



Annual Information Form
July 29, 2025



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SELECTED TERMS

Unless the context otherwise requires, in this Annual Information Form, the following terms and abbreviations have the meanings set forth below.

AIF or Annual Information Form means this annual information form of the Company dated July 29, 2025 for the year ended March 31, 2025.

BCBCA means the *Business Corporations Act* (British Columbia), as amended.

Board or Board of Directors means the board of directors of First Helium Inc.

Common Shares means the common shares of First Helium Inc.

Company means First Helium Inc, a company incorporated under the BCBCA, and, where the context requires, its subsidiaries, taken as a whole.

Contingent Resources has the meaning set forth in the Canadian Oil and Gas Evaluation Handbook;

Contingent Resources Report means the report prepared by Sproule dated June 18, 2021 entitled "Evaluation of the Helium and P&NG Contingent Resources of First Helium Inc. in the Worsley Area of Canada (as of March 31, 2021)".

CSA Notice 51-324 means Canadian Securities Administrators Staff Notice 51-324 (Revised) - Glossary to NI 51-101 Standards of Disclosure for Oil and Gas Activities, issued by the Canadian securities regulatory authorities.

ESG means environmental, social and governance.

Financial Statements means the audited consolidated financial statements of the Company as of March 31, 2025 and 2024 and for the two years ended March 31, 2025 and 2024.

MD&A means management's discussion and analysis for the year ended March 31, 2025.

NI 51-101 means National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*, adopted by the Canadian securities regulatory authorities.

OPEC means the Organization of the Petroleum Exporting Countries.

OPEC+ means OPEC plus a number of other oil exporting countries, including Russia.

Share Consolidation means the 1 for 10 consolidation of the Common Shares, effective November 27, 2020.

Shareholders mean the holders from time to time of Common Shares.

Sproule means Sproule Associates Limited.

Subsidiary has the meaning ascribed thereto in the Securities Act (Ontario) and, for greater certainty, includes all companies, partnerships and trusts owned, controlled or directed, directly or indirectly, by us.

Tax Act means the Income Tax Act (Canada), R.S.C. 1985, c. 1 (5th Supp.), as amended, including the regulations promulgated thereunder, as amended from time to time.

TSXV means the Toronto Stock Venture Exchange.

Worsley Property means the Worsley property located in Alberta, Canada, consisting of the Worsley Well and the associated petroleum and natural gas lease.

Worsley Well has the meaning ascribed under "Development of the Business".

ABBREVIATIONS AND BOE ADVISORY

bbl	barrel or barrels	mcf	thousand cubic feet
bbl/d	barrels per day	mcf/d	thousand cubic feet per day
boe	barrels of oil equivalent	m3	cubic metres
boe/d	barrels of oil equivalent per day	mmbtu	million British Thermal Units
mdbl	thousand barrels	GJ	gigajoules
mboe	thousand boe	NGLs	Natural gas liquids
WTI	West Texas Intermediate	\$ million	millions of dollars

Where amounts are expressed as a barrel of oil equivalent (“boe”) or per day (“boe/d”), natural gas volumes have been converted to barrels of oil equivalent at six (6) thousand cubic feet (“mcf”) to one (1) bbl. The boe conversion ratio of 6 mcf to 1 barrel (“bbl”) of oil or natural gas liquids is based on an energy equivalency conversion methodology primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. This conversion conforms to the Canadian Securities Regulators’ National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.

CONVERSIONS AND CONVENTIONS

The following table sets forth certain conversions between Standard Imperial Units and the International System of Units (or metric units).

From	To	Multiply by
mcf	cubic metres	28.174
cubic metre	cubic feet	35.494
bbl	cubic metres	0.159
cubic metre	bbl	6.293
feet	metres	0.305
metres	feet	3.281
miles	kilometres	1.609
kilometres	miles	0.621
acres	hectares	0.400
hectares	acres	2.500

NOTES TO READER

Presentation

All information contained in this Annual Information Form (“AIF” or “Annual Information Form”) is as at March 31, 2025, unless otherwise stated, being the date of the most recently completed financial year of the First Helium Inc. (“**First Helium**” or the “**Company**”). All references to Common Shares and issue price per Common Share herein give effect to the Share Consolidation, unless otherwise specified.

Certain portions of the Company’s prospectus dated June 28, 2021 (“Prospectus”) are incorporated by reference to this AIF as stated below. The Prospectus can be found on SEDAR (www.sedarplus.com) under First Helium’s profile.

Forward-looking statements

In the interest of providing our shareholders and potential investors with information about First Helium, including management’s assessment of future plans and operations, certain statements contained or incorporated by reference in this AIF are “forward-looking statements” within the meaning of applicable Canadian securities legislation (collectively, “forward-looking statements”). Forward-looking statements are statements that relate to future, not past, events. In this context, forward-looking statements often address expected future business and financial performance, and often contain words such as “anticipate”, “believe”, “plan”, “estimate”, “expect”, and “intend”, statements that an action or event “may”, “might”, “could”, “should”, or “will” be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included contained or incorporated by reference herein including, without limitation, statements about the size and timing of future exploration on and the development of the Company’s properties are forward-looking statements. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors

include, among others, the following risks: the need for additional financing; operational risks associated with helium and gas exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the volatility of the common share, price and volume and other reports and filings with the applicable Canadian securities regulations. Forward-looking statements are made based on management's beliefs, estimates and opinions on the date that statements are made, and the Company undertakes no obligation to update forward-looking statements if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. There can be no assurance that such statements will prove to be accurate, and future events and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time via the Company's website along with the Canadian regulatory agencies to whose policies the Company is bound. Accordingly, readers should not place undue reliance on forward looking statements and information contained in this Annual Information Form and the documents incorporated by reference herein. All forward-looking statements and information disclosed in this Annual Information Form are qualified by this cautionary statement. Additional risk factors can be found in the Prospectus filed on June 28, 2021 (www.sedarplus.com).

Helium disclosure

Helium is not a "product type" as such term is defined by NI 51-101 and consequently the activities of the Company in relation to exploration, drilling and other activities in respect of Helium do not constitute "oil and gas activities" as contemplated by NI 51-101. As such, disclosure of contingent helium resources contained in or incorporated by reference in this AIF is not made pursuant to the provisions of NI 51-101, although descriptions of contingent resources contained or incorporated by reference herein may use definitions that are consistent with the standards of NI 51-101.

CORPORATE STRUCTURE

First Helium Inc. ("First Helium" or the "Company") was incorporated under the laws of the Province of British Columbia on May 10, 2016. The registered and principal office of the Company is 550 - 800 West Pender Street, Vancouver, British Columbia, V6C 2V6. The Company has a wholly-owned subsidiary, First Helium Alberta Inc. which was incorporated under the laws of Alberta, Canada on August 3, 2017. Operations are conducted by First Helium's wholly-owned subsidiary.

DEVELOPMENT OF THE BUSINESS

First Helium is a company focused on the exploration, development, and production of helium across western Canada to meet growing demand in the high-tech global market. Petroleum and natural gas are also explored for, developed, and produced as part of its operations.

Fiscal year ended March 31, 2023

On May 17, 2022, the Company drilled certain prospective helium targets commencing late June 2022 at its 100% owned, 79,000-acre Worsley Property in Alberta, Canada. The wells targeted potential natural gas accumulations which are expected to contain commercial quantities of helium gas along with natural gas. Based on associated historic oil & gas drilling and operating data, helium content ranges from 0.5% to 1.9% across the Company's Worsley assets.

The Company has successfully drilled and cased the 14-23 (102/05-27) horizontal well for future completion as a potential gas well, with helium content, which may coincide with the potential future installation of a helium processing facility at Worsley. The water disposal well in Worsley was commissioned in January 2023.

The Company completed a shoot of 5,120-acre 3D seismic data acquisition program in March 2023. This covered portion of the 25,600 acres of land acquired in August 2022. This program will tie into the existing purchased trade data and the 3D program shot by the Company in March 2021. This program will enable the Company to evaluate several high priority drilling targets for helium, oil and natural gas and potentially re-entry opportunities.

Fiscal year ended March 31, 2024

An evaluation of the Company's proprietary new 3D seismic program, which is on trend with, and within the same reef complex as the Company's three successful wells, has resulted in additional similar potential drilling targets for Leduc oil, and natural gas with potential helium content. In addition, First Helium has identified numerous other highly prospective multi-zone, oil, helium and natural gas exploration and development opportunities across its extensive Worsley land base.

The Company was active in pursuing equity financing and/ or joint venture partners to develop the next phase of its program. Building on its successful 15-25 helium discovery well at the Worsley project, the Company has identified numerous follow-up drill locations and acquired an expansive infrastructure system to facilitate future exploration and development across its Worsley land base. Cash flow from its successful oil wells at Worsley has helped support First Helium's ongoing exploration and development growth strategy.

