

**FIRST HELIUM INC.**  
**550 - 800 West Pender Street,**  
**Vancouver, BC, Canada, V6C 2V6**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual general meeting (the “**Meeting**”) of the shareholders of **FIRST HELIUM INC.** (the “**Company**”) will be held at 550 – 800 West Pender Street, Vancouver, British Columbia, on Tuesday, November 28, 2023 at 11:00 a.m., PST, for the following purposes:

1. To receive the audited consolidated financial statements of the Company for the financial year ended March 31, 2023 together with the report of the auditor thereon;
2. To set the number of directors at four (4) for the ensuing year;
3. To elect directors of the Company for the ensuing year;
4. To re-appoint Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the directors to fix their remuneration;
5. To consider, and if thought fit, to pass an ordinary resolution to ratify, confirm and approve the Company’s 10% “rolling” stock option plan; and
6. To transact such other business as may properly be brought before the Meeting or any adjournment thereof.

An Information Circular accompanies this Notice. The Information Circular contains details of matters to be considered at the Meeting.

**Shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.**

**An unregistered shareholder who plans to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form and in the Information Circular to ensure that such shareholder’s shares will be voted at the Meeting. If you hold your shares in a brokerage account you are not a registered shareholder.**

**DATED** at Vancouver, British Columbia, this October 10, 2023.

**BY ORDER OF THE BOARD**

*"Ed Bereznicki "*

**Ed Bereznicki**

**President, CEO & Director**

## FIRST HELIUM INC.

### INFORMATION CIRCULAR

#### FOR THE 2023 ANNUAL GENERAL MEETING OF SHAREHOLDERS

This information is given as of October 10, 2023

#### SOLICITATION OF PROXIES

This Information Circular is provided to registered and beneficial owners of the Company's common shares ("shares" or "common shares") in connection with the solicitation of proxies by the management of **FIRST HELIUM INC.** (the "Company") for use at the Annual General Meeting (the "Meeting") of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying Notice of Meeting and at any adjournment(s) or postponement(s) thereof.

#### PERSONS OR COMPANIES MAKING THE SOLICITATION

**The enclosed instrument of proxy is solicited by management.** Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the instrument of proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised management in writing that they intend to oppose any action intended to be taken by management as set forth in this Information Circular.

#### APPOINTMENT AND REVOCATION OF PROXIES

This Information Circular is accompanied by a management instrument of proxy that permits registered shareholders who do not attend the Meeting in person to have their shares voted at the Meeting by a proxyholder appointed by the registered shareholder. The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person to attend and act for him on his behalf at the Meeting other than the persons named in the enclosed instrument of proxy. To exercise this right, the shareholder must strike out the names of the persons named in the instrument of proxy and insert the name of his nominee in the blank space provided or complete another instrument of proxy.**

**The completed instrument of proxy must be dated and signed and the duly completed instrument of proxy must be deposited at the Company's transfer agent, Endeavor Trust Corporation, Suite 702, 777 Hornby Street, Vancouver, BC V6Z 1S4, at least 48 hours before the time of the Meeting or any adjournment(s) or postponement(s) thereof, excluding Saturdays, Sundays and holidays.**

The instrument of proxy must be signed by the shareholder or by their duly authorized attorney. If signed by a duly authorized attorney, the instrument of proxy must be accompanied by the original power of attorney or a notarially certified copy thereof. If the shareholder is a corporation, the instrument of proxy must be signed by a duly authorized attorney, officer, or corporate representative, and must be accompanied by the original power of attorney or document whereby the duly authorized officer or corporate representative derives their power, as the case may be, or a notarially certified copy thereof. The Chairman of the Meeting has discretionary authority to accept proxies that do not strictly conform to the foregoing requirements.

**In addition to revocation in any other manner permitted by law, a shareholder may revoke a proxy by**

- (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid,**
- (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the Chairman of the Meeting on the day of the Meeting or on the day of any adjournment(s) or postponement(s) thereof, or**
- (c) registering with the scrutineer at the Meeting as a registered shareholder present in person, whereupon such proxy shall be deemed to have been revoked.**

## VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named as proxyholder in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

**In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the resolutions placed before the Meeting by management and for the election of the management nominees for directors and auditor, as stated under the headings in this Information Circular.** The instrument of proxy enclosed, when properly completed and deposited, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters that may be properly brought before the Meeting. At the time of printing of this Information Circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any such amendments, variations or other matters should properly come before the Meeting, the proxies hereby solicited will be voted thereon in accordance with the best judgement of the nominee.

### ADVICE TO BENEFICIAL HOLDERS OF SHARES

The following information is of significant importance to shareholders who do not hold shares in their own name. Beneficial shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of shares).

If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Company. Such shares will most likely be registered under the names of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients. There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "OBOS" for "Objecting Beneficial Owners") and those who do not object to the issuers of the securities they own knowing who they are (called "NOBOs" for "Non-Objecting Beneficial Owners").

In the event that voting instructions are requested from OBOs or NOBOs, such instructions will typically be sought by the shareholder receiving a voting instruction form. If a form of voting instruction form is supplied to you by your broker, it will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and the United States. Broadridge obtains voting instructions by mailing a voting instruction form (the "**Broadridge VIF**") which appoints the same persons as the Company's proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting.

If you plan to vote in person at the Meeting:

- nominate yourself as the appointee to attend and vote at the Meeting by printing your name in the space provided on the enclosed voting instruction form. Your vote will be counted at the Meeting so do NOT complete the voting instructions on the form;
- sign and return the form, following the instructions provided by your nominee; and

- register with the Scrutineer when you arrive at the Meeting.

You may also nominate yourself as appointee online, if available, by typing your name in the “Appointee” section on the electronic ballot.

If you bring your voting instruction form to the Meeting, your vote will not count. Your vote can only be counted if you have completed, signed and returned your voting instruction form in accordance with the instructions above and attend the Meeting and vote in person.

### NOTICE AND ACCESS

The Company has elected to use the “notice-and-access” provisions under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (the “**Notice-and-Access Provisions**”) for the Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators intended to reduce the volume of materials which are mailed to shareholders by allowing a reporting issuer to post proxy-related materials in respect of a meeting of its shareholders online.

The Company will not use procedures known as “stratification” in relation to the use of the Notice-and-Access Provisions, meaning that both registered shareholders and Beneficial Shareholders will be mailed a notification of availability of Meeting materials directing them to those websites where they can access the Information Circular and other relevant information (the “**Notice-and-Access Notification**”). If you receive the Notice-and-Access Notification and would like to receive a paper copy of the Information Circular and the financial statements of the Company to be approved at the Meeting and the management’s discussion and analysis related to those financial statements (the “**Financial Statements**”), please follow the instructions printed on the Notice-and-Access Notification and the materials will be mailed to you at the Company’s expense.

The Company anticipates that notice-and-access will directly benefit the Company through substantial reductions in postage and printing costs. The Company believes that notice-and-access is more environmentally responsible to the extent that it reduces the large volume of paper documents generated by printing proxy-related materials.

Shareholders with questions about notice-and-access can call Endeavor Trust Corporation toll free at 1 888 787 0888.

