases prior to June 30, 2025. The loan is secured against certain aircraft and contains customary terms and covenants.

These facilities provide operational flexibility and support for strategic investments and asset acquisitions. Northfield manages these facilities conservatively, maintaining substantial headroom relative to available collateral and ensuring appropriate alignment with our long-term growth strategy.

Contractual Obligations

The following table summarizes Northfield's contractual obligations as of March 31, 2025:

Year	Amount (\$ millions)
2025	\$3.2
2026	\$2.5
2027	\$5.2
2028	\$0.6
2029	\$0.6
2030 & thereafter	\$3.5
Total	\$15.6

Northfield has sufficient resources to meet these obligations through existing cash, ongoing operations, and available credit facilities.



10. RELATED PARTY TRANSACTIONS

Northfield engages in various transactions with related parties in the normal course of business, conducted on terms equivalent to those prevailing in arm's length transactions. Key related party transactions during the three months ended March 31, 2025 included:

Executive and Director Compensation

- **Executive Management:** Cash compensation of \$155,000 (2024 Q1: \$155,000) and stock-based compensation of \$73,668 (2024 Q1: \$nil)
- **Directors:** Cash compensation of \$48,000 (2024 Q1: \$48,000) and stock-based compensation of \$32,342 (2024 Q1: \$nil)

Transactions with Associated Companies

Juno Corp. (16.8% ownership):

- TNA provided aviation services totaling \$204,985 (2024 Q1: \$303,089)
- Juno Corp. paid rent of \$30,000 to Northfield subsidiary (2024 Q1: \$20,085)

Voyageur Mineral Explorers Corp. (50.2% ownership):

- Voyageur Mineral Explorers Corp. paid rent of \$7,800 to Northfield subsidiary (2024 Q1: \$8,655)
- On January 2, 2025, Northfield closed the acquisition an additional 4,787,301 shares

Rocky Shore Gold Ltd. (21.7% ownership):

- Rocky Shore paid rent of \$9,600 to Northfield subsidiary (2024 Q1: \$8,985)

These transactions were conducted in the normal course of business and recorded at exchange amounts established and agreed to by the related parties.

11. RISKS AND RISK MANAGEMENT

Northfield's integrated business model and investment activities expose the Company to various risks that require active monitoring and management. Our comprehensive risk management framework emphasizes proactive identification, rigorous assessment, and strategic mitigation of key risks across our portfolio and operating businesses. The following section outlines the principal risks facing Northfield and our approach to managing these challenges.

Investment Concentration and Market Risk

Risk Profile: Approximately 91% of Northfield's investment portfolio is concentrated in the resource sector, with significant exposures to critical minerals (69%) and gold (22%). This concentration creates vulnerability to sector-specific downturns, commodity price volatility, and capital market sentiment shifts that could materially impact portfolio valuations simultaneously.



Management Approach: We manage concentration risk through:

- Strategic diversification within the resource sector across different commodities, geographies, and development stages
- Maintaining positions in complementary sectors including transportation and technology
- Establishing investment thresholds for single positions and sectors with defined trigger points for rebalancing
- Regular stress-testing of the portfolio against commodity price scenarios and market disruption events
- Implementing selective hedging strategies for larger positions when appropriate

Our Investment Committee conducts quarterly concentration reviews, assessing not only direct exposures but also correlation factors between holdings to maintain appropriate risk parameters.

Liquidity and Valuation Risk

Risk Profile: Northfield's portfolio includes substantial positions in private companies (58% of investment value) and smaller capitalization public companies with limited trading volumes. These investments may be difficult to monetize quickly without significant discounts, particularly during market disruptions. Additionally, valuation methodologies for private investments involve significant judgment and estimation uncertainty.

Management Approach: Our liquidity risk mitigation strategy includes:

- Maintaining approximately \$7.1 million in cash and highly liquid marketable securities (7% of total assets)
- Establishing a multi-tiered liquidity classification system for all investments with regular monitoring
- Implementing structured position sizing based partly on liquidity characteristics
- Utilizing rolling three-year investment horizons to align expected liquidity events with capital requirements
- Employing conservative valuation methodologies for private investments, typically based on recent third-party transactions or comparable company multiples
- Securing standby credit facilities to provide contingency liquidity if required

Our Finance Committee and external valuation experts conduct independent reviews of private company valuations quarterly to ensure methodological consistency and appropriate conservatism.