Fiscal year ended March 31, 2025

First Helium drilled two wells to test multiple zones in the Worsley area in early calendar 2025. The Blue Ridge zone was tested in the 7-15 well and was confirmed to have helium content in the gas similar to prior tests in the west Worsley area. In the recently completed 7-30 well, approximately 50 barrels of 15-degree API oil was recovered in the two calendar days following an acid stimulation, demonstrating vertical well, cold flow heavy oil capability. The 7-15 well, without stimulation, also produced small quantities of heavy oil from the same formation and was shut-in for further evaluation following spring breakup. This discovery confirms the Company's ongoing evaluation of this zone ("Heavy Oil Zone"), which occurs repeatedly over the Company's 53,000-acre (~83 square miles) Worsley land base as a potential shallow heavy oil development play. The Company is now proceeding to prepare a plan to develop this potentially large, repeatable play.

Financing

Since inception, the Company has raised approximately \$25 million of investment capital to deploy to its portfolio of projects. Pursuant to the Prospectus on July 8, 2021 (i) the Subscription Receipts were converted, for no additional consideration, into an aggregate of 35,823,438 Common Shares and 22,709,291 Warrants; and (ii) the Convertible Debentures were converted into 9,595,152 Common Shares of the Company at a price of \$0.30 per share. 9,595,152 warrants were also issued exercisable at a price of \$0.50 per common share and expired on July 12, 2023. The Prospectus qualified the distribution of the Common Shares and Warrants issued pursuant to the conversion of the Subscription Receipts and the Convertible Debentures.

In December 2022, the Company closed a non-brokered private placement of 12,192,000 units for gross proceeds of \$2.4 million. Each unit consists of one Common Share and one Common Share purchase warrant, exercisable at \$0.30 per Common Share. The proceeds were used to complete a seismic acquisition program and general working capital purposes.

On April 4, 2024, the Company closed the non-brokered private placement of 66,173,000 units at a price of \$0.05 per unit for gross proceeds of \$3,308,650. Each unit consists of one common share and one common share purchase warrant ("Warrant"). The 66,173,000 Warrants issued are exercisable at a price of \$0.075 per common share and will expire April 4, 2027. The Warrants are not subject to acceleration. The proceeds will be used to fund asset development and general working capital. As at March 31, 2024, the Company received subscription orders totalling gross \$3.3 million before issuance costs of \$0.4 million in connection with its equity financing. Of the total subscriptions, \$2.0 million was from certain related parties.

In October 2024, First Helium issued 60,666,671 units ("Units") at a price of \$0.06 per Unit for gross proceeds of \$3,640,000. Each Unit consists of one common share (a "Share") in the capital of First Helium and one common share purchase warrant (a "Warrant"). Each Warrant is exercisable to acquire one Share at a price of \$0.09 per Share for a period of 36 months, expiring October 30, 2027. The Warrants are subject to an acceleration clause. The Company used the net proceeds from the Offering to fund additional asset development and operating expenses on its Worsley project, as well as for general working capital.

Management team

In August 2020, the Company completed a restructuring of its Board and management, with Messrs. Todd Holmstrom, Calvin R. Watson as its Directors and Edward Bereznicki, David Safton, and Shaun Wzykoski as Executives. In 2021, Robert Scott, CFO and Edwards Bereznicki, President & CEO, were added to the Board. In February 2024, David Safton ceased to be an insider of the Company. In November 2024, Shaun Wzykoski resigned from his position as VP Engineering.

Significant acquisitions

The Company did not complete any significant acquisitions during its most recent financial year.

DESCRIPTION OF BUSINESS

GENERAL

First Helium is a company focused on the exploration, development, and production of helium across western Canada to meet growing demand in the high-tech global market. Petroleum and natural gas are produced as part of its operations and the exploration and development of those products form part of the Company's business strategy. The Company is at the exploration stage, and although it has conducted field testing on its Worsley properties, it has not yet established ongoing commercial production of helium. On July 12, 2021, the Company began trading on the TSXV Exchange under the symbol HELI and OTC Markets Platform under the symbol "FHELF" on March 14, 2022.

Worsley area

The Company's Worsley assets are located on the Worsley Trend in Northern Alberta, Canada. The Worsley Trend lies along the northern flank of the geological structure called the Peace River Arch ("PRA"). There are numerous clastic and carbonate formations with structural, stratigraphic and hydrodynamic traps along the flanks of the PRA. Gas analyses in various wells performed over the decades have established economic helium concentrations in the vicinity of the PRA and most notably along the Worsley Trend. Wells along the Worsley Trend have historically produced significant amounts of helium along with the targeted hydrocarbons, however the helium was not recovered during production. The PRA has also been a very active area for oil and natural gas exploration, development and production.

The Company engaged Sproule to evaluate the helium resources of the Company in its 15-25 helium enriched natural gas well. The Contingent Resources Report was released June 28, 2021. For more information about the Contingent Resources Report, see "Appendix E" of the Prospectus, incorporated herein by reference.

In addition to exploration and development on the Worsley Property, the Company has been aggressively exploring its holdings along the Worsley Trend. In August of 2021 and April 2022, the Company purchased a total of approximately 180 km of trade 2D seismic over a portion of its eastern most holdings on the Worsley Trend. This seismic has been evaluated and is being used to guide further land acquisition, 3D seismic positioning, and drilling. Re-completion or re-entry of existing wellbores will be performed where possible to reduce the capital required to achieve increased helium production; the Company is working to prioritize rec-completion or re-entry candidates.

In order to maintain better control over the Company's asset portfolio, it has established a significant land position comprised entirely of properties that it owns and operates at 100% working interest. The Company believes that maintaining ownership and operational control over its land position will allow it to better pursue its strategies of enhancing returns through operational and cost efficiencies and maximizing helium recovery.

Along with the Company's current ownership of the Worsley Well, the area's advantages include:

- extensive geoscience and engineering data available, including well test and production data, gas analyses, pressure data, well logs, core data, seismic data;
- geology includes multiple zones which have historically produced for hydrocarbons;
- wells that have produced significant volumes of helium enriched natural gas;
- stable regulatory environment;
- large number of service companies and workforce with crossover skills from the oil and gas industry; and
- existing roads for access and transport, and infrastructure for production of the associated hydrocarbons.

Southern Alberta area

The Company's interests in the Warner-Jensen strike area are termed the "Warner-Jensen property" or assets in the Southern Alberta area ("Southern Alberta"). On May 26, 2021, the Company entered into a Seismic Review and Option Agreement with a large land holder in southern Alberta. The agreement granted the Company exclusive access to 882,710 acres of helium rights, 932 square kilometers of 3D seismic and 500 kilometers of 2D seismic. On November 26, 2021, the Company elected to extend 276,842 acres of land for a further 2 years under pre-negotiated terms. The ongoing geological and geophysical evaluation has resulted in the identification of several potential drill locations on the Warner-Jensen property.

In fiscal 2024, the Company opted not to acquire certain lands within the Seismic Review and Option Agreement entered into in fiscal 2022 with a large land holder in southern Alberta. The Company's technical team has deferred its geological and geophysical evaluation of the extended lands until additional financing are obtained.

Production and Services

The Company is at the exploration and early stage of development and is neither producing helium nor has it established commercial helium business operations. However, it has evaluated the Worsley Well and intends to design a fully-integrated helium and natural gas and liquids production facility to accommodate a range of helium production volumes. The Company has successfully drilled and produced light oil from its 1-30 and 4-29 wells

Specialized Skill and Knowledge

The Company requires specialized skill and knowledge in the areas of helium engineering, geology, geophysics and drilling, the majority of which are readily transferrable from the oil and gas industry. In addition, specific knowledge and expertise on local laws (including regulations relating to land tenure, exploration, development, production, marketing, transportation, the environment, royalties and taxation) and market conditions are required to compete with other domestic and international entities.

The Board and officers of the Company have experience in the areas of oil and gas, engineering, project management, capital markets, mergers and acquisitions, and financing. The members of the Company's management team, with collective experience of over 90 years, have been involved initially as advisors and then officers of the Company for over two fiscal years and have made investments in the Company. Consultants of the Company have been identified and engaged by the Company's management team and the Board, based on past relationships with the consultants and the management's and the Board's extensive collective experience and network of relationships with industry participants. Based on this background, the Company believes that it has strong relationships with its employees and consultants. Neither the Company's employees nor its consultants are represented by labour unions, and the Company is not a party to any collective bargaining agreement.

Competitive Conditions

Due to its dramatic price escalation in the past few years, the exploration for, development of and production of helium has become extremely competitive. Numerous companies have engaged in exploration for helium, and the Company believes that large well financed oil and gas producers in the Western Canadian Sedimentary Basin will be evaluating the potential of helium as a potential revenue stream. Large international specialty gas producers/marketers may also engage in the exploration and development for helium in the Western Canadian Sedimentary Basin. In the United States, the Company believes that helium exploration and production are dominated by four larger players, and the Company is also aware of additional start-up companies exploring for helium. As more start-up helium exploration companies are attracted to the sector, the competition for helium prospects, capital, skilled professionals, equipment and specialized services will intensify.

The resource industry is intensely competitive, and the Company competes with numerous other helium, as well as oil and natural gas, exploration and development companies to (i) seek out and acquire properties, (b) obtain the resources necessary to identify properties and conduct exploration and development on such properties and (c) raise the capital necessary to fund its operations, many such competitors which have substantially greater resources than the Company. The Company's ability to discover reserves or acquire additional properties in the future is dependent upon its ability and resources to evaluate and select suitable properties and to consummate transactions in this highly competitive environment.