The Meeting materials have been posted on the Company’s website at [www.firsthelium.com](http://www.firsthelium.com) and on the System for Electronic Document Analysis and Retrieval (“**SEDAR+**”) under the Company’s profile at [www.sedarplus.ca](http://www.sedarplus.ca). In order to receive a paper copy of this Information Circular and the Financial Statements, requests by shareholders may be made up to one year from the date the Information Circular is posted on the Company’s website by email to Endeavor Trust Corporation at [proxy@EndeavorTrust.com](mailto:proxy@EndeavorTrust.com) or by calling toll-free at 1-888-787-0888.

To ensure that a paper copy of the Information Circular can be delivered to a requesting shareholder in time for such shareholder to receive and review the Information Circular and return the completed instrument of proxy or voting instruction form prior to the deadline of at least 48 hours before the time of the Meeting or any adjournment(s) or postponement(s) thereof, excluding Saturdays, Sundays and holidays as set out under the heading “Appointment and Revocation of Proxies” in this Information Circular, it is strongly suggested that a shareholder’s request is received **no later than November 17, 2023**. The Information Circular will be sent to such shareholders within three business days of their request if such requests are made before the Meeting. Following the Meeting, the Information Circular will be sent to such shareholders within ten days of their request.

Those registered shareholders and Beneficial Shareholders with existing instructions on their account to receive printed materials will receive a printed copy of the Meeting materials.

Beneficial shareholders who are OBOs will not receive the Notice and Access Notification or the proxy materials unless their intermediary assumes the costs of delivery.

### VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

On October 10, 2023, 87,059,353 common shares without par value were issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every shareholder present in person has one vote and, on a poll, every shareholder has one vote for each share of which he/she is the holder.

Only shareholders of record at the close of business on October 10, 2023, will be entitled to have their shares voted at the Meeting or any adjournment(s) or postponement(s) thereof.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns or controls or directs, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

#### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Other than as disclosed elsewhere in this Information Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors, the appointment of the auditor and the annual approval of the 10% rolling Stock Option Plan.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

For the purposes of this Information Circular, "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as disclosed elsewhere in this Information Circular, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

#### **MANAGEMENT CONTRACTS**

Other than as described herein, management functions of the Company or any subsidiary of the Company are not, to any substantial degree, performed by a person other than the directors or executive officers of the Company or its subsidiaries. See "*Statement of Executive Compensation – Employment, Consulting and Management Agreements*".

#### **STATEMENT OF EXECUTIVE COMPENSATION**

In this section, "**Named Executive Officer**" or "**NEO**" means (a) the chief executive officer ("**CEO**"), (b) the chief financial officer ("**CFO**"), (c) the most highly compensated executive officer of the Company, and its subsidiaries, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for that financial year; and (d) each individual who would be a Named Executive Officer under (c) but for the fact that the individual was not an executive officer of the Company and was not acting in a similar capacity, at the end of that financial year.

In this section, "compensation securities" includes stock options ("**Options**" or "**Stock Options**"), convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries.

During the Company's financial year ended March 31, 2023, the following individuals were the Named Executive Officers of the Company:

- Edward Bereznicki, the President, CEO and a director of the Company; and
- Robert Scott, the CFO and a director of the Company;

### Director and Named Executive Officer Compensation, Excluding Compensation Securities

Particulars of compensation, excluding compensation securities, paid by the Company or a subsidiary of the Company to each NEO and director in the two most recently completed financial years is set out in the table below:

Name and position	Year ending	Salary, consulting fee, retainer or commission (CAD \$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Ed Bereznicki</b> President, CEO, Director	03/31/23	245,000	Nil	Nil	Nil	Nil	245,000 <sup>(1)</sup>
	03/31/22	175,500	Nil	Nil	Nil	Nil	175,500 <sup>(1)</sup>
<b>Robert Scott</b> CFO and Director	03/31/23	120,000	Nil	Nil	Nil	Nil	120,000 <sup>(2)</sup>
	03/31/22	51,000	Nil	Nil	Nil	Nil	51,000 <sup>(2)</sup>
<b>Calvin R. Watson</b> Director	03/31/23	15,000	Nil	Nil	Nil	Nil	15,000 <sup>(3)</sup>
	03/31/22	11,225	Nil	Nil	Nil	Nil	11,225 <sup>(3)</sup>
<b>Todd Holmstrom</b> Director	03/31/23	15,000	Nil	Nil	Nil	Nil	15,000 <sup>(4)</sup>
	03/31/22	11,475	Nil	Nil	Nil	Nil	11,475 <sup>(4)</sup>
<b>David Safton</b> VP – Exploration & Development	03/31/23	210,000	Nil	Nil	Nil	Nil	210,000 <sup>(1)</sup>
	03/31/22	174,750	Nil	Nil	Nil	Nil	174,750
<b>Shaun Wyzykoski</b> VP - Engineering	03/31/23	210,000	Nil	Nil	Nil	Nil	210,000 <sup>(1)</sup>
	03/31/22	177,000	Nil	Nil	Nil	Nil	177,000

(1) See "Employment, Consulting and Management Agreements".

(2) See "Employment, Consulting and Management Agreements". On April 1, 2022, the Company entered into an agreement with GSBC Financial Management Inc.; a company wholly controlled by Mr. Scott to provide services as CFO of the Company to revise the monthly fee from \$8,500 to \$10,000 per month.

(3) The amount reflects director fees paid to Nobilis Energy Consulting Ltd.; a company wholly controlled by Mr. Watson.

(4) The amount reflects director fees paid to Mr. Holmstrom.

### Stock Options and Other Compensation Securities

No Stock Options and other compensation securities were granted or issued to any NEO and director by the Company or a subsidiary of the Company in the most recently completed financial year.

At the end of the most recently completed financial year, the Company's NEOs and directors held the compensation security as set forth in the table below.

Name and Position	Type of compensation Security <sup>(1)</sup>	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant <sup>(1)</sup> (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Ed Bereznicki</b> President, CEO and Director	Stock Options	1,150,000 <sup>(2)</sup> 1.33%	27/05/2021	\$0.35	Nil	\$0.21	27/05/2026
<b>Robert Scott</b> CFO and Director	Stock Options	900,000 <sup>(2)</sup> 1.03%	27/05/2021	\$0.35	Nil	\$0.21	27/05/2026
<b>Calvin R. Watson</b> Director	Stock Options	200,000 <sup>(2)</sup> 0.23%	27/05/2021	\$0.35	Nil	\$0.21	27/05/2026
<b>Todd Holmstrom</b> Director	Stock Options	200,000 <sup>(2)</sup> 0.23%	27/05/2021	\$0.35	Nil	\$0.21	27/05/2026
<b>David Safton</b> VP – Exploration & Development	Stock Options	900,000 <sup>(2)</sup> 1.03%	27/05/2021	\$0.35	Nil	\$0.21	27/05/2026
<b>Shaun Wyzykoski</b> VP - Engineering	Stock Options	900,000 <sup>(2)</sup> 1.03%	27/05/2021	\$0.35	Nil	\$0.21	27/05/2026

- (1) On May 27, 2021, Stock Options were granted to specific NEOs. The Stock Options have a five-year expiration at an exercise price of \$0.35. The common shares in the capital of the Company commenced trading on the TSX Venture Exchange (the "Exchange") on July 12, 2021.
- (2) 25% of the Stock Options vested on the grant date, an additional 25% of the Stock Options vested on May 27, 2022, an additional 25% of the Stock Options will vest on May 27, 2023 and the final 25% of the Stock Options will vest on May 27, 2024.