Operational Business Risks

Risk Profile: Northfield's operating businesses face distinct sector-specific challenges: aviation operations are vulnerable to regulatory changes, safety incidents, and fuel price volatility; alcohol production businesses confront agricultural variability, distribution constraints, and competitive pressures in premium segments.



Management Approach: We employ a multi-faceted approach to operational risk management:

- Implementing business-specific risk management frameworks tailored to each operating segment
- Establishing autonomous management teams with deep sector expertise while maintaining active Board oversight
- Developing comprehensive business continuity plans with regular testing and refinement
- Deploying predictive maintenance protocols and safety management systems in aviation operations
- Diversifying supply chains and implementing selective vertical integration in distillery and winery operations
- Structuring appropriate insurance coverage with regular policy reviews and gap analyses
- Conducting quarterly operational reviews focused on emerging risks and mitigation strategies

Our decentralized operational structure combined with centralized risk oversight provides both specialized management and consistent governance across disparate business units.

Regulatory and Compliance Risk

Risk Profile: Northfield operates in multiple highly regulated industries including aviation (Transport Canada oversight), alcohol production (provincial liquor regulations), and investment management (securities regulations). Regulatory changes or compliance failures could materially impact operating permissions, distribution channels, and reputation.

Management Approach: Our regulatory risk management includes:

- Maintaining dedicated compliance personnel within each operating business
- Participating actively in industry associations to monitor regulatory developments
- Developing robust compliance management systems with regular internal audits
- Implementing comprehensive training programs for regulatory-sensitive positions
- Engaging specialized external counsel to provide regulatory interpretation guidance
- Establishing governance processes for timely reporting of compliance matters to the Board
- Maintaining constructive relationships with regulatory authorities across jurisdictions

Our Audit Committee conducts quarterly compliance reviews with particular focus on high-consequence regulatory domains like aviation safety and securities disclosure requirements.

Key Personnel Risk

Risk Profile: Northfield's success depends significantly on the specialized knowledge, industry relationships, and investment judgment of key executives and managers. The departure of key individuals could negatively impact both investment decisions and operational oversight, particularly given the Company's active management approach.



Management Approach: We address key personnel risk through:

- Implementing tiered succession planning for all critical roles
- Developing a balanced compensation structure with both short and long-term incentives aligned with company objectives
- Establishing co-investment opportunities that align management interests with long-term value creation
- Building collaborative decision-making processes that distribute expertise across management teams
- Cultivating depth in our professional networks to facilitate rapid talent acquisition when needed
- Focusing on organizational culture that promotes retention, development, and knowledge sharing

Our integrated risk management framework enables Northfield to navigate complex market conditions while pursuing strategic growth opportunities. By maintaining this disciplined approach to risk identification and mitigation, we protect shareholder value while positioning the Company to capitalize on emerging opportunities across our diverse business platform.

12. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATES

Understanding the Foundation of Our Financial Reporting

The preparation of Northfield's financial statements requires management to make significant judgments, estimates, and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. While we maintain rigorous processes to ensure these estimates are reasonable, they inherently involve uncertainty and could differ materially from actual results. The following represent the most significant accounting areas requiring judgment and estimation that are fundamental to understanding our financial performance.

Fair Value Measurement of Investments

Nature and Importance: The valuation of our investment portfolio, particularly our private company investments which represent 58% of our investment portfolio (\$32.0 million), requires significant judgment in determining fair value. Unlike public companies with observable market prices, private company valuations rely on estimation techniques that involve meaningful assumptions.

Methodology and Impact: For private companies like Juno Corp. (our largest investment at \$31.5 million), we primarily use recent third-party transaction evidence, comparable company analysis, and discounted cash flow models. Key assumptions include:

- Appropriate comparable companies and valuation multiples
- Discount rates that reflect company-specific risk factors
- Growth projections and milestone achievement probabilities

Small changes in these assumptions can significantly impact valuations. For example, a 25% change in key valuation inputs for our Level 3 investments would result in approximately \$8.0 million variance



in total portfolio value. This highlights why understanding our valuation methodology is crucial when assessing our financial performance and net asset value.