New Products

The Company is involved in the exploration and development of helium resource. Helium is produced in gaseous form, processed to achieve desired levels of purity, and in certain instances, liquefied for transport and specific applications/uses. As such, the Company does not currently engage in introducing new products to the market, but it will endeavor to provide the end-user with a reliable, stable supply of helium resource by engaging experienced equipment suppliers, engineering firms and operating personnel for the design, construction and operation of its facilities. End users generally use the helium to advance new and improved product or service development.

The exploration, development and production of oil and natural gas is well established industry in Western Canada and is reliant on the ongoing evolution of applied technology and practice.

Components

The Company will rely on specialized professional contract services and equipment to undertake the development of its oil, natural gas, and helium assets, all of which are currently readily accessible in the energy sector at competitive rates and acceptable timing. The Company will augment these project requirements with pre-sourced, specialized professional helium experience and proven, existing helium/natural gas processing technology and equipment, all of which is available at standard industry pricing and lead time availability.

Cyclical and Seasonal Factors

Our operational results and financial condition are dependent on the prices received for our oil and natural gas and helium production. Although helium prices have shown a significant increase over the past few years, not unlike oil and gas, helium prices are subject to price cycles. Oil and natural gas prices have fluctuated widely during recent years. Such prices are determined by supply and demand factors, including weather and general economic conditions, as well as conditions in other helium, oil and natural gas regions. Macroeconomic cycles impact global, North American, and local prices for resources.

Economic Dependence

The Company is in a start-up stage of development and with the exception of the Worsley Well, the previously produced 1-30 and 4-29 oil wells, and the recent shallow heavy oil discovery in its 7-30 well, all of its assets in the Worsley area are in the early exploration stage. The Company's asset base is limited to the Worsley Well and other non-producing wells in the Worsley area. The Company is currently planning for the potential development of the Heavy Oil Zone at Worsley, building on further evaluation of its recent 7-30 heavy oil discovery and its existing oil battery and water disposal facilities. Successful development would provide potential heavy oil production and revenues in the near term.

As the Company transitions to being an operational helium producer, it will seek to enter into off-take contracts for sale of helium, associated gases, and hydrocarbon by-products. In respect of helium, it is the Company's intent initially to enter into longer term contracts with established, credit-worthy parties to mitigate off-take risks. The risk of not securing an off-take agreement for its helium gas may impair the Company's ability to build, own and operate the processing facility, and will limit the Company's options for processing and sale of helium gas to entering into a processing arrangement with a third-party processor. This may result in less attractive return economics to the Company. Given the readily accessible market for sales of oil and natural gas within Alberta, the Company does not currently anticipate any difficulty in arranging for the sale of hydrocarbon by-products; however, the inability to do so would impact the Company's revenue stream. As the Company is in a start-up stage of development, to the extent the Company is not able to establish a revenue stream via sales contracts, it will be reliant on raising additional capital to fund operations until cash flow can be established. There can be no assurance that debt or equity financing will be available or sufficient to meet these requirements or, if debt or equity financing is available, that it will be on terms acceptable to the Company.

The exploration, development and production of oil, natural gas and helium relies heavily on the services utilized by the oil and natural gas sector, including seismic acquisition, site construction, drilling, completions, tie-ins and equipping, facility fabrication and installation, materials and equipment suppliers, and various ancillary support services. The oil and gas service sector has grown with the development of the oil and gas sector, providing operators with a wide selection of well supported services located throughout Western Canada. Many of the large industrial gas companies that currently purchase and market helium gas also have specialized helium engineering business units that provide professional design and turn-key solution processing services. The Company's management team, Board and advisory board, with combined industry experience of over 125 years, has developed business relationships throughout the energy sector. With regard to input materials, equipment and services, the Company has access to this well-established network developed by the energy sector and specialized helium companies. Subject to potential economic cyclicity described elsewhere herein, the Company has numerous alternatives to select in undertaking its helium development program.

Changes to Contracts

The Company is in a start-up stage of helium development. Aside from consulting contracts with key management, it currently has no contracts, the renegotiation or termination thereof, which would materially affect the performance of the Company. As it transitions to being an operational helium producer, the Company will seek to enter into off-take contracts or third-party processing arrangements for sale of helium, associated gases, and hydrocarbon by-products. To the extent such contracts are secured this financial year, the Company would expect a favourable resulting impact. As at the date hereof, we do not anticipate that any aspects of our business will be materially affected during the remainder of the current financial year 2025 by the renegotiation or termination of contracts.

Environmental Protection

The operations of the Company require it to obtain licenses for operating, permits, and in some cases, renewals of existing licenses and permits from authorities in Alberta. The approvals required are the same approvals required for operating in the oil and gas industry in Alberta (approvals means, collectively, the licenses, permits and other approvals or authorizations ("Approvals") that are required under provincial or federal law). The direct cost of obtaining the necessary Approvals is typically immaterial to the Company. The regulatory risks to the Company's

ability to obtain, sustain or renew any such Approvals on acceptable terms are that the Approvals can be subject to changes in applicable legislation and policies and to the discretion of courts, tribunals and governmental authorities of competent jurisdiction. The impact to the Company of failure to acquire necessary Approvals would include project delays and increased project costs, among other things. See “Risk Factors – Environmental” and “Risk Factors - Government Rules and Regulations”.

Personnel

As at March 31, 2025, the Company had no employees. As of the date of this AIF, other than the two officers of the Company, the Company also engages consultants to provide technical and professional services to the Company. The Company’s manpower requirements fluctuate due to the seasonal nature of helium exploration activities. The Company relies on consultants to carry on many of its activities and, in particular, to supervise work programs on its properties and to provide certain professional support services to the Company.

Foreign Operations

The Company has no foreign operations and does not intend to pursue foreign business opportunities for the foreseeable future. As the Company transitions to an operational phase, certain of its service and equipment suppliers, as well as potential helium off-take purchasers may have foreign head offices.

Lending

The Company currently has no lending or credit arrangements. As it transitions to a commercial operating phase, the Company may establish banking and credit arrangements, typical for a company of this nature and for this stage of growth. As the Company executes its field development capital expenditure program, it may seek to explore alternative forms of debt financing to fund its required field facilities, including, but not limited to traditional bank lending, private and/or public debt, equipment leasing, turnkey arrangements, and third-party fee-for-service alternatives.

Bankruptcy and Similar Procedures

The Company does not have any bankruptcy, receivership or similar proceedings or any voluntary bankruptcy, receivership or similar proceedings within the three most recently completed financial years or completed during or proposed for the current financial year.

Environmental and Social

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial and local laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Although First Helium believes that it is in material compliance with current applicable environmental regulations, no assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise have a material adverse effect on First Helium’s business, financial condition, results of operations and prospects.

First Helium operates in jurisdictions that have regulated or have proposed to regulate carbon dioxide and other emissions. While some regulations are in effect, others are at various stages of review, discussion, and implementation. There is uncertainty around how any future legislation will harmonize with provincial regulation, as well as the timing and effects of regulations. Climate change regulation at both the federal and provincial level has the potential to significantly affect the regulatory environment of the crude oil and natural gas business in Canada. Such changes could impose certain costs and risks on the industry; however, First Helium is unable to predict the impact of future legislation or amendments. Any new laws and regulations, or additional requirements to existing laws and regulations, could have a material impact on the Company’s operations and cash flows. First Helium is actively involved with an association of helium explorers and producers and will continue to monitor developments in this area.

Environmental stewardship is a core value at First Helium and abandonment and reclamation investments continue to be made in a prudent and responsible manner with oversight by its Board of Directors. Furthermore, the Company’s Board has formed a Governance, ESG, and Occupational Health and Safety Committee to oversee related matters.

RISK FACTORS

There are numerous and varied risks, known and unknown, that may prevent the Company from achieving its goals. The risks described below are not the only ones the Company will face. If any of these risks actually occurs, the Company's business, financial condition or results of operations may be materially and adversely affected. In that case, the trading price of the Company's securities could decline and investors in such securities could lose all or part of their investment.

The Company is an exploration stage Company and may never discover commercially viable helium concentrations.

The Company is an exploration stage company and with the exception of the previously-producing oil wells which are currently suspended, all of its assets are in the early exploration stage. The exploration and development of helium properties is highly speculative in nature and involves a high degree of financial and other risks over a significant period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. Helium exploration involves significant risk since few properties that are explored contain reserves that would be commercially economic to develop into producing wells. As such, there can be no assurance that the Company's existing or future exploration programs will result in the discovery of commercially viable reserves. Further, there can be no assurance that even if resources are located, that they can be commercially produced.

The data provided in the Company's Contingent Resources Report are risked estimates of volume and related risked net present value of future net revenue as at March 31, 2021, estimated using forecast prices and costs. For more information on the Contingent Resources Report please see Appendix "E" to the Prospectus.

Helium is not a "product type" as such term is defined by NI 51-101 and consequently the activities of the Company in relation to exploration, drilling and other activities in respect of Helium do not constitute "oil and gas activities" as contemplated by NI 51-101. As such, disclosure of contingent helium resources contained or incorporated by reference in this AIF is not made pursuant to the provisions of NI 51-101.