As at the financial year ended March 31, 2023, there were no other compensation securities held by any director or NEO, except as disclosed in the table above.

No compensation securities were re-priced, cancelled or replaced, extended or otherwise materially modified during the most recently completed financial year.

#### Exercise of Compensation Securities by Directors and NEOs

No compensation securities were exercised by any NEO and director in the most recently completed financial year.

#### Stock Option Plans and Other Incentive Plans

##### *Stock Option Plan*

The Company has adopted a 10% rolling stock option plan dated September 12, 2022 (the "Stock Option Plan") which was approved by the shareholders of the Company at the Company's annual & special meeting that was held on November 2, 2022 and accepted by the Exchange on December 19, 2022.

The purpose of the Stock Option Plan is to, among other things: (i) provide the Company with a mechanism to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and its subsidiaries; (ii) reward directors, officers, employees and consultants that have been granted Options under the Stock Option Plan for their contributions toward the long-term goals and success of the Company; and (iii) enable and encourage such

directors, officers, employees and consultants to acquire shares of the Company as long-term investments and proprietary interests in the Company.

The following is a summary of certain provisions of the Stock Option Plan:

#### *Eligibility*

The Stock Option Plan allows the Company to grant Options to attract, retain and motivate qualified directors, officers, employees and consultants of the Company and its subsidiaries (collectively, the “**Option Plan Participants**”).

#### *Number of Shares Issuable*

The aggregate number of shares that may be issued to Option Plan Participants under the Stock Option Plan will be that number of shares equal to 10% of the issued and outstanding shares on the particular date of grant of the Option, inclusive of the Outstanding Options.

#### *Limits on Participation*

The Stock Option Plan provides for the following limits on grants, for so long as the Company is subject to the requirements of the Exchange, unless disinterested shareholder approval is obtained or unless permitted otherwise pursuant to the policies of the Exchange:

- (i) the maximum number of shares that may be issued to any one Option Plan Participant (and where permitted pursuant to the policies of the Exchange, any company that is wholly-owned by the Option Plan Participant) under the Stock Option Plan, together with any other security based compensation arrangements, within a 12-month period, may not exceed 5% of the issued shares calculated on the date of grant;
- (ii) the maximum number of shares that may be issued to insiders collectively under the Stock Option Plan, together with any other security based compensation arrangements, within a 12-month period, may not exceed 10% of the issued shares calculated on the date of grant; and
- (iii) the maximum number of shares that may be issued to insiders collectively under the Stock Option Plan, together with any other security based compensation arrangements, may not exceed 10% of the issued Shares at any time.

For so long as such limitation is required by the Exchange, the maximum number of Options which may be granted within any 12- month period to Option Plan Participants who perform investor relations activities must not exceed 2% of the issued and outstanding shares, and such Options must vest in stages over 12 months with no more than 25% vesting in any three-month period. In addition, the maximum number of shares that may be granted to any one consultant under the Stock Option Plan, together with any other security-based compensation arrangements, within a 12-month period, may not exceed 2% of the issued shares calculated on the date of grant.

#### *Administration*

The plan administrator of the Stock Option Plan (the “**Option Plan Administrator**”) will be the board of directors of the Company (the “**Board**”) or a committee of the Board, if delegated. The Option Plan Administrator will, among other things, determine which directors, officers, employees or consultants are eligible to receive Options under the Stock Option Plan; determine conditions under which Options may be granted, vested or exercised, including the expiry date, exercise price and vesting schedule of the Options; establish the form of option certificate (“**Option Certificate**”); interpret the Stock Option Plan; and make all other determinations and take all other actions necessary or advisable for the implementation and administration of the Stock Option Plan.

Subject to any required regulatory or shareholder approvals, the Option Plan Administrator may also, from time to time, without notice to or without approval of the shareholders or the Option Plan Participants, amend, modify, change, suspend or terminate the Options granted pursuant thereto as it, in its discretion, determines appropriate, provided that no such amendment, modification, change, suspension or termination of the Stock Option Plan or any Option granted pursuant thereto may materially impair any rights of an Option Plan Participant or materially increase any obligations of an Option Plan Participant under the Stock Option Plan without the consent of such Option Plan Participant, unless the Option Plan Administrator determines such adjustment is required or desirable in order to comply with any applicable securities laws or stock exchange requirements or as otherwise permitted pursuant to the Stock Option Plan.

All of the Options are subject to the conditions, limitations, restrictions, vesting, exercise and forfeiture provisions determined by the Option Plan Administrator, in its sole discretion, subject to such limitations provided in the Stock Option Plan, and will be evidenced by an Option Certificate. In addition, subject to the limitations provided in the Stock Option Plan and in accordance with applicable law, the Option Plan Administrator may accelerate the vesting of Options, cancel or modify outstanding Options and waive any condition imposed with respect to Options or shares issued pursuant to Options.

#### *Exercise of Options*

Options shall be exercisable as determined by the Option Plan Administrator at the time of grant, provided that no Option shall have a term exceeding 10 years so long as the shares are listed on the Exchange.

Subject to all applicable regulatory rules, the vesting schedule for an Option, if any, shall be determined by the Option Plan Administrator. The Option Plan Administrator may elect, at any time, to accelerate the vesting schedule of an Option, and such acceleration will not be considered an amendment to such Option and will not require the consent of the Option Plan Participant in question. However, no acceleration to the vesting schedule of an Option granted to an Option Plan Participant performing investor relations services may be made without prior acceptance of the Exchange.

The exercise price of an Option shall be determined by the Option Plan Administrator and cannot be lower than the greater of: (i) the minimum price required by the Exchange; and (ii) the market value of the shares on the applicable grant date.

An Option Plan Participant may exercise the Options in whole or in part through any one of the following forms of consideration, subject to applicable laws, prior to the expiry date of such Options, as determined by the Option Plan Administrator:

- the Option Plan Participant may send a wire transfer, certified cheque or bank draft payable to the Company in an amount equal to the aggregate exercise price of the shares being purchased pursuant to the exercise of the Options;
- subject to approval from the Option Plan Administrator and the shares being traded on the Exchange, a brokerage firm may be engaged to loan money to the Option Plan Participant in order for the Option Plan Participant to exercise the Options to acquire the shares, subsequent to which the brokerage firm shall sell a sufficient number of shares to cover the exercise price of such Options to satisfy the loan. The brokerage firm shall receive an equivalent number of shares from the exercise of the Options, and the Option Plan Participant shall receive the balance of the Shares or cash proceeds from the balance of such shares; and
- subject to approval from the Option Plan Administrator and the shares being traded on the Exchange, consideration may be paid by reducing the number of shares otherwise issuable under the Options, in lieu of a cash payment to the Company, an Option Plan Participant, excluding those providing investor relations services, only receives the number of Shares that is equal to the quotient obtained by dividing: (i) the product of the number of Options being exercised multiplied by the difference between the volume-weighted average trading price of the shares and the exercise price of the Options, by (ii) the volume-weighted average trading price of the shares. The number of shares delivered to the Option Plan Participant may be further reduced to satisfy applicable tax withholding obligations. The number of Options exercised, surrendered or converted, and not the number of shares issued by the Company, must be included in calculating the number of shares issuable under the Stock Option Plan and the limits on participation.