Useful Lives and Depreciation Methods

Nature and Importance: Our significant investment in property and equipment (\$28.7 million), particularly our aviation assets, requires judgment in determining appropriate useful lives and depreciation methods. This directly impacts reported profitability across our operating segments.

Methodology and Impact: We employ both straight-line and usage-based depreciation methods:

- Aircraft frames are depreciated straight-line over 25 years
- Aircraft engines use units-of-production method based on flight hours
- Buildings are depreciated at 2-10% declining balance
- Vines are depreciated straight-line over 20 years

These judgments significantly affect our operating results. For example, aviation segment depreciation of \$0.4 million in 2025 Q1 reflects our estimates of asset utilization and economic useful life. Changes in these estimates could materially impact segment profitability and asset carrying values.

Impairment Assessments

Nature and Importance: We regularly evaluate whether indicators of impairment exist across our diverse asset base, including investments, property and equipment, and goodwill. These assessments require significant judgment about future performance and market conditions.

Methodology and Impact: For our investment holdings, we consider both qualitative factors (competitive position, management changes, regulatory environment) and quantitative indicators (financial performance relative to projections, financing availability). When impairment indicators exist, we compare carrying values to estimated recoverable amounts.

During 2025, despite challenging market conditions in certain sectors, our assessment did not identify significant impairments requiring recognition. However, this required substantial judgment, particularly for earlier-stage companies where performance can be volatile and recoverable value estimation is inherently subjective.

Deferred Tax Recognition

Nature and Importance: Determining the recognition and measurement of deferred tax assets, particularly related to tax loss carryforwards, requires significant judgment about the probability of future taxable profits against which these assets can be utilized.

Methodology and Impact: We use projected future taxable income, tax planning strategies, and the expected timing of reversals to assess whether sufficient taxable profit will be available. Our judgment about the recognition of these potential tax benefits directly impacts our effective tax rate and reported earnings.



Business Combination Accounting

Nature and Importance: When acquiring businesses, significant judgment is required to determine whether the transaction constitutes a business combination or an asset acquisition, which affects accounting treatment. Additionally, identifying and valuing intangible assets acquired requires estimation.

Methodology and Impact: For our operating subsidiaries (Spirit of York, The Grange, and the TNA Group), we applied business combination accounting which required determining the fair value of identifiable assets and liabilities, including intangibles like customer relationships and brand value. These judgments affect goodwill recognition, subsequent amortization expenses, and potential impairment considerations.

The transparency of these key accounting judgments and estimates is essential for investors to properly evaluate our financial performance, particularly given our diverse business model that spans investment holdings and operating businesses. We apply these judgments consistently while regularly reassessing their appropriateness as market conditions and business circumstances evolve.

13. NON-IFRS FINANCIAL MEASURES

Alternative Performance Perspectives

Northfield uses certain financial measures that are not defined under International Financial Reporting Standards (IFRS) to evaluate the performance of our business segments and overall operations. These non-IFRS measures provide additional perspectives on our financial results and should be considered as supplements to, not substitutes for, our IFRS performance measures.

We believe these measures provide valuable insights into our operational effectiveness, underlying business trends, and comparability across reporting periods by adjusting for factors that may obscure core operating performance. While we consider these measures meaningful, they do not have standardized meanings under IFRS and may not be comparable to similarly titled measures presented by other companies.

Key Non-IFRS Measures

EBITDA and Adjusted EBITDA

Definition: EBITDA represents earnings before interest, taxes, depreciation, and amortization. Adjusted EBITDA further excludes non-recurring items, stock-based compensation, unrealized investment gains/losses, and other specified items that management believes are not representative of our ongoing operations.

Why It's Useful: Our diverse business model, which combines investment activities with operating businesses across multiple sectors, creates a complex financial profile with significant non-cash items. EBITDA and Adjusted EBITDA allow investors to:

- Assess operational performance before the impact of capital structure and asset base
- Compare performance across our distinct business segments on a more normalized basis
- Evaluate underlying business momentum without the volatility of investment valuation changes



- Better understand the cash generation potential of our operating businesses

For our operating businesses (aviation, distillery, and winery), these measures are particularly meaningful as they highlight operational progress despite ongoing capital investments in growth initiatives.

Net Asset Value (NAV) and NAV Per Share

Definition: NAV represents the total fair value of our assets less the value of our liabilities. NAV per share is calculated by dividing NAV by the number of outstanding shares (basic or diluted).

