Summer 2026 Investor Newsletter

FUND SUMMARY

Mortgage Portfolio *Principal balance adjusted at quarter end*	$68,273,691.90
Line of Credit Balance	$840,000
Other Current Assets	$499,637.13
Total Assets	$ 67,911,391.19
No. of Mortgage Investments	254
Average Loan Size	$268,307
Fund Type	Mortgage Investment Corporation
Price per Class A Preferred Share	$1.00
Shareholder Equity	$66,332,573
Registered Plan Holdings (RRSP, TFSA, RRIF, etc.)	$35,611,682
Cash / Non-Registered Holdings	$30,720,891
DRIP Shareholdings*	46.69%
Average LTV of Loans in Default	57.49%
Armada Management & Director Ownership	10.95%

Unaudited, as of June 30, 2026.

Gross Portfolio Yield	9.73%
Monthly Dividend Rate	6.75%
Estimated Annual Yield	7.59%
Target Return +375 bps from 3-5 yr bond	6.70%
3 –5 Year Bond Benchmark	2.95%
Performance vs. Target	+0.89%
Bank Prime Rate	4.45%

Data is unaudited, as of June 30, 2026. Benchmark reflects the Bank of Canada 3 – 5 Year Bond Yield. Target return is calculated as a spread of 375 basis points over the 3 – 5 Year Bond. Estimated Annual Yield is unaudited and calculated as an annualized yield based on year-to-date performance net of anticipated fees and expenses. The actual rate of return earned by each investor may depend on the timing of their transactions, whether they receive dividends in cash or via dividend reinvestment plan, and their tax structure. Past performance is no indication of future returns. Armada Mortgage Corporation relies on the offering memorandum exemption as per section 2.9 of National Instrument 45-106. This document does not provide disclosure of all information required for an investor to make an informed decision. Investing in private securities is risky and interested parties should talk to a registered dealing representative. Current OM dated until April 29, 2026.

Dear Friends, Family, and Fellow Shareholders,

Property values have continued to soften in many markets. In this environment, the security and discipline behind Armada's mortgage portfolio remains an important consideration for investors. Over its 30 years in business, Armada has navigated many storms of economic volatility and market corrections.

The majority of Armada's mortgage terms are one year, with approximately 60% of the portfolio turning over in the past year. As mortgages are renewed or newly underwritten, current appraisals are obtained to ensure property valuation remains up to date. For mortgages extending beyond the standard period, a new appraisal is obtained, providing continued oversight of the underlying security.

Encouragingly, during the previous two quarters we had seen foreclosures rise well above our target threshold, however we have successfully reduced the foreclosures well below our threshold to a year to date low. In addition, new arrears files have been trending sideways; managements' stress tests of arrears files do not indicate expected losses. Armada's fund focuses on a broad range of historically stable property types across Canada, which combined with conservative LTVs, disciplined underwriting, and stress testing has been designed to provide resilience through variable conditions.

This strategy allows Armada's portfolio to pivot alongside the market and adjust our lending strategy to meet the market where it is growing. Work is underway to introduce construction lending in Alberta, where development activity continues to present opportunities. By selectively expanding into areas of market strength, diversification can be maintained without compromising our principles.

Our underwriting team follows strict guidelines covering trade areas, population demographics, maximum loan sizes, property use, and other factors. Armada's weighted average Loan-to-Value ratio currently sits at 45%, well below our 60% ceiling, providing meaningful capital protection even in a softening market. This discipline is reflected in our 30-year track record of a 7.05% average annual return with a standard deviation of less than 1%, a level of consistency that can be difficult to match among public and semi-liquid private fixed-income credit products.

While other funds may be taking on additional risk in a slower market, Armada remains anchored to the principles that have guided the company for 30 years; lend conservatively, maintain strong security, diversify appropriately, and adapt as market conditions change.