If an exercise date for an Option occurs during a trading black-out period imposed by the Company to restrict trades in its securities, then, notwithstanding any other provision of the Stock Option Plan, the Option shall be exercised no more than ten business days after the trading black-out period is lifted by the Company, subject to certain exceptions.

*Termination of Employment or Services and Change in Control*

The following describes the impact of certain events that may, unless otherwise determined by the Option Plan Administrator or as set forth in an Option Certificate, lead to the early expiry of Options granted under the Stock Option Plan.

Termination by the Company for cause:	Forfeiture of all unvested Options. The Option Plan Administrator may determine that all vested Options shall be forfeited, failing which all vested Options shall be exercised in accordance with the Stock Option Plan.
Voluntary resignation of an Option Plan Participant:	Forfeiture of all unvested Options. Exercise of vested Options in accordance with the Stock Option Plan.
Termination by the Company other than for cause:	Acceleration of vesting of a portion of unvested Options in accordance with a prescribed formula as set out in the Stock Option Plan. <sup>1</sup> Forfeiture of the remaining unvested Options. Exercise of vested Options in accordance with the Stock Option Plan.
Death or disability of an Option Plan Participant:	Acceleration of vesting of all unvested Options. <sup>1</sup> Exercise of vested Options in accordance with the Stock Option Plan.
Termination or voluntary resignation for good reason within 12 months of a change in control:	Acceleration of vesting of all unvested Options. <sup>1</sup> Exercise of vested Options in accordance with the Stock Option Plan.

Notes: (1) Any acceleration of vesting of unvested Options granted to an investor relations service provider is subject to the prior written approval of the Exchange.

Any Options granted to an Option Plan Participant under the Stock Option Plan shall terminate at a date no later than 12 months from the date such Option Plan Participant ceases to be an Option Plan Participant.

In the event of a triggering event, which includes a change in control, dissolution or winding-up of the Company, a material alteration of the capital structure of the Company and a disposition of substantially all of the Company's assets, the Option Plan Administrator may, without the consent of the Option Plan Participant, cause all or a portion of the Options granted to terminate upon the occurrence of such event.

*Amendment or Termination of the Stock Option Plan*

Subject to any necessary regulatory approvals, the Stock Option Plan may be suspended or terminated at any time by the Option Plan Administrator, provided that no such suspension or termination shall alter or impact any rights or obligations under an Option previously granted without the consent of the Option Plan Participant.

The following limitations apply to the Stock Option Plan and all Options thereunder as long as such limitations are required by the Exchange:

- any adjustment to Options, other than in connection with a security consolidation or security split, is subject to prior Exchange acceptance and the issuance of a news release by the Company outlining the terms thereof;
- any amendment to the Stock Option Plan is subject to prior Exchange acceptance, except for amendments to reduce the number of shares issuable under the Stock Option Plan, to increase the exercise price of Options or to cancel Options;

- any amendments made to the Stock Option Plan shall require regulatory and Shareholder approval and the issuance of a news release by the Company outlining the terms thereof, except for amendments to: (i) fix typographical errors; and (ii) clarify existing provisions of the Stock Option Plan and which do not have the effect of altering the scope, nature and intent of such provisions; and
- the exercise price of an Option previously granted to an insider must not be reduced, or the extension of the expiry date of an Option held by an insider may not be extended, unless the Company has obtained disinterested shareholder approval to do so in accordance with Exchange policies.

Subject to the foregoing limitations and any necessary regulatory approvals, the Option Plan Administrator may amend any existing Options or the Stock Option Plan or the terms and conditions of any Option granted thereafter, although the Option Plan Administrator must obtain written consent of the Option Plan Participant (unless otherwise excepted out by a provision of the Stock Option Plan) where such amendment would materially decrease the rights or benefits accruing to an Option Plan Participant or materially increase the obligations of an Option Plan Participant.

In accordance with the policies of the Exchange, “rolling 10% stock option plans” must be approved annually at the annual meeting by the shareholders of the Company. Accordingly, the Company will be seeking the approval of its shareholders to the ratification of the Stock Option Plan at the Meeting. See “*Particulars of Matters to be Acted Upon – Ratification of Approved Stock Option Plan*” for further details.

### **External Management Companies**

See “*Employment, Consulting and Management Agreements*” for a description of the consulting agreement between the Company and Ed Bereznicki and Robert Scott.

Effective August 1, 2017, the Company entered into an unwritten accounting and compliance services agreement with FT Management Ltd. FT Management Ltd. provides the accounting services to the Company and Jeffrey Dare as Corporate Secretary to the Company; and for accounting and corporate compliance services, the Company pays a monthly fee of \$9,500.

### **Employment, Consulting and Management Agreements**

Other than as disclosed elsewhere in this Information Circular and below, no services were provided to the Company during the most recently completed financial year by a director or Named Executive Officer, or any other party who provided services typically provided by a director or Named Executive Officer, pursuant to any employment, consulting or management agreement between the Company and any other party, and the Company has no agreement or arrangement with any director, Named Executive Officer or any other party with respect to any change of control of the Company or any severance, termination or constructive dismissal of any director, Named Executive Officer or any other party, or any incremental payments triggered by any such change of control, severance, termination or constructive dismissal.

#### **Consulting Agreement with Edward Bereznicki**

Effective September 1, 2020, the Company entered into a consulting agreement with Edward Bereznicki (the “**Bereznicki Agreement**”) as CEO of the Company. Pursuant to the consulting agreement, the Company pays Mr. Bereznicki a maximum monthly fee of \$15,000, based on a rate of \$750 per day. On April 1, 2022, the agreement was revised, wherein the Company pays a monthly fee of \$20,000.

#### **Consulting Agreement with GSBC Financial Management Inc.**

Effective October 1, 2021, the Company entered into a consulting agreement with GSBC Financial Management Inc. to provide the services of Robert Scott as CFO of the Company. Pursuant to the consulting agreement, the Company pays GSBC Financial Management Inc. a monthly fee of \$8,500. However, the agreement was revised and effective April 1, 2022, the Company pays GSBC Financial Management Inc. a monthly fee of \$10,000.

#### **Consulting Agreement with David Safton**

Effective April 1, 2022, the Company entered into a consulting agreement with David Safton, as Vice-President – Exploration and Development to provide executive leadership and day-to-day management of the exploration and development activities of the Company. Pursuant to the consulting agreement, the Company pays Mr. Safton a monthly fee of \$17,500.

### **Consulting Agreement with Shaun Wyzykoski**

Effective April 1, 2022, the Company entered into a consulting agreement with Shaun Wyzykoski, as Vice-President – Engineering to provide executive leadership and day-to-day management of the engineering and operational activities of the Company. Pursuant to the consulting agreement, the Company pays Mr. Wyzykoski a monthly fee of \$17,500.