Why It's Useful: As a diversified investment and operating company, our book value under IFRS does not always fully reflect the underlying value of our assets, particularly our private company investments. NAV and NAV per share help investors:

- Evaluate the underlying value of our diverse asset base
- Track the growth in intrinsic value over time, regardless of short-term market fluctuations
- Compare our market value (based on share price) to our underlying asset value
- Assess management's effectiveness at creating shareholder value

We consider NAV growth per share to be one of our most important long-term performance metrics and a key indicator of our success in creating shareholder value.

Working Capital and Liquidity Metrics

Definition: Working capital represents current assets less current liabilities. We also monitor adjusted working capital (excluding marketable securities) and liquidity ratio (liquid assets divided by near-term obligations). Working capital is most directly comparable to the GAAP measure of current assets minus current liabilities.

Why It's Useful: These measures help investors understand:

- Our ability to meet short-term obligations and fund operations
- Available financial flexibility to capitalize on investment opportunities
- Potential funding requirements for our operating businesses
- Overall financial resilience through market cycles

Return on Investment (ROI)

Definition: ROI measures the gain or loss on an investment relative to its cost basis, typically presented as a percentage.

Why It's Useful: As an active investor with a concentrated portfolio approach, ROI metrics provide insights into:

- Investment selection effectiveness across various sectors
- Realized versus unrealized returns on our portfolio holdings
- Capital allocation decisions and timing of investment transactions



- Long-term track record in generating investment returns

Reconciliation to IFRS Measures

The following table provides a reconciliation of our key non-IFRS measures to the most directly comparable IFRS measures for the three months ended March 31, 2025 and 2024:

Category	2025 Q1(\$000's)	2024 Q1(\$000's)
EBITDA Reconciliation		
Net income (loss) attributable to shareholder	\$1,190	-\$1,774
Add: Interest expense	\$227	\$141
Add: Income tax expense (recovery)	\$13	\$10
Add: Depreciation and amortization	\$422	\$456
EBITDA	\$1,852	-\$1,167
Add: Stock-based compensation	\$151	\$0
Add: Unrealized losses (gains) on investment	\$3,306	-\$1,111
Add: Non-recurring professional fees	\$0	\$0
Adjusted EBITDA	\$5,309	-\$2,278
NAV Reconciliation		
Total assets	\$105,047	\$86,781
Less: Total liabilities	-\$16,885	-\$13,839
Net Asset Value (NAV)	\$88,162	\$72,942

Category	2025 Q1(\$000's)	2024(\$000's)
NAV Per Share Calculation		
Weighted average shares outstanding - basic	14,172,802	11,970,370
Weighted average shares outstanding - dilute	14,225,618	12,060,915
NAV per share - basic	\$6.22	\$6.09
NAV per share - diluted	\$6.20	\$6.05
Working Capital and Liquidity		
Current assets	\$9,630	\$11,226
Less: Current liabilities	-\$5,275	-\$4,333
Working Capital	\$4,355	\$6,893
Cash and cash equivalents	\$3,830	\$3,582
Marketable securities	\$3,071	\$4,878
Undrawn credit facilities	\$207	\$1,017
Total Available Liquidity	\$7,108	\$9,477

Note: These non-IFRS measures provide additional insight into the Company's performance and should not be considered alternatives to measures defined by IFRS.

**Segment-Level Non-IFRS Measures**

We also utilize non-IFRS measures to evaluate the performance of our individual business segments:

Investment Operations:

- Realized ROI
- Unrealized ROI
- Portfolio turnover
- Concentration metrics

Aviation Services:

- Flight hours
- Revenue per flight hour
- Aircraft utilization rates
- Maintenance expense per flight hour

Distillery Operations:

- Production volume
- Revenue per case
- Direct-to-consumer sales percentage
- Brand contribution margin

Winery Operations:

- Production yields
- Direct-to-consumer sales percentage
- Visitor metrics and conversion rates
- Estate versus non-estate production mix

These operational metrics, while not financial measures under IFRS, provide valuable insights into the underlying drivers of financial performance for each business segment and help management identify areas for improvement and resource allocation.