Negative operating cash flow and going concern.

The Company has negative cash flow from operating activities and has historically incurred net losses for the fiscal years ended March 31, 2025 and March 31, 2024. There is no assurance that the Company will generate sufficient revenues in the near future or at all. To the extent that the Company has negative operating cash flows in future periods, it may need to deploy a portion of its existing working capital, including funds raised pursuant to the future financings, to fund such negative cash flows. The Company expects to need to raise additional funds through issuances of securities or through debt financing. There is no assurance that additional capital or other types of financing will be available if needed or that these financings will be on terms acceptable to the Company, or otherwise at least as favourable to the Company as those previously obtained, or at all. The independent auditor's report on the Company's consolidated financial statements draws attention to the material uncertainty that may cast doubt on the Company's ability to continue as a going concern. Importantly, the inclusion in the Company's financial statements of a going concern opinion may negatively impact the Company's ability to raise future financing. If the Company is unable to obtain additional financing from outside sources and eventually generate enough revenues to sustain its operations, the Company may be forced to sell a portion or all of the Company's assets or curtail or discontinue the Company's operations. If any of these events happen, investors may lose all or part of their investment.

The Company has no history of helium production or helium operations.

The Company has never had helium producing properties. There is no assurance that helium, and in particular commercial quantities of helium, will be discovered at its existing properties or other future properties nor is there any assurance that the Company's exploration program thereon will yield positive results. The Company does not have a history of helium operations and there is no assurance that it will produce revenue, operate profitably or provide a return on investment in the future.

The Company has limited properties in production.

The Company has minimal operating history and limited historical financial performance. The Company does not currently have any helium properties in production. The future development of any properties found to be economically feasible will require the construction and operation of wells and related infrastructure. There is no guarantee that any of the Company's properties will be economically feasible. As a result, the Company is and will continue to be subject to all of the risks associated with establishing new helium producing operations along with new oil and natural gas operations.

The costs, timing and complexities of developing the Company's properties may be greater than anticipated by the remote location of some of its property interests, and, as a result, some of its property interests may not be served by appropriate road access, water and power supply and other support infrastructure. Cost estimates may increase as more detailed engineering work is completed on a project. It is common in new helium operations to experience unexpected costs, problems and delays during construction, development and production start-up. In addition, delays in the early stages of helium production often occur. Accordingly, the Company cannot provide assurance that its activities will result in profitable helium, oil and/or natural gas operations at any of its properties or that the Company will successfully establish helium, oil and/or natural gas producing operations.

Substantial capital requirements

The Company anticipates making substantial capital expenditures for the acquisition, exploration, development and production of oil, natural gas and helium reserves in the future. As future capital expenditures will be financed out of cash generated from operations, borrowings and possible future equity financings, the Company's ability to do so is dependent on, among other factors:

- the overall state of the capital markets;
- the Company's credit rating (if applicable);
- commodity prices;
- tax burden due to current and future tax laws; and
- investor appetite for investments in the helium exploration and production industry and the Company's securities in particular.

Further, if the Company's estimated resources are adjusted downward or revenues or future discovered reserves decline, it may not have access to the capital necessary to undertake or complete future drilling programs. Conditions in the helium industry may negatively impact the ability of helium exploration companies to access additional financing. There can be no assurance that debt or equity financing, or cash generated by operations will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. The Company may be required to seek additional equity financing on terms that are highly dilutive to existing Shareholders. The inability of the Company to access sufficient capital for its operations could have a material adverse effect on its business financial condition, financial performance and prospects.

Additional financing requirements.

The Company anticipates ongoing requirements for funds to support its growth and may seek to obtain additional funds for these purposes through public or private equity or debt financing. There are no assurances that additional funding will be available to the Company at all, on acceptable terms or at an acceptable level. Any additional equity financing may cause Shareholders to experience dilution. Any limitations on its ability to access the capital markets for additional funds could have a material adverse effect on its ability to grow our business.

Price volatility, markets and marketing.

The marketability and price of oil, helium and natural gas that may be acquired or discovered by the Company will be affected by numerous factors beyond its control. The Company's ability to market its oil, helium and natural gas may depend upon its ability to acquire space on pipelines that deliver oil, helium and natural gas to commercial markets. The Company may also be affected by deliverability uncertainties related to the proximity of its reserves to pipelines and processing facilities and related to operational problems with such pipelines and facilities as well as extensive government regulation relating to price, taxes, royalties, land tenure, allowable production, the export of natural gas and many other aspects of the natural gas business.

The Company's future revenues and profitability (if any), growth and the carrying value of any oil, helium and natural gas properties that it may hold, provided such properties yield production, are substantially dependent on prevailing prices of oil, helium and natural gas. The Company's ability to borrow and to obtain additional capital on attractive terms is also substantially dependent upon oil, helium and natural gas prices. Oil and gas prices are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty and a variety of additional factors beyond the control of the Company. These factors include economic conditions in the United States and Canada, governmental regulation, the foreign supply of oil and natural gas, the price of foreign imports and the availability of alternative fuel sources. Any substantial and extended decline in the price of oil, helium and natural gas would have an adverse effect on the Company's carrying value of its proved reserves, borrowing capacity, revenues, profitability and cash flows from operations.

Our financial condition is substantially dependent on, and highly sensitive to, the prevailing prices of crude oil and natural gas.

Low prices for crude oil and natural gas produced by the Company could have a material adverse effect on our operations, financial condition and the value and amount of our reserves. Prices for crude oil and natural gas fluctuate in response to changes in the supply of, and demand for, crude oil and natural gas, market uncertainty and a variety of additional factors beyond our control. Crude oil prices are primarily determined by international supply and demand. Factors which affect crude oil prices include the actions of OPEC, OPEC+, the condition of the Canadian, United States, European and Asian economies, the impact of pandemics/epidemics (including Covid-19), government regulation, political stability in the Middle East and elsewhere, the supply of crude oil in North America and internationally, the ability to secure adequate transportation for products, the availability of alternate fuel sources and weather conditions. Natural gas prices realized by us are affected primarily in North America by supply and demand, weather conditions, industrial demand, prices of alternate sources of energy and developments related to the market for liquefied natural gas. All of these factors are beyond our control and can result in a high degree of price volatility.

Variations in Foreign Exchange Rates and Interest Rates.

Helium and hydrocarbon product prices are quoted in United States dollars and the price received by Canadian producers is therefore affected by the Canadian/United States dollar exchange rate, which will fluctuate over time. Material increases in the value of the United States dollar will negatively impact the Company's costs of drilling and completions activity, as well as procuring specialized helium processing equipment and components. Future Canadian and United States exchange rates could impact the future value of the Company's reserves as determined by independent evaluators. To the extent that the Company engages in risk management activities related to foreign exchange rates, there is a credit risk associated with counterparties with which the Company may contract. The Company continues to assess its exposure to all foreign currencies.

Reserve estimates

While the Company did receive a reserve evaluation report effective March 31, 2024 in connection with the Worsley oil assets, no helium reserves have been assigned in connection with the Company's property interests to date, given their early stage of development. The Company's board of directors and management determined that a third party evaluation of its Worsley oil assets at March 31, 2025 was not necessary because the Company has no producing wells and does not have material Proved or Probable reserves at present.

The future value of the Company is therefore dependent on the success or otherwise of its activities, which are principally directed toward the further exploration, appraisal and development of its assets in the Worsley area, and potential acquisition of additional property interests in the future. Exploration, appraisal and development of oil, natural gas and helium reserves are speculative and involve a significant degree of risk. There is no guarantee that exploration or appraisal of the property interests of the Company will lead to a commercial discovery or, if there is a commercial discovery, that the Company will be able to realize the value of such reserves as intended. Few properties that are explored are ultimately developed into new reserves. If at any stage the Company is precluded from pursuing its exploration or development programs, or such programs are otherwise not continued, the Company's business, financial condition and/or results of operations and, accordingly, the trading price of the Common Shares, is likely to be materially adversely affected. Oil, natural gas and helium exploration involves a high degree of risk, and there is no assurance that expenditures made for future exploration or development activities by the Company will result in discoveries of reserves that are commercially or economically viable. There is no certainty that the Company's future exploration and development efforts will result in the discovery and development of helium.

Specialized skill and knowledge.

Exploration and development activities such as those the Company is engaged in require specialized skills and knowledge in the areas of engineering, geology, geophysics and drilling. In addition, specific knowledge and expertise relating to local laws (including regulations relating to land tenure, exploration, development, production, marketing, transportation, the environment, royalties and taxation) and market conditions is required to compete with other international natural gas entities.

The Company relies on new and existing technology to be successful.

The oil, natural gas and helium industry is characterized by rapid and significant technological advancements and introductions of new products and services utilizing new technologies. Other companies may have greater financial, technical and personnel resources that allow them to enjoy technological advantages and may in the future allow them to implement new technologies before the Company. There can be no assurance that the Company will be

able to respond to such competitive pressures and implement such technologies on a timely basis or at an acceptable cost. One or more of the technologies currently utilized by the Company or implemented in the future may become obsolete. In such case, the Company's business, financial condition and results of operations could be materially adversely affected. If the Company is unable to utilize the most advanced commercially available technology, its business, financial condition and results of operations could be materially adversely affected.