### **Termination and Change of Control Provisions**

Pursuant to the consulting agreements between the Company and Edward Bereznicki, GSBC Financial Management Inc., David Safton and Shaun Wyzykoski, are all subject to the following termination and change of control provisions:

- The Consultant may terminate the agreement without notice to the Company if the Company commits any material breach of the agreement that cannot be remedied within 30 days. In this case, the Consultant would be entitled to a separation payment equal to 12 months of the Consultants base pay. However, if the termination date occurs within 12 months following a Change of Control, the Consultant shall be entitled to a separation payment equal to 18 months of the Consultants base pay.
- The Consultant may terminate the agreement by providing 3 months prior written notice to the Company. In this case, the Consultant will not be entitled to a separation payment. However, if the termination date occurs within 3 months following a Change of Control, the Consultant shall be entitled to a separation payment equal to 18 months of the Consultants base pay.
- The Company may terminate the agreement with the Consultant without notice if the Consultant commits any material breach of the agreement that cannot be remedied within 7 days. In this case, the Consultant will not be entitled to a separation payment.
- The Company may terminate the agreement with the Consultant by providing written notice and specifying the date of termination. In this case the Consultant is entitled to receive a separation payment equal to 12 months of the Consultants base pay. However, if the termination date occurs within 12 months following a Change of Control, the Consultant shall be entitled to a separation payment equal to 18 months of the Consultants base pay.

***Change of Control***, means the following:

- (a) Any transaction pursuant to which the Company goes out of existence (except for bankruptcy or insolvency);
- (b) any transaction pursuant to which any person or any associate or affiliate of such person and any person acting jointly or in concert with such person (within the meaning of the *Securities Act* (British Columbia)) (other than the Company or a subsidiary of the Company), hereafter acquires the direct or indirect "beneficial ownership" (as such term is defined in the *Business Corporations Act* (British Columbia)) of securities of the Company representing 50% or more of the aggregate votes of all of the Company's then issued and outstanding securities;
- (c) the sale of all or substantially all of the Company's assets to a person other than a person that is an affiliated entity;
- (d) the dissolution or liquidation of the Company except in connection with the distribution of assets of the Company to one or more persons which were affiliated entities prior to such event;
- (e) the occurrence of a transaction requiring approval of the Company's shareholders involving the acquisition of the Company by an entity through purchase of assets, by amalgamation, reverse takeover or otherwise; or

- (f) any other transaction or series of transactions that, in the reasonable opinion of the Board, constitutes a change of control of the Corporation.

### **Oversight and Description of Director and Named Executive Officer Compensation**

Compensation of the Company's Named Executive Officers and directors is determined by the full Board. Based on the recommendations of the Compensation/Human Resources Committee. Compensation is determined based on factors considered relevant and appropriate, including the level of service provided, the background and expertise of the individual director or NEO, amounts paid by other companies in similar industries at similar stages of development and compensation levels necessary to attract, retain and develop management of a high caliber. Compensation is typically reviewed annually by the Board, usually in the first fiscal quarter, but may also be reviewed on an ad hoc basis as the need arises.

The Company's compensation structure has two primary components, cash compensation and share-based compensation in the form of incentive Stock Options. Cash compensation has two components, base salary/consulting fees and bonuses. For the Company's financial year ended March 31, 2023, the significant element of compensation paid to Ed Bereznicki was consulting fees paid pursuant to the Bereznicki Agreement; Robert Scott received consulting fees starting October 2021, as amended on April 1, 2022; David Safton and Shaun Wyzykoski received consulting fee as per their consulting agreement dated April 1, 2022 as compensation from the Company.

The Company regards the strategic use of incentive Stock Options as a significant component of its compensation structure. In evaluating Option grants issues, the Board evaluates a number of factors including, but not limited to: (i) the number of Options already held by or issued to an individual; (ii) a fair balance between the number of Options held by or issued to an individual and those held by or issued to other directors or officers, in light of their responsibilities and objectives; and (iii) the value of the Options (generally determined using a Black- Scholes analysis) as a component of the individual's overall compensation.

No significant events occurred during the most recently completed financial year that significantly affected compensation. While the Board considers amounts paid by other companies in similar industries at similar stages of development in determining compensation, no specifically selected peer group has been identified as a comparable. No significant changes were made to the Company's compensation policies since the commencement of the most recently completed financial year.

### **Pension Disclosure**

Neither the Company nor any of its subsidiaries currently has a pension benefits arrangement under which the Company or any of its subsidiaries has made payments to the directors or Named Executive Officers of the Company during its financial year ended March 31, 2023 or intends to make payments to the Company's directors or Named Executive Officers upon their retirement (other than the payments made, if any, pursuant to the Canada Pension Plan or any government plan similar to it).

## **CORPORATE GOVERNANCE**

### **General**

"Corporate Governance" refers to the process and structure used to direct and manage the business and affairs of a corporation. The objective is to enhance shareholder value, including ensuring the financial viability of the business. Corporate governance processes and structures define the division of power among the shareholders, the Board and management, and establish ways to ensure accountability. They also take into account how the direction and management of the business will affect other stakeholders such as employees, customers, suppliers and communities.

The Canadian Securities Administrators have adopted National Policy - 58-201 *Corporate Governance Guidelines* ("NP 58-201") and National Instrument 58-101 - *Disclosure of Corporate Governance Practices* ("NI 58- 101").

NP 58-201 sets forth a set of guidelines or "best practices" for reporting issuers to consider when evaluating their own corporate governance practices. Recognizing that not all of the guidelines set forth in NP 58-201 will be appropriate for all companies, full implementation of the guidelines is not mandated by either NP 58-201 or the Exchange. NI 58-101 mandates the disclosure of the corporate governance practices actually implemented by a reporting issuer, in certain prescribed disclosure documents.

As the business of the Company is straightforward, the Company is at an early stage of development and its Board is

relatively small, the Company's corporate governance practices are at an early stage of evolution. The following describes the Company's approach to corporate governance, in compliance with NI 58-101.

### Board of Directors

The Board consists of a total of four directors, Ed Bereznicki, Robert Scott, Calvin R. Watson and Todd Holmstrom. Ed Bereznicki, President and Chief Executive Officer, and Robert Scott, Chief Financial Officer, are not independent directors of the Company. The other two directors are independent.

### Directorships

The following table sets out details of directorships in other public issuers, held by each of the current directors standing for re-election:

Director	Other Reporting Issuer(s)
Ed Bereznicki	-
Robert Scott	Mongolia Growth Group Ltd., Sherpa II Holdings Corp.
Calvin R. Watson	-
Todd Holmstrom	-

### Orientation and Continuing Education

The Company does not have a formal process of orientation for new Board members. However, the Company does orient and educate new Board members by providing background information, conducting personal meetings and responding to questions during the early stages of a new Board member's involvement with the Company.

The Company does not have a formal process of continuing education for directors. Generally, the Company expects that existing and new Board members will have a familiarity with the business of mineral exploration and development. Professional advisors may be invited to attend Board meetings, as needed. The Company also relies on the relatively straightforward nature of its business and the established qualifications and expertise of its Board members.