Limitations of Non-IFRS Measures

While we believe these non-IFRS measures enhance understanding of our financial performance, they have limitations and should be considered alongside, not as replacements for, our IFRS results. Limitations include:

- Lack of standardized definitions across companies
- Potential for management discretion in calculating certain adjustments



- Exclusion of certain cash and non-cash items that impact overall financial position
- Inability to fully capture the complexities of our diverse business model

We regularly review our non-IFRS measures to ensure they provide meaningful information that accurately reflects our business performance and helps stakeholders make informed investment decisions.

14. DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Management's Responsibility and Evaluation Framework

Northfield's management, under the supervision of the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), is responsible for establishing and maintaining adequate disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR") as defined under National Instrument 52-109. Our control framework is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

Disclosure Controls and Procedures

DC&P are designed to provide reasonable assurance that information required to be disclosed in reports filed with securities regulatory authorities is recorded, processed, summarized, and reported within the time periods specified under Canadian securities laws. DC&P include controls and procedures designed to ensure information is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

As of March 31, 2025, the CEO and CFO have evaluated the design and operating effectiveness of Northfield's DC&P. Based on this evaluation, which included inquiry, review, and testing of our disclosure process across our diverse business segments, the CEO and CFO have concluded that Northfield's DC&P were effective as of March 31, 2025, in providing reasonable assurance that material information relating to the Company, including its consolidated subsidiaries, is made known to them in a timely manner.

Internal Control over Financial Reporting

ICFR is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with IFRS. ICFR includes those policies and procedures that:

1. Pertain to the maintenance of records that accurately and fairly reflect transactions and dispositions of assets
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with IFRS
3. Provide reasonable assurance that receipts and expenditures are made only in accordance with authorizations of management and directors
4. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of assets that could have a material effect on the financial statements



Management has used the Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") to evaluate the design and operating effectiveness of ICFR.

As of March 31, 2025, the CEO and CFO have evaluated the design and operating effectiveness of Northfield's ICFR. This evaluation process was particularly focused on controls over our investment valuation processes, consolidation procedures across our diverse business segments, and financial reporting systems. Based on this evaluation, the CEO and CFO have concluded that Northfield's ICFR was effectively designed and operating effectively as of March 31, 2025.

Changes in Internal Control over Financial Reporting

During the three months ended March 31, 2025, there were no changes in Northfield's ICFR that materially affected, or are reasonably likely to materially affect, the Company's ICFR. We did implement enhanced controls over our investment valuation processes, particularly for private company holdings, to further strengthen our governance in this critical area. These enhancements included more formalized documentation requirements and additional independent validation steps, but did not represent a material change to our overall control framework.

Inherent Limitations of Control Systems

Northfield's management, including the CEO and CFO, recognizes that DC&P and ICFR, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Due to the inherent limitations of any control system, misstatements resulting from error or fraud may occur and not be detected. These limitations include the reality that judgments in decision-making can be faulty and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of controls.

The design of any system of controls is also based upon assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Accordingly, because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

We continuously evaluate our control environment and implement enhancements when appropriate to maintain effective controls across our increasingly diverse business operations. Our commitment to strong internal controls supports our strategic objectives while providing reliable financial reporting to our stakeholders.

15. OUTLOOK AND STRATEGIC PRIORITIES

Positioned for Accelerated Value Creation

Northfield enters 2025 from a position of strength, with a strategically focused investment portfolio, growing operating businesses, and enhanced financial flexibility to drive our next phase of value creation. The significant progress achieved in 2025 Q1 in net asset value, successful capital raising, and operational advancements across our business segments—has established a solid foundation for sustained growth and shareholder returns.

Our outlook for 2025 remains decidedly positive as we leverage our sector expertise, operational capabilities, and disciplined capital allocation approach to capitalize on emerging opportunities across our diversified business platform.



Investment Portfolio Opportunities

The core of our investment strategy continues to focus on sectors where we maintain differentiated insights and competitive advantages:

Critical Minerals Acceleration: Our substantial position in Juno Corp. positions us at the forefront of the global transition to clean energy and electrification. In 2025, we anticipate valuation catalysts for Juno as the company advances its flagship projects, completes key studies, and continues further exploration.

Royalty Portfolio Expansion: Our strategic position in Voyageur Mineral Explorers Corp. provides exposure to a growing portfolio of mineral royalties with escalating cash flow potential. Following our recent acquisition of additional shares, we intend to work closely with management to optimize value for shareholders.