Transportation disruptions or increases in transportation costs could adversely affect profitability.

Disruption in or increased costs of transportation services could make helium a less competitive product or could make the Company's helium less competitive than other sources. The industry depends on rail, trucking, ocean-going vessels, pipeline facilities, and barge transportation to deliver shipments, and transportation costs are a significant component of the total cost of supplying helium. Disruptions of these transportation services because of weather related problems, strikes, lockouts, terrorist activities, delays or other events could temporarily impair the ability to supply helium to customers and may result in lost sales. In addition, increases in transportation costs, or changes in transportation costs for helium produced by competitors, could adversely affect profitability. To the extent such increases are sustained, the Company could experience losses and may decide to discontinue certain operations, forcing the Company to incur closure and/or care and maintenance costs, as the case may be. Additionally, lack of access to transportation may hinder the expansion of production at some of the Company's properties, and the Company may be required to use more expensive transportation alternatives. Similarly, the oil and gas industry could face the same impacts from such disruptions.

Government regulations.

The Company's operations are subject to various levels of government controls and regulations in North America. Oil, natural gas and helium exploration and production is a sensitive political issue and as a result there is a relatively higher risk of direct government intervention in respect of laws and regulations that can affect the property rights and title to the Company's assets. Such intervention can extend, in certain jurisdictions, to nationalization, expropriation or other actions that effectively deprive companies of their assets.

Existing laws and regulations include matters relating to land tenure, drilling, production practices including hydraulic fracturing of wells, environmental protection, marketing and pricing policies, royalties, various taxes and levies including income tax, foreign trade and investment and government approval of lease and licence transfers and other regulatory approvals that are subject to change from time to time. Current legislation is generally a matter of public record and the Company cannot predict what additional legislation or amendments may be proposed that will affect the Company's operations or when any such proposals, if enacted, might become effective. There is no certainty regarding obtaining government approvals. Changes in government policy or laws and regulations could adversely affect the Company's results of operations and financial condition. Failure to comply with applicable laws, regulations and legal requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions which could have an adverse effect on the Company's business, financial condition or operations.

Royalty regimes.

There can be no assurance that the federal and provincial governments will not adopt new royalty regimes or modify the existing royalty regimes, which may have an impact on the economics of the Company's projects. An increase in royalties would reduce the Company's earnings and could make future capital investments, or the Company's operations, less economic.

Illiquidity of helium property investments.

Many of the oil, natural gas and helium properties acquired by the Company may be illiquid and may decline in value, depending on general market trends.

Management of growth.

The Company may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Company to manage growth effectively will require it to continue to implement and improve its operational and financial systems and to expand, train and manage its employee base. The potential inability of the Company to deal with this growth could have a material adverse impact on its business, operations and prospects.

Expiration of permits, licences and leases.

The Company's properties will be held in the form of permits, licences and leases and working interests in permits, licences and leases. If the Company or the holder of the permit, licence or lease fails to meet the specific requirement of a permit, licence or lease, the permit, licence or lease may terminate or expire (excluding those which may be voluntarily relinquished by the Company). While the Company monitors the status and expiry of all of its current licences and leases, there can be no assurance that any of the obligations required to maintain such licences or leases will be met. The termination or expiration of any of its licences or leases or the working interests relating to a licence or lease may have a material adverse effect on the Company's results of operations and business. To the extent such permits, licences and leases are subsequently suspended or revoked, the Company may be curtailed or prohibited from proceeding with planned exploration, development or operation of its projects. Failure to comply with permitting and legal requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions which could have an adverse effect on the Company's business, financial condition or operations.

Title to assets and/or property cannot be guaranteed.

The Company cannot provide assurance that title to the Worsley assets will not be challenged. The Company may not have, or may not be able to obtain, all necessary surface rights to develop the Worsley assets. While the Company has performed due diligence with respect to title of the Worsley assets prior to its acquisition, this should not be construed as a guarantee of title. The assets may be subject to prior unregistered agreements, transfer or land claims by other parties, and title may be affected by undetected defects.

Although title reviews may be conducted prior to the purchase of helium producing properties or the commencement of drilling wells, such reviews do not guarantee or certify that an unforeseen defect in the chain of title will not arise to defeat the Company's claim. The Company's actual interest in properties may, therefore, vary from its records. If a title defect does exist, it is possible that the Company may lose all or a portion of the properties to which the title defect relates, which may have a material adverse effect on its business, financial condition, results of operations and prospects. There may be valid challenges to title, or proposed legislative changes which affect title, to the helium properties the Company controls that, if successful or made into law, could impair the Company's activities on them and result in a reduction of the revenue received by the Company.

While the Company may register its helium interests with the appropriate authorities and file all pertinent information according to industry standards, this cannot be construed as a guarantee of title. In addition, the Worsley Property and the Worsley Trend may consist of recorded helium leases or licenses which have not been legally surveyed, and therefore, the precise boundaries and locations of such claims or leases may be doubtful or challengeable.

COVID-19 and global health crisis.

To date, the COVID-19 global pandemic has had a limited impact on the Company, however, COVID-19 and efforts to contain it may have an impact on the Company's business in the future. The Company continues to monitor the situation and the impact the virus may have on its operations. To date, there have been a large number of temporary business closures, quarantines and a general reduction in consumer activity in a number of countries, including Canada and the United States. The outbreak has caused companies and various international jurisdictions to impose travel, gathering and other public health restrictions. While these effects are expected to be temporary, the duration of the various disruptions to businesses locally and internationally and the related financial impact cannot be reasonably estimated at this time. Similarly, the Company cannot estimate whether, or to what extent, this outbreak, government responses to it, and the potential financial impact may extend to countries outside of those currently impacted. Such public health crises can result in volatility and disruptions in the supply and demand for helium, global supply chains and government and consumer responses to them, and financial markets, as well as declining trade and market sentiment and reduced mobility of people, all of which could affect commodity prices, interest rates, exchange rates, credit ratings, credit risk, share prices and inflation. The risks to the Company of such public health crises also include risks to employee health and safety, a slowdown or temporary suspension of operations in geographic locations impacted by an outbreak, increased labour, commodity and fuel costs, regulatory changes, political or economic instabilities or civil unrest. At this point, the extent to which COVID-19 will or may further impact the Company is uncertain and these factors are beyond the Company's control; however, it is possible that COVID-19 and its related impacts may have a material adverse effect on the Company's business, financial performance and financial condition and the market price of the Common Shares.

Industry conditions.

The Company's current exploration activities are conducted in the province of Alberta, Canada. Such activities are affected in varying degrees by government regulations relating to the oil and gas exploration industry. Changes in these regulations or shifts in political attitudes are beyond the Company's control and may adversely affect the Company's business.

The level of activity in the oil and gas industry is dependent on access to areas where operations are conducted. In Canada, seasonal weather variations, including spring break-up which occurs annually, affects access in certain circumstances. Adverse weather conditions, such as flooding, extreme cold weather, heavy snowfall, heavy rainfall and forest fires may restrict the Company's ability to access its properties.

Oil, natural gas and helium exploration activities in Alberta are subject to regulation by the Alberta Energy Regulator ("AER"). The Company will be required to apply to the AER to obtain drilling permits for wells on its Alberta licenses and leases. The helium and natural gas exploration industry is subject to extensive and varying environmental regulations. Environmental regulations establish standards respecting health, safety and environmental matters and place restrictions on hazardous substances and wastes resulting from well activities. In addition, environmental legislation may require certain projects to be abandoned and sites reclaimed to the satisfaction of local authorities. The failure to comply with these laws and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of removal or remedial obligations, and the issuance of injunctions limiting or prohibiting the Company's activities.

The Company currently owns or leases, and has in the past owned or leased, and in the future, the Company may own or lease, properties that have been used over the years for helium and natural gas and oil operations. If helium and natural gas products and other solid wastes have been previously disposed of on, or under, various properties owned or leased by the Company during the operating history of those properties, federal, provincial or state laws may require the Company to remove or remediate previously disposed wastes or property contamination.

Natural gas and oil exploration, development and production operations are subject to all the risks and hazards typically associated with such operations, including hazards such as fire, explosion, blowouts, cratering, sour gas releases and spills, each of which could result in substantial damage to natural gas wells, production facilities, other property and the environment or in personal injury. In accordance with industry practice, the Company will not be fully insured against all of these risks, nor are all such risks insurable. Although the Company will maintain liability insurance in an amount that it considers consistent with industry practice, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a material adverse effect upon its financial condition.

Environmental.

All phases of the helium, natural gas and petroleum business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, provincial, state and local laws and regulations in North American and any foreign jurisdictions where the Company may operate. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with natural gas operations. Compliance with environmental legislation regarding the production of natural gas can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. The discharge of natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require the Company to incur costs to remedy such discharge. Although the Company believes it is in material compliance with current applicable environmental regulations, no assurance can be given that environmental laws will not result in a curtailment of production or a material increase in the costs of production, development or exploration activities or otherwise adversely affect the Company's financial condition, results of operations or prospects.