### Ethical Business Conduct

The Board has adopted a Business Conduct & Ethics policy (the "Code") and views good corporate governance as an integral component to the success of the Company. In addition to promoting the Code, the Board encourages a culture of ethical business conduct by performing appropriate due diligence on proposed directors and ensuring that proposed directors are of the highest ethical standards.

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

The Code has been filed on SEDAR+ and is available under the Company's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

### Nomination of Directors

The Board does not have a Nominating Committee to identify new candidates for Board nomination. Potential candidates for appointment to the Board are considered by the Board as a whole, in reliance on the recommendations, qualifications and experience of its members. Nominees are interviewed by the Board and are asked to join the Board where consensus regarding the nominee is obtained. The Board recognizes that, in accordance with good corporate governance practices, it is desirable to appoint additional members who are independent and gives weight to this consideration in its Board appointments.

## Compensation

A Compensation/Human Resources Committee has been established by the Board, the current members of which are Todd Holmstrom (Chairman), Edward Bereznicki and Calvin R. Watson, of which Messrs. Holmstrom and Watson are independent within the meaning of NI 52-110.

The Compensation/Human Resources Committee of the Board was formed to conduct annual reviews of the compensation of directors, the CEO and other senior executives and consultants. While the Board considers amounts paid by other companies in similar industries at similar stages of development in determining compensation, no specifically selected peer group has been identified as a comparable. See “*Statement of Executive Compensation*”.

## Other Board Committees

The Board has established a Governance/ESG/Occupational Health & Safety Committee, the current members of which are Calvin R. Watson (Chairman), Edward Bereznicki, Todd Holmstrom and Robert Scott.

The Governance/ESG/Occupational Health & Safety Committee was formed to oversee the development and regularly assess the Company’s approach to corporate governance issues and to ensure that such approach supports the effective functioning of the Company with the shareholders’ best interests in mind, as well as to foresee the effective communication between the Board and Company management. The Governance/ESG/Occupational Health & Safety Committee may also recommend to the Board candidates for appointment to the Board.

The Board has also established a Reserves Committee, the current members of which are Calvin R. Watson (Chairman) and Todd Holmstrom.

The Reserves Committee was formed to act on behalf of the Board in fulfilling the Board’s oversight responsibilities with respect to evaluating and reporting on the Company’s helium reserves. The Reserves Committee is also responsible for programs dealing with oil and gas reserves and resources matters, including reserves and resources definitions, terms, recommended practices, and standards. The Reserves Committee disseminates reserves and resources information to other organizations, agencies, and companies involved in reserves matters, including cooperation with other committees and organizations in development and delivery of relevant training courses.

## Assessments

The Board has no specific procedures for regularly assessing the effectiveness and contribution of the Board, its committees or individual directors. As the business of the Company is relatively straightforward and its Board relatively small, it is expected that a significant lack of performance on the part of a committee or individual director would become readily apparent and could be dealt with on a case-by-case basis. With respect to the Board as a whole, the Board monitors its performance on an ongoing basis, and as part of that process considers the overall performance of the Company and input from its shareholders.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of the Company’s compensation plans under which equity securities of the Company are authorized for issuance at the end of the Company’s most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	5,925,000	\$0.35	2,780,935
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	5,925,000	\$0.35	2,780,935

Note: Based on 87,059,353 common shares of the Company issued and outstanding as at March 31, 2023. The maximum aggregate number of common shares that may be reserved for issuance under the Plan is equal to 10% of the issued and outstanding common shares at the time of the option grant.

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

No current or former executive officer, director or employee of the Company, proposed nominee for election as a director of the Company, or associate of any such person has been indebted to the Company or its subsidiaries at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company or its subsidiaries at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

National Instrument 52-110 of the Canadian Securities Administrators ("**NI 52-110**") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth in the following.

### **Audit Committee Charter**

The Company's Audit Committee is governed by an Audit Committee Charter. A copy of the Audit Committee Charter is attached as Schedule "A" to this Information Circular.

### **Composition of the Audit Committee**

The Company's Audit Committee is comprised of three directors, Ed Bereznicki, Todd Holmstrom (Chairman) and Calvin R. Watson. As defined in NI 52-110, a majority of the members of the Audit Committee are "independent". Also as defined in NI 52-110, all of the Audit Committee members are "financially literate". The experience of the Audit Committee members is set forth in the following.

### **Relevant Education and Experience**

#### *Edward Bereznicki, President, CEO and Director*

Mr. Bereznicki holds a B.Sc. in Civil Engineering from the University of Alberta, Canada. He also holds a Master of Business Administration (MBA) degree from the Ivey School of Business at Western University. Mr. Bereznicki has 15 years of corporate finance, capital markets and financial advisory expertise as a senior energy investment banker with Raymond James Ltd. and Griffiths McBurney & Partners. He is also a seasoned energy executive with over 14 years of exploration and production, projects, operations, risk management and pipeline transmission experience, both domestically and internationally. Mr. Bereznicki served as a director of Athabasca Minerals Inc. from October 2013 to August 2015 and was a member of the audit committee during 2014 and 2015. He is also a Life Member of the Association of Professional Engineers and Geoscientists of Alberta. Mr. Bereznicki has helped raise over \$20 billion of equity and convertible debt for the energy sector, including successful start-ups and initial public offerings, with over 30 successful merger and acquisition transactions totaling more than \$4.5 billion in value.

#### *Todd Holmstrom, Director*

Mr. Holmstrom holds a B.Sc. in mechanical engineering and has attended executive leadership programs at Ivey School of Business and the University of North Carolina – Flagler School of Business. Mr. Holmstrom has over 33 years in leadership roles in the oil and gas, mining, wireless communications and medical devices industry. Mr. Holmstrom was the President of a \$200 million company (Lockerbie & Hole Inc., a division of AECON) from February 2011 to October 2013 and Vice president in two \$1 billion operating companies, Flint Energy Services Ltd. from October 2004 to January 2010 and Stuart Olson Inc. from February 2016 to September 2019. He has extensive experience developing business strategies and leading the successful execution of \$1 billion engineering, procurement, and construction projects worldwide.

#### *Calvin R. Watson, Director*

Mr. Watson graduated from the University of Saskatchewan with a Bachelor of Science in Engineering degree. Mr. Watson has over 35 years of experience in the oil and gas industry and has held multiple roles in operations, production, reservoir engineering, gas marketing and business development. Mr. Watson was the Central and Southern Plains Exploitation Manager for Anderson Exploration/Devon Canada Corp., an affiliate of Devon Canada Corporation ("**Devon Canada**"), from May 2000 to May 2004. Mr. Watson was the Foothills Region Exploitation Manager for

Devon Canada from May 2004 to May 2008 in charge of reservoir engineering and business development for foothills region. Mr. Watson was Operations Manager, Thermal Operations of Devon Canada from May 2008 to September 2009 responsible for stabilizing thermal performance at Jackfish 1 and was General Manager of Thermal of Devon Canada from September 2009 to June 2010 responsible for operations, business development, production and reservoir engineering for Devon Canada's Jackfish 1 and 2 steam-assisted gravity drainage facility and responsible for Devon's corporate reserves. He has acted as Vice-President of Devon Canada from June 2010 to January 2015, with an annual operating expenses budget of \$1.2 billion.