Gold Portfolio Optimization: Our refined gold exposure, centered on high-quality exploration and development companies like Juno Corp., G2 Goldfields and Rocky Shore, offers substantial upside potential in a constructive precious metals environment. We will maintain a disciplined approach to position sizing while providing strategic guidance to accelerate value-creating catalysts.

Monetization Pipeline: Several portfolio companies are approaching inflection points that may present attractive monetization opportunities in 2025-2026.

Operating Business Growth Initiatives

Each of our operating businesses has established clear strategic priorities to drive growth and margin expansion in 2025:

Aviation Services Expansion: The TNA Group is poised for accelerated growth in 2025, with three strategic priorities:

- Completion of the Midland hangar by Q2 2025, enabling the launch of third-party charter services
- Commencement of Latin American operations in 2025, providing counter-seasonal revenue and exposure to high-growth markets
- Targeted fleet optimization to enhance utilization rates and operational efficiency

With these initiatives, we anticipate the aviation segment to achieve approximately 15-20% revenue growth with margin improvement as infrastructure investments begin generating returns.

Spirits Brand Acceleration: Spirit of York is positioned to capitalize on the growing premium spirits category with a focus on:

- Deepening distribution in existing markets while expanding reach into LCBO and consideration of entering additional provincial markets
- Enhancing the brand's experiential retail presence with expanded visitor experiences on premise and off premise through activations at our sponsorship locations with Live Nation.

These initiatives are expected to potentially drive 15-20% revenue growth with continued gross margin improvement, positioning the business to possibly approach EBITDA breakeven in 2026.



Winery Destination Development: The Grange will focus on enhancing its position as a premium wine destination through:

- Continued premiumization of the product portfolio with emphasis on estate-grown, small-lot productions
- Development of direct-to-consumer channels to improve margin mix and build lasting customer relationships
- Expansion of sponsor partnerships and activations as well as expanded distribution in the LCBO

We anticipate potentially 15-20% revenue growth with further margin enhancement as these initiatives take effect.

Capital Allocation and Portfolio Optimization

Our capital allocation strategy for 2025 maintains our disciplined approach while emphasizing growth-oriented investments:

Investment Capital Deployment: With resource markets on the rebound, there is the potential for a compelling pipeline of new investment opportunities, particularly in the critical minerals and precious metals sectors. Should opportunities arise that meet our investment criteria, we could expect to deploy capital in new investments during 2025.

Strategic Acquisitions: We continue to evaluate bolt-on acquisition opportunities for our operating businesses, particularly in the aviation services segment where industry fragmentation presents consolidation opportunities.

Share Repurchases: Our recently initiated normal course issuer bid provides the option to opportunistically repurchase shares when market conditions present compelling value, enhancing per-share metrics and demonstrating our commitment to shareholder returns.

Strategic Priorities

As we move through 2025, Northfield will focus on strategic priorities that will drive our decision-making and resource allocation:

1. **Portfolio Value Crystallization:** Actively working with our core investment holdings to accelerate value-creating catalysts. In particular, supporting Juno Corp.'s continued exploration at its Vespa Complex, North Arm discoveries and newly discovered gold district, with potential to define substantial critical mineral and gold resources that could significantly enhance valuation ahead of any potential public listing.
2. **Operating Margin Enhancement:** Implementing targeted operational efficiency initiatives across our business segments to drive margin expansion and improve return on invested capital. This includes leveraging True North Airways' new 704 Operator's Certificate to provide higher-margin executive jet charter services, maximizing revenue from Spirit of York's Live Nation partnership, and optimizing The Grange's presence at Roy Thomson Hall and Allied Music Centre venues and advance partnerships within the industry to grow both premium beverage brands.



3. **Platform Scalability:** Enhancing the infrastructure, systems, and talent within each operating business to support accelerated growth while maintaining operational excellence. Key initiatives include operationalizing TNA South in El Salvador, utilizing newly acquired helicopters for expanded service offerings, increasing distribution through the LCBO and developing innovative direct-to-consumer channels for our premium beverage businesses.
4. **Strategic Acquisitions:** Pursuing disciplined opportunities to strengthen our existing platforms, with particular focus on the aviation services segment where there could be compelling potential. Following the successful acquisition of high-performance helicopters, we continue to evaluate complementary aviation assets to expand our service capabilities across North and South America.
5. **Corporate Development:** Embracing emerging technologies and systems to drive operational efficiency and market expansion. This includes True North Airways' acceptance of Bitcoin for charter services in El Salvador, leveraging AI-driven exploration methodologies at Juno Corp., and enhancing e-commerce and direct-to-consumer digital strategies for our beverage businesses.

