

**FORM 2B
LISTING APPLICATION**

TOTAL HELIUM LTD.



Application for the listing on the TSX Venture Exchange of Total Helium Ltd.

November 8, 2021

No securities regulatory authority or the TSX Venture Exchange has expressed an opinion about the securities which are the subject of this Application.

NEITHER THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES HAS APPROVED OR DISAPPROVED OF THE SECURITIES DESCRIBED HEREIN OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS LISTING STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this Application (as defined herein) constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable Canadian securities legislation (collectively, "**forward-looking statements**"). In some cases, forward-looking statements are often, but not always, identified by the use of words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "predict", "project", "should", "target", "will", or similar words suggesting future outcomes or language suggesting an outlook. These statements represent management's expectations or beliefs concerning, among other things, future operating results and various components thereof or the economic performance of the Corporation (as defined herein), future production and grades, the economic limit or viability of assets, projections for sales growth, estimated revenues, resources, targets for cost savings, construction costs, the timing and outcome of exploration projects and drilling programs, projected capital expenditures, transportation costs, the timing of new projects, the outcome of legal proceedings, the integration of acquisitions, future debt levels, fiscal regimes, the commodity prices, the outlook for economic recovery and trends in the trading environment, statements about strategies, cost synergies, revenue benefits or integration costs and production capacity of the Corporation and the industry and countries in which the Corporation operates. The projections, estimates and beliefs contained in such forward-looking statements necessarily involve known and unknown risks and uncertainties which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or results expressed or implied by such forward-looking statements. Operating conditions can have a significant effect on the timing of events. Accordingly, investors are cautioned that events or circumstances could cause results to differ materially from those predicted. Management (as defined herein) of the Corporation believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this Application should not be unduly relied upon.

In particular, this Application contains forward-looking information and statements pertaining to the following:

- receipt of all regulatory, third party and shareholder approvals in connection with the Acquisition (as defined herein);
- completion of the Acquisition, including the timing thereof;
- potential benefits of the Acquisition;
- listing of the Common Shares (as defined herein) and Warrants (as defined herein) on the TSXV (as defined herein);
- the Corporation's business strategy, strength and focus and proposed business plans;
- expectations regarding reserves and regarding converting exploration results into appraisal and development operations;
- expectations regarding the amount of expenditures to be incurred or spent on the Corporation's assets;
- expectations regarding the Corporation's interpretation of data and models relating to its assets;
- the size, characteristic and features of the Corporation's oil and/or gas properties, future oil, natural gas and natural gas liquids reserves and the ability to commercially exploit them;
- the Corporation's proposed exploration, drilling and exploitation activities and timelines;
- expectations regarding the future development of the Corporation's assets;
- the Corporation's future oil and natural gas production levels;
- projections of market prices, including market prices for oil and natural gas, and costs;
- supply and demand for oil and natural gas;
- the dividend policy of the Corporation; and
- the impact of COVID-19 pandemic.

Currently, the Corporation has no oil and/or gas reserves. Statements relating to "resources" are deemed to be forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the resources described can be profitably produced in the future.