As a result of their respective business experience, each member of the audit committee (i) has an understanding of the accounting principles used by the Company to prepare its financial statements, (ii) has the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves, (iii) has experience in analyzing and evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to that that can reasonably be expected to be raised by the Company's financial statements, and (iv) has an understanding of internal controls and procedures for financial reporting.

### **Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### **Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), the exemptions in Subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*), Subsection 6.1.1(5) (*Events Outside Control of Member*), Subsection 6.1.1(6) (*Death, Incapacity or Resignation*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

### **Pre-Approval Policies and Procedures**

No specific policies or procedures have been adopted with respect to the provision of non-audit services by the Company's external auditor although, under the Company's Audit Committee Charter, such services are required to be approved by the Audit Committee.

### **External Auditor Service Fees (By Category)**

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees billed to the Company by its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
March 31, 2023	\$85,000	Nil	\$3,800	Nil
March 31, 2022	\$75,000	Nil	\$3,800	Nil

(1) Fees incurred for the preparation and filing of tax returns.

### **Exemption in Section 6.1**

The Company is relying on the exemption provided by section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### Election of Directors

The Board presently consists of four (4) directors and the Board intends to determine that the number of directors at four (4) and to elect four (4) directors for the ensuing year, subject to such increase as may be permitted by the articles of the Company.

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary, the shares represented by proxy will, on a poll, be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

### Advance Notice Policy

Effective January 24, 2017, the Board adopted an advance notice policy (the "**Advance Notice Policy**") for the purpose of providing shareholders, directors and management of the Company with a clear framework for nominating directors of the Company in connection with any annual or special meeting of the shareholders.

The Advance Notice Policy require advance notice to the Company in circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act (British Columbia)* or (ii) a shareholder proposal made pursuant to the provisions of the *Business Corporations Act (British Columbia)*.

The purpose of the Advance Notice Policy is to foster a variety of interests of the shareholders and the Company by ensuring that all Shareholders - including those participating in a meeting by proxy rather than in person - receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner. Among other things, the Advance Notice Provisions fix a deadline by which holders of common shares must submit director nominations to the Company prior to any annual or special meeting of shareholders and set forth the minimum information that a shareholder must include in the notice to the Company for the notice to be in proper written form.

Pursuant to the Advance Notice Policy, any additional director nominations for the Meeting must be received by the Company in compliance with the Advance Notice Provisions no later than the close of business on October 28, 2023. If no such nominations are received by the Company prior to such date, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

### Information Concerning Nominees Submitted By Management

The following table sets out the names of the persons nominated for election as directors, the province or state and country in which each is ordinarily resident, the positions and offices which they presently hold with the Company, their respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, or controls or directs, directly or indirectly, as of the date of this Information Circular:

Name of Nominee, Residence and Present Positions Held	Principal Occupation	Director Since	Number of Shares Beneficially Owned, Controlled or Directed
<b>Edward Bereznicki</b> <sup>(1) (2)</sup> Alberta, Canada Director, President & CEO	Mr. Bereznicki has been the President and CEO of the Company since August 10, 2020; an advisor and CEO of Freedom Cannabis Inc., a private seed to sell cannabis company, from April 2018 to October 2019; and independent businessman, advisor and investor to start-up oil and gas companies from August 2015 to March 2018.	04/15/2021	1,170,535
<b>Robert J. Scott</b> <sup>(2)</sup> British Columbia, Canada Director & CFO	Mr. Scott is a CPA, CA, and CFA Charter holder with more than 20 years of professional experience. He is the Founder and President of Corex Management Inc., a private company which, for the past 15 years, has provided accounting, administration, and corporate compliance services to privately held and publicly traded companies.	01/23/2017	3,634,529

<b>Todd Holmstrom</b> <sup>(1)(2)(3)</sup> Alberta, Canada Director	Mr. Holmstrom has been a consultant with WaterStrider Treatment Inc., a water treatment technology company, from January 2021 to February 2023; consultant for the Company from January 2020 to February 2020; and Vice President - Construction at Stuart Olson Inc., a construction services company, from February 2016 to September 2019.	08/10/2020	250,000
<b>Calvin R. Watson</b> <sup>(1)(2)(3)</sup> Alberta, Canada Director	Mr. Watson has been the President and CEO at Nobilis Energy Consulting Ltd., a management consulting company, from January 2016 to present.	08/10/2020	375,535

1. Members of Audit Committee and Compensation/Human Resources Committee
2. Members of Governance/ESG/Occupation Health & Safety Committee
3. Members of Reserves Committee

The terms of office of those nominees who are presently directors will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next Annual General Meeting of the Company, unless terminated earlier.

Shareholders can vote for all of the proposed nominees, vote for some of the proposed nominees and withhold for others, or withhold votes for all of the proposed nominees. **Unless otherwise instructed, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.**

No proposed director of the Company is, or within the 10 years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity of director, chief executive officer or chief financial officer

For the purposes of the preceding paragraph, “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, and which, in each case, was in effect for a period of more than 30 consecutive days.

No proposed director of the Company is, at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within one year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company or personal holding company of a proposed director has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company or personal holding company of a proposed director has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

During the ten years preceding the date of this Information Circular, no proposed director has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that person.

The above information was provided by the management of the Company.

### **Appointment of Auditor**

The shareholders will be asked to appoint Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1G6, to serve as the auditor of the Company until the close of the next Annual General Meeting of the shareholders, and to authorize the directors to fix the auditor's remuneration. Davidson & Company LLP was first appointed auditor of the Company on June 17, 2019.

### **Ratification of Approved Stock Option Plan**

At the Annual and Special Meeting of Shareholders of the Company held on November 2, 2022, the shareholders approved a new stock option plan (the "**Stock Option Plan**"), which has an effective date of December 19, 2022 and which reserves a rolling maximum of 10% of the number of shares issued and outstanding on the applicable date of grant. As the Stock Option Plan is a rolling plan, under Exchange policy, the Stock Option Plan must be presented to shareholders for approval by ordinary resolution at every annual general meeting of the Company to authorize continuation of the Stock Option Plan. As at the date of this Information Circular, the Company had 87,059,353 shares issued and outstanding so that a maximum of 8,705,935 shares would be available for issuance pursuant to Options granted under the Stock Option Plan. As at the date of this Information Circular, there were 5,925,000 Options outstanding and remaining 2,780,935 shares available for future issuance under the Stock Option Plan.

A summary of certain provisions of the Stock Option Plan is provided under the heading "*Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans*". The full text of the Stock Option Plan will be available to the shareholders at the Meeting. Shareholders may also view the Stock Option Plan in advance of the Meeting at the Company's head office, 550-800 West Pender Street, Vancouver, BC, V6C 2V6, or by requesting a copy of the Stock Option Plan from the Company by telephone at (833) 435-4861.