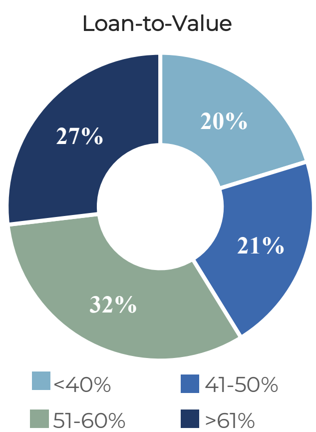
Funding Activity

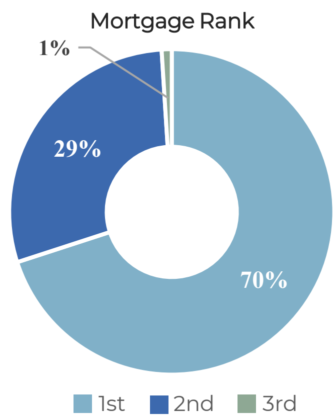
Mortgages Funded	$5,396,464
Mortgages Repaid	($6,081,644)
Mortgages Renewed	$6,709,619

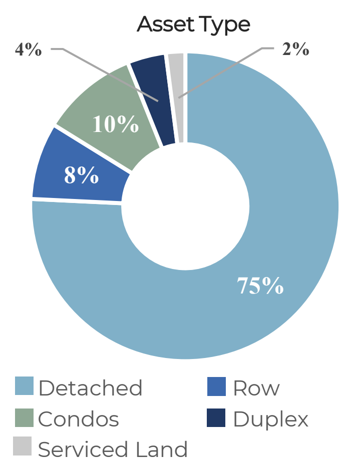
Mortgage Portfolio Summary as of June 30th, 2026*:

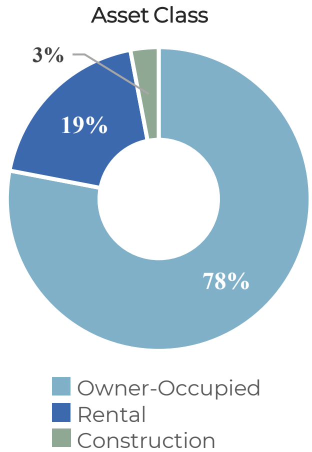
Region	No. of Mortgages	1st Mortgages	2nd Mortgages	Total Mortgage Value	Average LTV
Central Vancouver Island	6	$2,530,531	$49,645	$2,580,176	50.66%
Courtenay & Comox	1	$157,000	$-	$157,000	13.24%
Fraser Valley	44	$10,029,603	$3,434,113	$13,463,716	48.09%
Kamloops	3	$510,459	$61,255	$571,714	44.76%
Kelowna	7	$1,909,815	$474,503	$2,384,318	48.41%
North Fraser	23	$4,606,336	$2,258,084	$6,864,420	50.13%
North Okanagan	3	$1,020,000	$-	$1,020,000	34.00%
North Shore	2	$365,000	$-	$365,000	12.81%
Northern BC	1	$370,000	$-	$370,000	21.34%
Penticton	3	$992,555	$-	$992,555	53.22%
Richmond/Delta	6	$1,824,229	$817,908	$2,642,137	47.49%
Surrey/White Rock	30	$5,987,004	$2,627,934	$8,614,938	40.60%
Vancouver	8	$202,594	$991,628	$1,194,222	36.28%
Victoria	13	$2,382,954	$1,416,393	$3,799,347	47.79%
Alberta	43	$4,935,138	$2,711,553	$7,646,691	52.46%
Hamilton	6	$2,542,235	$84,269	$2,626,504	51.59%
Kitchener-Waterloo	1	$-	$76,250	$76,250	70.00%
Ontario Other	15	$1,093,518	$2,122,060	$3,215,578	53.27%
Ottawa	8	$793,054	$671,010	$1,464,064	52.63%
Toronto CMA	31	$5,091,956	$3,009,421	$8,101,377	46.18%
Total	**254**	**$47,343,981**	**$20,806,026**	**$68,150,007**	**46.65%**