Forward-looking statements are based on the Corporation's current beliefs as well as assumptions made by, and information currently available to, the Corporation concerning completion of the Acquisition, benefits of the Acquisition, listing on the TSXV, future oil and natural gas production levels, future commodity prices, resources and reserves, future exchange rates, the cost and availability of equipment and services in the field, the impact of increasing competition and the ability to obtain required capital to finance exploration, development and operations on satisfactory terms, the ability to maintain sufficient funds to continue the operations of the Corporation and the timely receipt of any required regulatory approvals. Actual results could differ materially from those anticipated in these forward-looking statements as a result of the risk factors set forth below and discussed more extensively elsewhere in this Application: risks that the Acquisition will not be completed as planned, or at all; risks that the benefits of the Acquisition will not be realized; risks that the listing on the TSXV will not occur as planned, or at all; risks related to the nature of the business of the Corporation; exploration and production risks inherent in the oil and natural gas industry; volatility of crude oil and natural gas prices; risks related to the Corporation anticipating having substantial capital requirements; risks related to the Corporation's operations being dependent on the acquisition and maintenance of certain permits, licences, approvals and authorizations; the negative impact of COVID-19 pandemic; risks related to the Corporation currently having a negative operating cash flow; possible failure of the Corporation to realize anticipated benefits of its acquisitions; risks related to the Corporation's reliance on certain key individuals; risks inherent with the marketability of crude oil and natural gas; project risks; global financial instability; risks related to changes in government policy that could have a negative impact on the Corporation's business; risks related to the Corporation and Brooks Range (as defined herein) not having any "reserves" at this time; risks related to the status and stage of development of the Corporation, including that the Corporation currently does not have any production; the risk that the Corporation may not have sufficient insurance to cover all liabilities to which it could be subject; operating hazards and other uncertainties; risks related to competition; risks related to alternatives to and changing demand for petroleum products; cybersecurity and terrorism; opposition from non-governmental organizations and risks related to eco-terrorism; risks related to environmental regulations and climate change; conflicts of interests that may arise as a result of the directors of the Corporation being directors or officers of other companies against which the Corporation competes; foreign currency exchange risk; risks related to governmental regulation; litigation that the Corporation may become involved in; Canada's Extractive Sector Transparency Measures Act; share price volatility; liquidity of the Common Shares and realization of investment in Common Shares; dilution and further sales of Common Shares; the Corporation has never declared or paid a dividend; and the risk factors set forth in "*Risk Factors*".

The above summary of major risks and assumptions related to forward-looking information and statements in this Application has been provided for readers to gain a more complete perspective on the Corporation's future operations. However, readers should be cautioned that the above list of factors is not exhaustive and that this information may not be appropriate for other purposes. Forward-looking statements included in this Application are valid only as at the date of this Application, and the Corporation does not intend to update or revise these forward-looking statements except as required by applicable securities laws. The forward-looking statements contained in this Application are expressly qualified by this cautionary statement.

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Item 2: Glossary and Interpretation

Unless otherwise indicated or the context otherwise indicates, the following definitions are used in this Application. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the policies of the TSXV and applicable securities laws. In the event of a conflict between a term defined in this glossary and a term defined in the policies of the TSXV, the definition of the TSXV will govern.

"**Acquisition**" means the acquisition by the Corporation of all of the outstanding share capital of Brooks Range from Brooks Energy, pursuant to the Share Purchase Agreement.

"**Acquisition Resolution**" means the ordinary resolution of the Minority Shareholders approving the Acquisition that was passed at the Meeting.

"**Amalco**" has the meaning ascribed thereto under Item 5 – *Summary – The Fundco 2 Amalgamation Agreement*.

"**Application**" means this listing application to the TSXV and includes the schedules attached hereto.

"**Assets**" means all of the assets, rights and interests of Brooks Range, including, without limitation, the Helisium Project, the Helium Pre-Purchase Payments and the Colorado Leases.

"**Associate**" when used to indicate a relationship with a Person, means (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of the issuer, (b) any partner of the Person, (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity, (d) in the case of a Person who is an individual, (i) that Person's spouse or child, or (ii) any relative of that Person or of his spouse who has the same residence as that Person; but (e) where the Exchange determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D of the Exchange with respect to that Member firm, Member corporation or holding company;

"**Audit Committee**" means the Audit Committee of the Board, as more particularly described under "*Audit Committee*".

"**Audit Committee Charter**" means the charter of the Audit Committee adopted by the Board, as more particularly described under "*Audit Committee*" and attached as Schedule "E" to this Application.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"**Blackout Period**" has the meaning ascribed thereto under Item 12 – *Stock Option Plan – Summary of Equity Incentive Plan*.

"**Brooks Energy**" means Brooks Energy Company.

"**Brooks Range**" means Brooks Range Corporation.

"**Brooks Range Shares**" means the common shares in the capital of Brooks Range.

"**Board**" means the board of directors of the Corporation.

"**Cash Consideration**" means the one-time cash payment of US\$1,150,000 payable by the Corporation to Brooks Energy pursuant to the Acquisition.

"**CEO**" means Chief Executive Officer.