Risks Related to Ownership of our Securities.

The Common Share price has experienced volatility and may be subject to fluctuation in the future based on market conditions.

The Common Shares are listed and posted for trading on the TSX-V under the symbol "HELI" and on the OTC Markets Platform under the symbol "FHELF". An investment in the Company's securities is highly speculative. The market prices for the securities of helium and natural gas companies, including the Company, have historically been highly volatile. The market has from time-to-time experienced significant price and volume fluctuations that are

unrelated to the financial performance or prospects of any particular company. In addition, because of the nature of our business, certain factors such as our announcements, competition the Company's financial condition or results of operations as reflected in our quarterly and annual financial statements, our operating performance and the performance of competitors and other similar companies, changes in earnings estimates or recommendations by research analysts who track our Securities or securities of other companies in the helium or resources sectors, general market conditions, announcements relating to litigation, the arrival or departure of key personnel and the factors listed under the heading "Forward-Looking Statements" can have an adverse impact on the market price of the Common Shares.

Any negative change in the public's perception of our prospects could cause the price of our securities, including the price of the Common Shares, to decrease dramatically. Furthermore, any negative change in the public's perception of the prospects of helium focused companies in general could depress the price of our securities, including the price of the Common Shares, regardless of our results. In the past, following declines in the market price of a company's securities, securities class-action litigation often has been instituted against the company. Litigation of this type, if instituted, could result in substantial costs and a diversion of our management's attention and resources.

Dilution.

The Company may make future acquisitions or enter into financings or other transactions involving the issuance of securities of the Company which may be dilutive.

Changes in market-based factors may adversely affect the trading price of the Common Shares.

The market price of our Common Shares is sensitive to a variety of market-based factors including, but not limited to, commodity prices, interest rates, foreign exchange rates, the decision of certain indices to include our Common Shares and the comparability of the Common Shares to other securities. Any changes in these market-based factors may adversely affect the trading price of the Common Shares.

Forward-looking information rely upon assumptions which may not prove correct.

Shareholders and prospective investors are cautioned not to place undue reliance on our forward-looking information. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, of both a general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate.

There is no assurance of a sufficient liquid trading market for the Common Shares in the future.

Shareholders of the Company may be unable to sell significant quantities of Common Shares into the public trading markets without a significant reduction in the price of the Common Shares, or at all. There can be no assurance that there will be sufficient liquidity of the Common Shares on the trading market, and that the Company will continue to meet the listing requirements of the TSX-V or achieve listing on any other public listing exchange.

Additional information on the risks, assumption and uncertainties are found under the heading "Notice to Reader – Regarding Forward-Looking Statements" of this AIF.

RESERVES DATA AND OTHER INFORMATION

Disclosure of Reserves Data

The Company's management and board of directors determined that, as at March 31, 2025, the Company does not have active oil and gas production nor material Proved or Probable reserves. For that reason, the Company did not engage a third party reserves evaluator to evaluate its oil and gas reserves at March 31, 2025. The following is a Statement of Reserves Data and other Oil and Gas Information (the "Statement of Reserves") prepared internally by the Company pursuant to National Instrument 51-101 ("NI 51-101"). The Statement of Reserves is effective as of March 31, 2025.

The Company had disclosed reserves and related future net revenue in the previous year as at March 31, 2024. The Company has determined internally that it has nil Proved and Probable reserves as at the end of its current financial year (March 31, 2025). Therefore, a reconciliation to the prior year's estimates of reserves and related future net revenue is presented as required by Form 51-101F1. The Company has no other remaining reserves and hence no related future net revenue.

Summary of Reserves (Forecast Prices and Costs)
As of March 31, 2025

Reserves Category	Light and medium Crude Oil		Total	
	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mbbbl)	Net (Mbbbl)
Proved developed producing	-	-	-	-
Provided developed non-producing	-	-	-	-
Proved undeveloped	-	-	-	-
Total Proved	-	-	-	-
Total Probable	-	-	-	-
Total Proved & Probable	0	0	0	0

Net Present Values of Future Net Revenue before Income Tax
As of March 31, 2025

Forecast Prices and Costs	Net Present Values of Future Net Revenue Before Income Tax discounted at (%/year)					Unit Value Before Tax Discounted
	0%	5%	10%	15%	20%	10%/year
Reserves Category	\$000s	\$000s	\$000s	\$000s	\$000s	\$/boe
Proved:						
Proved developed producing	-	-	-	-	-	-
Proved undeveloped	-	-	-	-	-	-
Total Proved	-	-	-	-	-	-
Probable	-	-	-	-	-	-
Total Proved plus Probable	0	0	0	0	0	0

Forecast Prices and Costs	Total Future Net Revenue (Undiscounted)					
	Revenue ⁽¹⁾	Royalties ⁽²⁾	Operating costs	Development Costs	Abandonment costs ⁽³⁾	Future Net Revenue Before Income Tax
Reserves Category	\$000s	\$000s	\$000s	\$000s	\$000s	\$000s
Total Proved	0	0	0	0	0	0
Total Proved plus Probable	0	0	0	0	0	0

⁽¹⁾ Total revenue includes Company revenue before royalty and includes other income.

⁽²⁾ Royalties include Crown, freehold and overriding royalties and mineral tax.

⁽³⁾ Reflects estimated abandonment and reclamation costs associated with all active wells, future development locations that have reserves assigned to them, facilities, pipelines and gathering systems.

Future Net Revenue

Reserves Category	Product Type	Future Net Revenue by Product Type	
		Future Net Revenue before Income Tax (discounted 10%/year)	Unit Value Before Tax Discounted (10%/year)
		\$000s	\$/boe
Total Proved	Light and medium Crude Oil ⁽¹⁾	0	0
	Total	0	0
Total Proved & Probable	Light and medium Crude Oil ⁽¹⁾	0	0
	Total	0	0

⁽¹⁾ including solution gas and other by-products

Reconciliation of Changes in Reserves and Future Net Revenue - Forecast Prices and Costs
As of March 31, 2025

Reserves Category	Total Future Net Revenue (Undiscounted)					
	Light and medium Crude Oil			Total Equivalent		
	Gross ⁽¹⁾ Proved (Mbbbl)	Gross Probable (Mbbbl)	Gross Proved plus Probable (Mbbbl)	Gross Proved (Mbbbl)	Gross Probable (Mbbbl)	Gross Proved plus Probable (Mbbbl)
March 31, 2024	165.7	36.1	201.8	165.7	36.1	201.8
Discoveries	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-
Economic factors	-	-	-	-	-	-
Technical revisions ⁽²⁾	(162.6)	(36.1)	(198.7)	(162.6)	(36.1)	(198.7)
Production	(3.1)	-	(3.1)	(3.1)	-	(3.1)
March 31, 2025	-	-	-	-	-	-

⁽¹⁾ Gross Reserves means the Company's working interest reserves before calculation of royalties, and before consideration of the Company's royalty interests.

⁽²⁾ Technical Revisions also include changes in reserves associated with changes in operating costs, capital costs, and commodity price offsets.

Additional Information Relating to Reserves Data

The following table discloses, for each product type, the volumes of Proved Undeveloped and Probable Undeveloped reserves that were first attributed in each of the most recent three financial years.

Undeveloped Reserve Vintage by Product Type Factors	Light and medium Crude Oil		Total Equivalent	
	First Attributed	Booked Gross	First Attributed	Booked Gross
	Gross (Mbbbl)	Net (Mbbbl)	Gross (Mbbbl)	Net (Mbbbl)
Proved Undeveloped				
March 31, 2023	-	-	-	-
March 31, 2024	-	-	-	-
March 31, 2025	-	-	-	-
Probable Undeveloped				
March 31, 2023	-	-	-	-
March 31, 2024	-	-	-	-
March 31, 2025	-	-	-	-

Significant Factors or Uncertainties Affecting Reserves Data

The process of evaluating reserves is inherently complex. It requires significant judgments and decisions based on available geological, geophysical, engineering and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting oil and gas prices and costs change. The reserve estimates contained herein are based on current production forecasts, prices and economic conditions and other factors and assumptions that may affect the reserve estimates and the present worth of the future net revenue therefrom. These factors and assumptions include, among others: (i) historical production in the area compared with production rates from analogous producing areas; (ii) initial production rates; (iii) production decline rates; (iv) ultimate recovery of reserves; (v) success of future development activities; (vi) marketability of production; (vii) effects of government regulations; and (viii) other government levies imposed over the life of the reserves.

As circumstances change and additional data becomes available, reserve estimates also change. Estimates are reviewed and revised, either upward or downward, as warranted by the new information. Revisions are often required due to changes in well performance, prices, economic conditions, and government restrictions. Revisions to reserve estimates can arise from changes in year-end prices, reservoir performance and geologic conditions or production. These revisions can be either positive or negative.

Future Development Costs

The following table sets forth development costs deducted in the estimation of the Company's future net revenue attributable to the reserve categories noted below:

YEAR	Total Proved	Total Proved & Probable
	\$000s	\$000s
2025	Nil	Nil
2026	Nil	Nil

Oil and Gas Properties

The Company's main operating property is located in the Beaton area of Alberta, Canada. There are a number of non-producing oil and gas wells and one main multi-well oil facility. The following table sets forth the number and status of wells in which the Company had a working interest as at March 31, 2025.