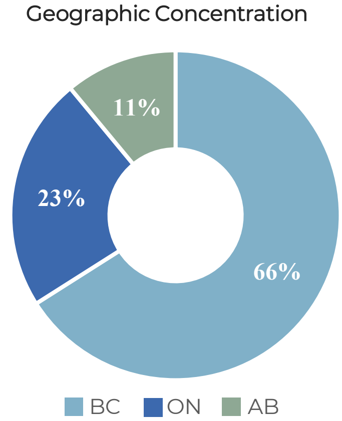
* Based on funding principal

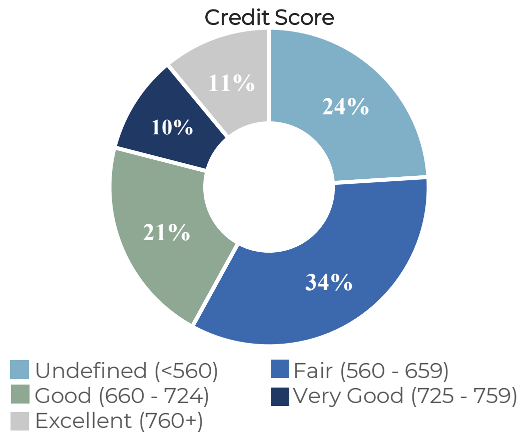






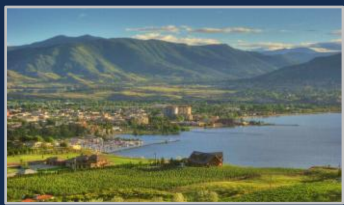






Recent Transactions

Duplex Single-Family Residential



$300,000

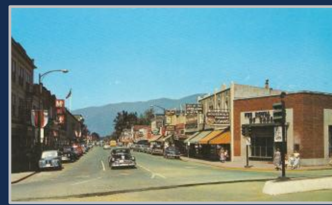
Refinance

Penticton, BC

Security Rank	1st Mortgage
Interest Rate	6.99%
Term	12-months Closed Term
Loan-to-Value	55%

Borrower requested funds to refinance their existing 1st mortgage with Armada. Borrower is low risk and has several income streams. Armada provided an interest-only mortgage for a 12-month closed term.

Condo Single-Family Residential



$100,000

Debt Consolidation & Renovations

Chilliwack, BC

Security Rank	2nd Mortgage
Interest Rate	8.39%
Term	12-months Closed Term
Loan-to-Value	57%

Borrower requested funds to consolidate unsecured debts, as well as small home renovations. Borrower has a verifiable income. Armada provided the new mortgage with interest-only payments for a 12-month closed term.

Single-Family Residential

$60,000

Debt Consolidation & Pre-payment

Calgary, AB

Security Rank	1st Mortgage
Interest Rate	6.89%
Term	12-months Closed Term
Loan-to-Value	13 %

Borrower requested funds to consolidate some debts, as well as help their children with college and university fees. Armada provided an interest-only mortgage for a 12-month closed term.

Shareholder Distribution History

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Top-Up	Total
2026	0.583%	0.583%	0.583%	0.583%	0.583%	0.583%	0.563%	0.563%						**4.62%***
2025	0.625%	0.625%	0.625%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	0.583%	0.583%	0.583%	1.310%	**8.56%**
2024	0.604%	0.625%	0.625%	0.625%	0.625%	0.625%	0.625%	0.625%	0.625%	0.625%	0.625%	0.625%	1.881%	**9.36%**
2023	0.542%	0.542%	0.542%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	0.604%	1.748%	**8.81%**
2022	0.458%	0.458%	0.458%	0.458%	0.458%	0.458%	0.487%	0.487%	0.487%	0.500%	0.500%	0.500%	1.641%	**7.35%**

*Indicates unfinalized numbers and are year to date calculations.
Table above summarizes the history of monthly dividend payments per Class A Preferred Share. Armada Mortgage Corporation distributes 100% of its net income each year through a monthly fixed dividend in combination with an annual 'top-up' dividend. Dividend rates are set quarterly by the Board of Directors based on portfolio yield and performance of the fund. Top-up dividends are variable and represent the residual undistributed net income remaining at year-end.

A People First Lender

Armada Mortgage Corporation is an alternative mortgage provider, offering financing solutions to Canadian homeowners in situations where traditional mortgage loans are not available. Through our depth of experience and brokerage relationships, we provide investors with access to a pool of private loan opportunities with conservative loan-to-value ratios and attractive risk-adjusted returns. Our expertise has enabled us to deliver short-term financing solutions for borrowers, and consistent monthly dividends for shareholders, since 1995.

For further information, please contact:

sales@armadamortgage.com | T: 604-467-6449 | TF: 1-888-467-6449

Armada Mortgage Corp, C405 – 20178 96 Ave, Langley, BC V1M 0B2