In connection with shareholder approval of the Stock Option Plan, management will place the following proposed resolution before the shareholders for their consideration, which resolution requires approval of greater than 50% of the votes cast by shareholders who, being entitled to do so, vote, in person or by proxy, on the ordinary resolution at the Meeting:

**RESOLVED, as an ordinary resolution, that:**

- (a) the Company's Stock Option Plan, substantially in the form approved by the shareholders of the Company at the annual and special meeting held on November 2, 2022, be ratified, confirmed and approved;
- (b) the directors of the Company or any committee of the board of directors of the Company (the "**Board**") are hereby authorized to grant stock options (each, an "**Option**") pursuant to the Stock Option Plan to those eligible to receive Options thereunder;
- (c) the Board or any committee created pursuant to the Stock Option Plan is authorized to make such amendments to the Stock Option Plan from time to time as the Board may, in its discretion, consider to be appropriate, provided that such amendments will be subject to the approval of all applicable regulatory authorities and in certain cases, in accordance with the terms of the Stock Option Plan, the shareholders; and
- (d) any one director or officer of the Company is hereby authorized to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in such director's opinion may be necessary to give effect to the matters contemplated by these resolutions."

### *Recommendation of the Board*

The Board has determined that the Stock Option Plan is in the best interests of the Company and the shareholders and unanimously recommends that the shareholders vote in favour of ratifying, confirming and approving the Stock Option Plan. **In the absence of any contrary directions, it is the intention of management to vote proxies in the accompanying form FOR the foregoing resolution.**

The Board reserves the right to amend any terms of the Stock Option Plan or not to proceed with the Stock Option Plan at any time prior to the Meeting if the Board determines that it would be in the best interests of the Company and the shareholders to do so in light of any subsequent event or development occurring after the date of the Information Circular.

### **ADDITIONAL INFORMATION**

Additional Information concerning the Company is available on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). Financial Information concerning the Company is provided in the Company's comparative financial statements and Management's Discussion and Analysis for the financial year ended March 31, 2023.

Shareholders wishing to obtain a copy of the Company's financial statements and Management's Discussion and Analysis may contact the Company as follows:

Robert J. Scott, Chief Financial Officer  
550-800 W. Pender Street, Vancouver, British Columbia, Canada,  
V6E 4M3 Telephone: (778) 327-5799  
Fax: (778) 327-6675

### **REQUEST FOR FINANCIAL STATEMENTS**

National Instrument 51-102 - *Continuous Disclosure Obligations* sets out the procedures for a shareholder to receive financial statements. If you wish to receive financial statements, you may use the enclosed form or provide instructions in any other written format. Registered shareholders must also provide written instructions in order to receive the financial statements.

### **BOARD APPROVAL**

The contents of this Information Circular have been approved and its mailing has been authorized by the directors of the Company.

**DATED** at Vancouver, British Columbia, the 10<sup>th</sup> day of October 2023.

### **ON BEHALF OF THE BOARD**

*"Ed Bereznicki"*

**Ed Bereznicki**  
President, Chief Executive Officer & Director

Schedule "A"

**FIRST HELIUM INC.**  
**(the "Company")**

**AUDIT COMMITTEE CHARTER**

*A. Purpose*

The overall purpose of the Audit Committee is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. In performing its duties, the Audit Committee will maintain effective working relationships with the board of directors of the Company (the "**Board**"), management and the external auditors and will monitor the independence of such auditors. To perform his or her role effectively, each member of the Audit Committee will obtain an understanding of the responsibilities of the Audit Committee and the Company's business, its operations and related risks.

*B. Composition, Procedure, and Organization*

1. The Audit Committee shall consist of at least three members of the Board, and shall be in compliance with securities laws and stock exchange requirements.
2. All members of the Audit Committee shall be financially literate as defined in NI 52-110 or any successor policy.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Audit Committee for the ensuing year. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the Audit Committee.
4. Unless the Board has appointed a chair of the Audit Committee, the members of the Audit Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Audit Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
6. The Audit Committee shall have access to the Company's external auditors, officers and employees and to such information respecting the Company as it considers to be necessary or advisable for the Audit Committee to perform its duties and responsibilities.
7. Meetings of the Audit Committee shall be conducted as follows:
  - (a) the Audit Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Audit Committee;
  - (b) the external auditors or any member of the Audit Committee may request a meeting of the Audit Committee;
  - (c) the external auditors shall receive notice of and have the right to attend all meetings of the Audit Committee; and

- (d) management representatives may be invited to attend all meetings except for private sessions with the external auditors.

8. The external auditors shall have a direct line of communication to the Audit Committee through the chair of the Audit Committee and may bypass management if deemed necessary. The Audit Committee, through its chair, may contact directly any employee of the Company as it deems necessary, and any employee may bring before the Audit Committee any matter involving questionable, illegal or improper financial practices or transactions.

*C. Roles and Responsibilities*

1. The overall duties and responsibilities of the Audit Committee shall be as follows:

- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and interim consolidated financial statements and related financial disclosure;
- (b) to establish and maintain a direct line of communication with the Company's external auditors and assess their performance;
- (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
- (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.

2. The duties and responsibilities of the Audit Committee as they relate to the external auditors shall be as follows:

- (a) recommend to the Board a firm of external auditors to be engaged by the Company and to verify the independence of such external auditors;
- (b) review and approve the fee, scope and timing of audits of the Company and other related services rendered by the external auditors;
- (c) review the audit plan of the external auditors prior to commencement of an audit of the Company;
- (d) review with the external auditors, upon completion of their audit of the Company:
  - (i) contents of their report;
  - (ii) scope and quality of the audit work performed;
  - (iii) adequacy of the Company's financial and auditing personnel;
  - (iv) co-operation received from the Company's personnel during the audit;
  - (v) internal resources used;
  - (vi) significant transactions outside of the normal business of the Company;
  - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
  - (viii) any non-audit services provided by the external auditors;
- (e) discuss with the external auditors the quality and acceptability of the Company's accounting principles; and

- (f) implement structures and procedures to ensure that the Audit Committee meets the external auditors on a regular basis in the absence of management.
3. The duties and responsibilities of the Audit Committee as they relate to the internal control procedures of the Company are to:
- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact the financial integrity of the Company, including those relating to insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board any changes which the Audit Committee may deem appropriate;
  - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.
4. The Audit Committee is also charged with the responsibility to:
- (a) review and approve the Company's annual and interim financial statements and related MD&A, including the impact of unusual items and changes in accounting principles and estimates;
  - (b) review and approve and report to the Board the financial sections of any of the following disclosed documents prepared by the Company:
    - (i) the annual report to shareholders;
    - (ii) the annual information form;
    - (iii) annual MD&A;
    - (iv) prospectuses;
    - (v) news releases discussing financial results of the Company; and
    - (vi) other public reports of a financial nature requiring approval by the Board;
  - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
  - (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
  - (e) review and report on the integrity of the Company's consolidated financial statements;
  - (f) review the minutes of any audit committee meeting of any of the Company's subsidiaries;
  - (g) review with the Company's management, external auditors and, if necessary, legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect on the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
  - (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

- (i) develop a calendar of activities to be undertaken by the Audit Committee for each ensuing year and submit such calendar in the appropriate format to the Board following each annual general meeting of the shareholders.