Wells	Oil				Gas			
	Producing		Non-Producing		Producing		Non-Producing	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Alberta	0	0.0	4.0	4.0	0	0.0	10	10.0

Properties with no attributable reserves

The following table sets out the Company's developed and undeveloped land holdings as at March 31, 2025. The Company has 32,000 acres which may expire prior to March 31, 2026. The Company does not have any work commitments related to properties with no attributable reserves.

Region	Developed acres		Undeveloped acres		Total	
	Gross	Net	Gross	Net	Gross	Net
Alberta	4,640	4,186	52,960	52,960	57,600	57,146

Significant factors or uncertainties relevant to properties with No attributed resources

There are no significant economic factors or uncertainties that are reasonably expected to affect the anticipated development or production activities on properties with no attributed resources. For additional information concerning the Company's abandonment and reclamation costs, please see Company's consolidated financial statements as at March 31, 2025.

Forward contracts

The Company does not have any forward contracts with respect to its oil properties.

Tax horizon

First Helium was not taxable during the year ended March 31, 2025 as the Company had sufficient income tax deductions available to shelter taxable income. First Helium does not expect to pay cash income taxes for the next year based upon current legislation, the Company's planned capital expenditures, production rates and commodity price forecasts for fiscal 2025, and various other assumptions. Changes in the capital expenditures and pricing environment could further extend (reduce) the estimated tax horizon. First Helium does not expect to be taxable in the next three years.

Capital expenditures

All of First Helium's properties are located in Alberta, Canada. Expenditures in the current fiscal year March 31, 2025.

	Total Proved Cdn\$	Total Unproved Cdn\$
Exploration costs	-	2,205,000
Development costs	1,900,146	-

Exploration and development activities

In fiscal 2025 First Helium drilled two (2.0) wells that were targeting light oil. The wells are being evaluated for potential future production.

Production history

For the year ended March 31, 2025 the Company produced a total of 3,104 barrels of light oil from its wells in Beaton, Alberta.

Fiscal year ended March 31, 2025	Q1	Q2	Q3	Q4
Oil production volume (bbl/dl)	13	18	3	-
Price received (\$/boe)	100.64	91.03	86.31	-
Royalties (\$/boe)	(13.85)	(12.42)	(37.44)	-
Operating expense (\$/boe)	(98.26)	(105.94)	(306.47)	-
Transportation (\$/boe)	(13.64)	(4.24)	(8.62)	-
Operating netback (\$/boe)	(25.11)	(31.58)	(191.34)	-

DIVIDENDS

The Company does not currently pay a dividend and have not paid a dividend in any of the last three years. The Company intends to retain its earnings, if any, to finance the future growth and development of its business and does not expect to pay dividends or to make any other distributions in the foreseeable future. Any dividends declared in the future will be subject to review by the Board of Directors taking into account our prevailing financial circumstances at the relevant time and any amount distributed in the future will depend on numerous factors, including profitability, fluctuations in working capital, the timing and amount of capital expenditures, applicable law and other factors as relevant.

DESCRIPTION OF CAPITAL STRUCTURE

Share Capital

The Company's authorized share capital consists of an unlimited number of Common Shares without nominal or par value. As at March 31, 2025, 213,899,024 Common Shares were issued and outstanding.

Holders of Common Shares are entitled to receive notice of any shareholders' meetings and to attend and cast one vote per Common Share at all such meetings. Holders of Common Shares do not have cumulative voting rights with respect to the election of directors and accordingly, holders of a majority of the Common Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Common Shares are entitled to receive on a pro rata basis such dividends on the Common Shares, if any, as and when declared by the Board in its discretion from funds legally available. Upon the liquidation, dissolution or winding up of the Company, holders of the Common Shares are entitled to receive on a pro rata basis the net assets of the Company after payments of debts and other liabilities. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions. For a complete description of the share provisions, reference should be made to the Articles of Incorporation of First Helium, a copy of which is accessible on the SEDAR website at www.sedarplus.com (filed on May 5, 2021).

Stock option plan

The Company adopted a 10% rolling stock option plan dated April 15, 2021 (the "Stock Option Plan") in accordance with the policies of the TSXV. The Stock Option Plan was approved by the Shareholders on December 16, 2021. Based on recent TSX-V Policy changes the Company further adopted a new stock option plan (the "New Option Plan") which was approved by the Board on September 12, 2022 and the Shareholders on November 2, 2022. The New Option Plan allows the Board to grant options to directors, officers, employees and consultants, which are exercisable for a period of up to ten years. The Company currently has no equity compensation plans other than the New Option Plan. A maximum of 10% of the outstanding Common Shares as of the date of grant are reserved for the grant and issuance of stock options. Under the Plan, the exercise price of an option may not be set at less than the minimum price permitted by the TSXV. The aggregate number of options granted to any one individual during any twelve-month period may not exceed 5% of the issued shares of the Company, or 10% in the case of any insider, or 2% in the case of consultants or investor relations representatives.

As of March 31, 2025, and as of the date of this Annual Information Form, the Company was authorized to issue options covering up to 10% of its issued Common Shares, or 21,389,902 Common Shares, and the Company had issued options to acquire a total of 12,750,000 Common Shares, leaving a maximum number of 8,639,902 Common Shares available for future option issuances pursuant to the New Option Plan.

MARKET FOR SECURITIES

The Common Shares are listed and posted for trading on the TSXV under the symbol "HELI" and OTC Markets Platform under the symbol "FHELF". The following table sets forth the reported trading price and the aggregate volume of trading of the Common Shares on the TSXV for the twelve months immediately preceding March 31, 2025, and the twelve months immediately preceding the date of this Annual Information Form:

Year	High \$	Low \$	Volume
2025	0.025		
July 1-25	0.025	0.020	2,742,276
June	0.025	0.020	3,110,159
May	0.030	0.020	5,296,722
April	0.035	0.025	2,490,816
March	0.060	0.025	8,060,755
February	0.073	0.055	5,193,377
January	0.065	0.045	9,624,855
2024			
December	0.050	0.025	6,392,564
November	0.050	0.030	5,754,318
October	0.055	0.040	35,954,690
September	0.055	0.040	2,515,829
August	0.065	0.040	2,723,597

July	0.095	0.055	1,949,808
June	0.085	0.055	984,881
May	0.075	0.040	2,424,166
April	0.115	0.050	3,208,295
March	0.065	0.040	1,129,039
February	0.060	0.035	7,882,506
January	0.085	0.040	3,300,624

ESCROWED SECURITIES

As at March 31, 2025, there were no remaining Common Shares held in escrow.

DIRECTORS AND OFFICERS

The directors and officers of the Company are set forth below as at July 29, 2025:

Name, Province, and Country of Residence	Position(s) with the Company	Principal Occupation and Occupation during the past five years	Director/Officer since	Number of voting securities ⁽²⁾
Edward Bereznicki ⁽¹⁾ Alberta, Canada	President & CEO, Director	Mr. Bereznicki has been President & CEO of First Helium Inc. since August 2020, and an advisor to the Company since late 2019. From April 2018 to October 2019, Mr. Bereznicki was an advisor and CEO of Freedom Cannabis Inc., a private seed to sale cannabis company.	August 10, 2020 (Director since April 15, 2021)	5,577,535
Robert J. Scott British Columbia, Canada	CFO and Director	Mr. Scott is a CPA, CA, and CFA charterholder with more than 25 years of professional experience. He is the Founder and President of Corex Management Inc., a private company has provided accounting, administration, and corporate compliance services to privately held and publicly traded companies.	January 23, 2017	30,605,862
Shaun Wzykoski, Alberta, Canada	Vice President, Engineering	Mr. Wzykoski is a professional engineer. He was self-employed from July 2016 to present; and Chief Operating Officer at ORLEN Upstream Canada Ltd., an oil & natural gas company, from 2013 to 2016.	August 10, 2020 (resigned December 20, 2024)	950,000
David L. Safton Alberta, Canada ⁽²⁾	Vice President, Geosciences	Mr. Safton is a geologist with Sage Oil & Gas Inc., an oil and gas company, from May 1989 to present.	August 10, 2020	1,463,249
Jeffrey Dare British Columbia, Canada	Corporate Secretary	Mr. Dare, through Corex Management Inc., serves as the Corporate Secretary for a number of listed companies for the past 14 years.	January 23, 2017	120,000
Todd Holmstrom ⁽¹⁾ Alberta, Canada	Director	Mr. Holmstrom has been a consultant with WaterStrider Treatment Inc., a water treatment company from January 2021 to present; consultant for the Company in 2020; and VP Construction at Stuart Olson Inc. from 2016 to 2019.	August 10, 2020	255,000

Calvin R. Watson ⁽¹⁾ Alberta, Canada	Director	Mr. Watson has been the President and CEO at Nobilis Energy Consulting Ltd., a management consulting company, from 2016 to present.	August 10, 2020	750,535
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⁽¹⁾ Member of the Audit Committee.

⁽²⁾ Based on 213,899,024 Common Shares issued and outstanding as the date of this AIF.

