

FORM 51-102F3

MATERIAL CHANGE REPORT

ITEM 1. NAME AND ADDRESS OF COMPANY

Helium Evolution Incorporated (the "**Company**")
400, 505 3rd Street SW
Calgary, Alberta
T2P 3E6

ITEM 2. DATE OF MATERIAL CHANGE

August 29, 2025

ITEM 3. NEWS RELEASE

A press release was disseminated on August 29, 2025 via GlobeNewswire.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company announced the closing of a non-brokered private placement of a convertible note to ENEOS Xplora USA Limited ("**ENEOS USA**") with a face value of \$8.3 million convertible into common shares of the Company.

Additionally, the Company granted ENEOS USA gross overriding royalties on: (1) the Company's share of production from the three wells being tied into the Soda Lake Facility; and (2) the Company's share of gross sales from one of the next three wells to be drilled in the Mankota area, to be selected by ENEOS USA within 90 days of receipt of drilling and testing results.

ITEM 5.1 FULL DESCRIPTION OF MATERIAL CHANGE

The Company announced the closing of a non-brokered private placement of a convertible note to ENEOS USA with a face value of \$8.3 million (the "**Note**"). The Note is convertible into common shares of the Company, subject to automatic conversion upon achievement of defined milestones (the "**Milestones**") and in accordance with TSX Venture Exchange ("**TSXV**") policies at a minimum price of \$0.205 per share.

If the Milestones are not achieved by August 29, 2026, ENEOS USA will have the right, at any time thereafter, to convert the Note into common shares at a minimum price of \$0.205. The Note will mature on the August 29, 2027 (the "**Maturity Date**") and will accrue interest at a rate of 8.5% per annum, payable in arrears on the Maturity Date.

Additionally, the Company has granted ENEOS USA a gross overriding royalty (“GORR”) on the Company’s share of production from the three wells being tied into the Soda Lake Facility: 9-35-3-9W3, 10-36-3-9W3, and 10-1-4-9W3 (the “Designated Wells”). The GORR is structured as a sliding scale:

- 5% of the Company’s gross sales in the first year of production;
- 4% of the Company’s gross sales in the second year;
- 3% of the Company’s gross sales in the third year; and
- 2% of the Company’s gross sales thereafter.

The Company will also grant ENEOS USA a 3% GORR on the Company’s share of gross sales from one of the next three wells to be drilled in the Mankota area, to be selected by ENEOS USA within 90 days of receipt of drilling and testing results.

Proceeds from the Note will be used to fund the Company’s 20% working interest in the helium processing facility in the Mankota area, located at 1-2-4-9W3 (the “Soda Lake Facility”), as announced on May 27, 2025. The Soda Lake Facility is expected to be operational in the fourth quarter of 2025 and will initially tie in three helium wells through a dedicated pipeline gathering system. In addition, the Note proceeds will fund the Company’s drilling of new wells and related development activities in the Mankota area, with a winter drilling campaign anticipated to commence in the fourth quarter of 2025 and continue into the first quarter of 2026.

As ENEOS USA holds greater than 10% of the common shares of the Company, the issuance of the Note and the GORR to ENEOS USA is considered a "related party transaction" under Multilateral Instrument 61-101 - *Protection of Minority Securityholders in Special Transactions* ("MI 61-101"). The Company is exempt from the valuation and the minority approval requirements of MI 61-101 on the basis of financial hardship provided for in subsections 5.5(g) and 5.7(e) of MI 61-101, respectively.

The participation by ENEOS USA in the financing has been approved by directors of the Company who are independent in connection with such transactions. The Company did not file a material change report more than 21 days before the expected closing of the Note and GORR, as the details of the Note and GORR were not finalized until immediately prior to the closing and the Company wished to close the transaction as soon as practicable for sound business reasons.

ITEM 5.2 DISCLOSURE FOR RESTRUCTURING TRANSACTIONS

N/A

ITEM 6. RELIANCE ON SECTION 7.1(2) OF NATIONAL INSTRUMENT 51-102

N/A

ITEM 7. OMITTED INFORMATION

N/A

ITEM 8. EXECUTIVE OFFICER

Greg Robb, President & Chief Executive Officer
(587) 330-2459

ITEM 9. DATE OF REPORT

September 8, 2025

FORWARD-LOOKING STATEMENTS

This document contains statements that constitute "forward-looking statements." Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements, or developments in the industry to differ materially from the anticipated results, performance or achievements expressed or implied by such forward-looking statements. Forward looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur.

Forward-looking statements in this document include statements regarding the Company's expectations regarding the closing of the transactions disclosed in this document including the completion of the Note and the related closing date, meeting the Milestones for automatic conversion, price at conversion, the use of proceeds from the Note, the benefits of the strategic partnership to the Company, the Company becoming a leading supplier of sustainably-produced helium, requisite approvals, the Company's beliefs regarding growth of the global helium market, the Company's beliefs regarding the completion date of the Soda Lake Facility and related helium production, the Company's belief that the transactions described in the document will create significant growth opportunities for its shareholders and other statements that are not historical facts. By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our 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 and risks include, among others: the transactions described in the document may not close; granting of requisite approvals; the Company may not meet the Milestones for automatic conversion; the Company may reallocate the proceeds of the Note for reasons that management believes are in the Company's best interests; the Company may not realize the benefits of the strategic partnership described in the document; the Company may choose to defer, accelerate or abandon its exploration and development plans; new laws or regulations and/or unforeseen events could adversely affect the Company's business and results of operations; stock markets have experienced volatility that often has been unrelated to the performance of companies and such volatility may adversely affect the price of the Company's securities regardless of its operating performance; risks generally associated with the exploration for and production of resources; constraint in the availability of services; commodity price and exchange rate fluctuations; adverse weather or break-up conditions; and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures.

When relying on forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and risks other uncertainties and potential events. The Company has assumed that the material factors referred to in the previous paragraphs will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this document are expressly qualified by this cautionary statement. The forward-looking statements contained in this document are made as of the date of this document. The Company does not intend, and expressly disclaims any intention or obligation

to, update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.