"**Circular**" means the management information circular of the Corporation dated August 17, 2021, together with all schedules, appendices and exhibits thereto, prepared in connection with the Meeting.

"**CFO**" means Chief Financial Officer.

"**Closing**" means the closing of the Acquisition.

"**Closing Date**" means the date on which the Closing occurs.

"**Colorado Leases**" means the leasehold estates in and to the oil and gas located in the State of Colorado, comprising an aggregate of approximately 11,000 net acres.

"**Common Shares**" means the common shares in the capital of the Corporation, as constituted following completion of the Consolidation.

"**Consolidation**" has the meaning ascribed thereto under Item 5 – *Description of the Business - General Development of the Business – Three Year History – Recent Developments – Share Consolidation*.

"**Control Person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

"**Corporation**" means Total Helium Ltd., formerly Wintertide Ventures Inc. or such other name as may be accepted by the relevant regulatory authorities and Brooks Energy, in connection with the Acquisition.

"**CSA**" means the Canadian Securities Administrators.

"**DC&P**" has the meaning ascribed thereto under Item 21 – *Risk Factors– Risks Related to the Corporation and the Corporation's Business – Disclosure Controls and Procedures*.

"**Escrow Agent**" means Cassels Brock & Blackwell LLP.

"**Escrow Agreement**" means the agreement to be entered into among the Corporation, the Transfer Agent and certain Shareholders pursuant to which the Escrow Shares owned by such Shareholders will be held in escrow in accordance with the requirements of the Exchange.

"**Escrow Shares**" means the Common Shares to be held in escrow pursuant to the Escrow Agreement and to be released in accordance with the applicable provisions thereof.

"**Escrow Release Conditions**" means (i) the completion, satisfaction or irrevocable waiver of all conditions to the Acquisition, other than the release of the Escrowed Funds of the Fundco 2 Financing and the Closing of the Acquisition, each of which will be completed forthwith upon release of the Escrowed Funds; and (ii) the receipt of all required shareholder, third party (as applicable) and regulatory approvals, including without limitation, the conditional approval of the TSXV for the listing and posting for trading of the Common Shares on the TSXV.

"**Escrow Release Deadline**" means November 30, 2021.

"**Escrowed Funds**" has the meaning ascribed thereto under Item 3 – *Summary – The Fundco 2 Financing*.

"**ESTMA**" has the meaning ascribed thereto under Item 21 – *Risk Factors– Risks Related to the Corporation and the Corporation's Business – Canada's Extractive Sector Transparency Measures Act*.

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange Inc.

"**Exchange Policies**" means the policies of the Exchange and all bulletins, orders, policies, rules, regulations and by-laws of the Exchange as amended from time to time.

"Excluded Parties" has the meaning thereto under Item 5 – *Description of the Business – The Share Purchase Agreement – Termination*.

"Farmor" means, collectively, Scout Energy Group V, LP, Scout Energy Partners V-A, LP, Scout Energy Group Co-Invest V, LP, Scout Energy Partners Co-Invest V-A, LP.

"Farmout Agreement" means the Amended and Restated Farmout Agreement dated March 31, 2021 between the Farmor and the Corporation (as assigned by Brooks Energy pursuant to an assignment agreement dated July 23, 2021) pursuant to which the Corporation has been granted the Farmout Right.

"Farmout Lands" means the oil and gas leases and other interests in lands located in Hamilton County, Kansas owned by the Farmor, as set forth in the Farmout Agreement, comprising an aggregate of approximately 40,000 net acres.

"Farmout Right" means the entitlement of the Corporation to all rights in the Farmout Lands, including all oil, natural gas and constitute products therein (including helium), along with the exclusive right to explore for, develop, produce and remove such oil, natural gas and constituent products, subject to the terms and conditions of the Farmout Agreement.

"Financial Statements" has the meaning ascribed thereto under Item 2 – *Glossary and Interpretation – Documents Incorporated by Reference*.

"Fiore" means Fiore Management & Advisory Corp.

"Fundco 1" means 1306696 BC Ltd., a corporation incorporated under the BCBCA.