These priorities reflect our commitment to creating sustainable long-term value through both our investment activities and operating businesses. With our strong financial foundation, disciplined approach to capital allocation, and focused strategic vision, Northfield is exceptionally well-positioned to deliver enhanced shareholder returns in 2025 and beyond.

16. FORWARD-LOOKING INFORMATION AND FINANCIAL OUTLOOKS

This MD&A contains forward-looking information and forward-looking statements reflecting management's current views with respect to future events and anticipated financial and operational performance. All information other than statements of historical fact may be forward-looking information. These forward-looking information is often, but not always, identified by the use of words such as "expects," "anticipates," "plans," "believes," "estimates," "may," "will," "should," "intends," "forecast," "projects" and similar expressions.

Forward-looking information in this document includes, but is not limited to, statements regarding:

- Expected growth in operating business revenues and profitability
- Anticipated improvements in operating margins for distillery and winery segments
- Projected benefits from strategic initiatives, including the new aircraft maintenance hangar
- Expected impact of international expansion in the aviation segment
- Anticipated investment performance and portfolio development
- Future capital allocation priorities and strategies
- Expected operational synergies across business segments
- Planned product innovations and market expansions
- Projected liquidity and capital adequacy

The said forward-looking information are based on assumptions concerning future economic conditions, market developments, operational capabilities, and regulatory environments, including,



but not limited to, the stability of macroeconomic conditions, the continued operation of the Company's business without significant disruption, the availability of debt and equity financing on acceptable terms, the absence of any material adverse regulatory changes, and competitive dynamics in the operating sectors of the Company remaining substantially consistent with current patterns. While management believes these assumptions are reasonable based on information currently available, they may prove to be incorrect.

Certain of the forward-looking information in this MD&A (including, under the each of the "Outlook" subheadings in this MD&A) constitute future-oriented financial information and financial outlook information (collectively, "**FOFI**") about the Company's prospective financial position or expectations regarding financial results, which are subject to the same assumptions, risk factors, limitations and qualifications as set out under this heading. FOFI contained in this MD&A were made as of the date hereof and is provided for the purpose of describing the Company's expectations with respect to its anticipated future business operations and financial position. However, because this information is in part subjective and subject to numerous risks, it should not be relied on as necessarily indicative of future financial results.

Readers are cautioned that actual results could differ materially from those described in forward-looking information due to various factors, including but not limited to:

- Changes in general economic conditions affecting customer demand or investment valuations (including as a result of the application of trade tariffs)
- Fluctuations in commodity prices impacting resource-focused investments
- Competitive dynamics in key operating business segments
- Unexpected regulatory changes or compliance requirements
- Delays or cost overruns in strategic initiatives or capital projects
- Changes in capital market conditions affecting investment valuations or financing capabilities
- Operational challenges or unexpected costs in business expansion initiatives
- Changes in consumer preferences affecting product demand
- competitive, political and social pressures and/or uncertainties in the jurisdictions in which the Company operates
- unexpected increases in capital or operating costs
- delays in obtaining, or an inability to maintain, governmental consents, approvals, permits, licenses and/or registrations
- volatility in commodity prices affecting our resource investments
- challenges in executing operational initiatives on planned timelines
- inability to secure financing for growth initiatives on acceptable terms

Although Northfield has attempted to identify important factors that could cause actual events and results to differ materially from those described in the forward-looking information, there may be



other factors that cause events or results to differ from those intended, anticipated or estimated. The forward-looking information contained in this MD&A is provided as of the date hereof and Northfield does not undertake any obligation to update or revise forward-looking information (including, FOFI), whether as a result of new information, future events, or otherwise, except as required by applicable securities laws. Readers are cautioned not to place undue reliance on forward-looking information contained in this MD&A. All of the forward- looking information contained in this MD&A is expressly qualified by this cautionary statement.

17. ADDITIONAL INFORMATION

Additional information relating to Northfield is available on SEDAR+ at www.sedarplus.ca.