⁽³⁾ Mr. Safton ceased to be an insider effective July 28, 2024.

Each of the directors of the Company will hold office until the next annual general meeting of the shareholders of the Company pursuant to the BCBCA, or unless his or her office is earlier vacated in accordance with the Company's articles or with the provisions of the BCBCA.

As at the date of this AIF, the directors and executive officers of the Company as a group currently own, directly or indirectly, or exercise control or direction over, 37,308,932 Common Shares, or 17.4% of the issued and outstanding Common Shares (7,613,848 Common Shares or 8.7% as at March 31, 2024).

Edward Bereznicki, P.Eng., MBA, President, CEO and Director

Mr. Bereznicki has 22 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 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. Mr. Bereznicki is also a seasoned energy executive with over 15 years of exploration and production, project, operations, risk management, and pipeline transmission experience, both domestically and internationally. Mr. Bereznicki graduated from the University of Alberta with a B.Sc. Engineering (Civil) degree in 1987 and the University of Western Ontario with a Master of Business Administration (MBA) degree in 1991. 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. Mr. Bereznicki is a Life Member of the Association of Professional Engineers and Geoscientists of Alberta.

Robert J. Scott, CPA, CA, CFA, CFO and Director

He has served in these capacities since appointed on January 23, 2017. Mr. Scott has over 25 years of professional experience in the areas of corporate finance, accounting and merchant and commercial banking. He is a CPA, CA and a CFA Charterholder and has spent the last 15 years as a senior officer and director of a number of companies listed on the TSXV. In that time he has helped raise in excess of \$200 million in equity and has gained extensive experience in initial public offerings, reverse takeovers, corporate restructuring and mergers and acquisitions, as well as cost effective management of operations. Mr. Scott serves as a director of other reporting issuers: Mongolia Growth Group Ltd., Sherpa II Holdings Corp.

Jeffrey Dare, Corporate Secretary

He has served as Corporate Secretary of the Company since January 23, 2017. Mr. Dare has over 20 years of professional experience acting as an executive officer and director for TSXV and Canadian Securities Exchange, listed companies as well as private companies. His focus is managing external reporting and corporate compliance and transactional matters. He works closely with external partners and service providers in the areas of legal, compliance, transfer agency, audit, banking and insurance.

Todd Holmstrom, B.Sc., Director

Mr. Holmstrom has over 35 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. 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 experience in senior executive positions and is financially literate.

Calvin R. Watson, P. Eng., Director

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

Company 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 the 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. Mr. Watson graduated from the University of Saskatchewan with a Bachelor of Science in Engineering degree. Mr. Watson has experience in senior executive positions and is financially literate.

Cease Trade Orders or Bankruptcies

No director or executive officer of the Company is, as at the date of this AIF, or was within ten years before the date of this AIF, a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to an order that was issued while the director or executive officer 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 director or executive officer 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 as director, chief executive officer or chief financial officer.

For the purposes of this subsection (a), "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 in each case that was in effect for a period of more than 30 consecutive days.

Except as set out below, no director or executive officer of the Company, and no Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, as at the date of this AIF, or has been within the ten years before the date of this Prospectus, a director or executive officer of any company (including the Company) that, while that Person was acting in that capacity, or within a 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; or
- (b) has, within ten years before the date of this Prospectus, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became 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 director, executive officer or shareholder.

Penalties or Sanctions

No director or executive officer of the Company, and no Shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, 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 investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of the Company will be subject in connection with the operations of the Company. In particular, certain of the directors and officers of the Company are involved in managerial and/or director positions with other companies whose operations may, from time to time, be in direct competition with those of the Company. Conflicts, if any, will be subject to the procedures and remedies available under the BCBCA. The BCBCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the BCBCA.

AUDIT COMMITTEE AND CORPORATE GOVERNANCE

First Helium has established an audit committee in 2021. The mandate of the Audit Committee of the Company is enclosed in **Appendix A “Audit Committee Mandate”**.

Composition of the Audit Committee

The Company’s Audit Committee is composed of the following:

Edward Bereznicki	Non-Independent ⁽¹⁾	Financially literate ⁽²⁾
Calvin Watson	Independent ⁽¹⁾	Financially literate ⁽²⁾
Todd Holmstrom (Chair)	Independent ⁽¹⁾	Financially literate ⁽²⁾

- (1) A member of the Audit Committee is independent if, in addition to meeting other regulatory requirements, the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, interfere with the exercise of such member’s independent judgment pursuant to NI 52-110.
- (2) An individual is financially literate if they have the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

As required by the BCBCA, the Audit Committee is comprised of at least three directors, the majority of whom are independent members.

Relevant Education and Experience

Each member of the Audit Committee has adequate education and experience that is relevant to his performance as an Audit Committee member and, in particular:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements;
- (b) the ability to assess the general application of such principles in connection with the accounting for estimates, accruals and provisions;
- (c) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising individuals engaged in such activities; and
- (d) an understanding of internal controls and procedures for financial reporting.

See “Directors and Officers” for biographies of members of the Audit Committee.

Audit Committee Oversight

At no time since the commencement of the Company’s most recently completed financial period has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company’s financial year ended March 31, 2021 has the Company 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 Company), 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

The Audit Committee has not adopted specific policies or procedures for the engagement of non-audit services.

External Auditor Service Fees (By Category)

Set forth below are details of certain service fees billed by the Company’s external auditor in each of the last two fiscal years for audit services:

Fiscal year end	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
March 31, 2025	95,000	Nil	Nil	Nil
March 31, 2024	80,000	Nil	Nil	23,281

- (1) “Audit Fees” include fees necessary to perform the annual audit of the Company’s financial statements. Audit fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) “Audit-Related Fees” include 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.
- (3) “All Other Fees” include all other non-audit services.

Exemption in Section 6.1

Reliance on Exemption in Section 6.1 of NI 52-110 The Company has relied upon the exemption provided by Section 6.1 of NI 52-110 which exempts venture issuers from the requirement to comply with the restrictions on the composition of its audit committee and the disclosure requirements of its audit committee in an annual information form as prescribed by NI 52-110.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Since the beginning of the financial year ended March 31, 2024, the Company is not aware of: (a) any legal proceedings to which it is a party, or by which any of its property is subject, which would be material to it and are not aware of any such proceedings being contemplated, (b) any penalties or sanctions imposed by a court relating to securities legislation or a securities regulatory authority, or other penalties or sanctions imposed by a court or regulatory body against it that would likely be considered important to a reasonable investor making an investment decision and (c) any settlement agreements that the Company has entered into before a court relating to securities legislation or with a securities regulatory authority.

The Company has not entered into any settlement agreements with a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date of this AIF.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or Shareholder holding on record or beneficially, directly or indirectly, more than 10% of the issued Common Shares, or any of their respective associates or affiliates has any material interest, direct or indirect, in any transaction in which the Company has participated prior to the date of this Annual Information Form, which has materially affected or is reasonably expected to materially affect the Company.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Endeavor Trust Corporation at Suite 702, 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.

The transfer agent and registrar for the warrants is Computershare Investor Services Inc. with its offices in Alberta and British Columbia.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the Company did not enter into any material contracts in the financial year ended March 31, 2024, or before the last financial year that are still in effect.

INTERESTS OF EXPERTS

There is no person or company whose profession or business gives authority to a statement made by such person or company and who is named as having prepared or certified a report, valuation, statement or opinion described or included in a filing, or referred to in a filing, made under National Instrument 51-102 "Continuous Disclosure Obligations" by us during, or related to, our most recently completed financial year other than Sproule, our independent qualified reserves evaluator for year 2024. None of the designated professionals of Sproule have any registered or beneficial interests, direct or indirect, in any of our securities or other property or of our associates or affiliates either at the time they prepared a report, valuation, statement or opinion, at any time thereafter or to be received by them.

Davidson & Company LLP are the auditors of the Company and have confirmed with respect to the Company, that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations. In addition, none of the aforementioned persons or companies, nor any director, officer or employee of any of the aforementioned persons or companies, is or is expected to be elected, appointed or employed as a director, officer or employee of First Helium or of any associate or affiliate of First Helium.

ADDITIONAL INFORMATION

Any document referred to in this AIF and described as being accessible under the Company's profile on the SEDAR website at www.sedarplus.com (including those documents referred to as being incorporated by reference in this

AIF). Additional financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the year ended March 31, 2025, which are available under the Company's profile on the SEDAR website at www.sedarplus.com.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, as applicable, are contained in the Company's Management Information Circular dated September 19, 2022 in respect of the Company's annual general meeting of Shareholders held on November 2, 2022.

Dated July 29, 2025,

BY ORDER OF THE BOARD OF DIRECTORS

"Ed Bereznicki"

Ed Bereznicki

President, Chief Executive Officer, and Director

First Helium Inc. (the “Company” or “FHI”)
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;
 - (a) the external auditors or any member of the Audit Committee may request a meeting of the Audit Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Audit Committee; and
 - (c) 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; review the minutes of any audit committee meeting of any of the Company's subsidiaries;
- (f) 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;
- (g) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information;
- (h) and 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.

Audit Committee Charter-First Helium Inc. adopted in June 2021.