"Fundco 1 Amalgamation" means the amalgamation of Fundco 1 and Subco completed effective July 7, 2021.

"Fundco 1 Amalgamation Agreement" means the definitive amalgamation agreement dated July 1, 2021 among the Corporation, Subco and Fundco 1.

"Fundco 1 Financing" means the non-brokered private placement offerings by Fundco 1 of an aggregate of 52,900,001 Fundco 1 Shares.

"Fundco 1 Shares" means common shares in the capital of Fundco 1.

"Fundco 2" means 1319454 B.C. Ltd., a corporation incorporated under the BCBCA for the purpose of the Fundco 2 Financing.

"Fundco 2 Amalgamation" means the contemplated amalgamation of Fundco 2 and Subco 2 to be completed immediately prior to completion of the Acquisition.

"Fundco 2 Amalgamation Agreement" means the definitive amalgamation agreement dated November 8, 2021 among the Corporation, Subco 2 and Fundco 2.

"Fundco 2 Financing" means the non-brokered private placement offering by Fundco 2 of 12,500,000 Subscription Receipts at a price of \$1.00 per Subscription Receipt for aggregate gross proceeds to Fundco 2 of \$12,500,000 completed on October 20, 2021.

"Fundco 2 Shares" means common shares in the capital of Fundco 2.

"Fundco 2 Units" means the units of Fundco 2, each of which consists of one Fundco 2 Share and one Fundco 2 Warrant.

"Fundco 2 Warrants" means the warrants of Fundco 2, each of which is exercisable into one Fundco 2 Share at an exercise price of \$2.00 for a period of sixty months following the date of issuance, subject to accelerated expiry in certain circumstances.

"Helisium Project" means the means collectively the Kansas Leases and the Farmout Right.

"Helium Pre-Purchase Payments" means the "take or pay" agreement of the Corporation to sell, and the obligation of Linde to purchase, certain amounts of helium gases produced by Brooks Range.

"ICFR" has the meaning ascribed thereto under Item 21 – *Risk Factors– Risks Related to the Corporation and the Corporation's Business – Disclosure Controls and Procedures*.

"IFRS" means International Financial Reporting Standards as adopted by the International Accounting Standards Board or a successor entity, as amended from time to time.

"Insider" if used in relation to an issuer, means: (a) a director or senior officer of the issuer; (b) a director or senior officer of a company that is an Insider or subsidiary of the issuer; (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or (d) the issuer itself if it holds any of its own securities.

"Interim Financial Statements" has the meaning ascribed thereto under Item 2 – *Glossary and Interpretation – Documents Incorporated by Reference*.

"Interim MD&A" has the meaning ascribed thereto under Item 2 – *Glossary and Interpretation – Documents Incorporated by Reference*.

"Kansas Leases" means the leasehold estates in and to the oil and gas located in the State of Kansas, comprising an aggregate of approximately 46,000 net acres.

"Linde" means Linde Inc. and FKA Praxiar Inc.

"Linde Agreement" means the Agreement for the Sale and Purchase of Helium Gas Mixture dated March 1, 2021 between the Corporation (as assigned by Brooks Energy pursuant to an assignment agreement dated July 23, 2021) and Linde, in connection with the Helium Pre-Purchase Payments.

"Listing" means the listing of the Common Shares and Warrants for trading on the TSXV.

"Listing Date" means the date the Common Shares and Warrants are listed for trading on the TSXV.

"Management" has the meaning ascribed thereto under item 2 – *Glossary and Interpretation – Market Data*.

"MD&A" has the meaning ascribed thereto under Item 2 – *Glossary and Interpretation – Documents Incorporated by Reference*.

"Member" means a member of the Exchange as defined in the Exchange Policies.

"Meeting" means the annual general and special meeting of the Shareholders held on September 21, 2021 to, among other things, consider and, if thought fit, approve matters relating to the Acquisition.

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"Minority Shareholders" has the meaning thereto under Item 5 – *Description of the Business – Share Purchase Agreement – Termination*.

"NEO" or **"Named Executive Officer"** has the meaning ascribed to it in Form 51-102F6 – *Statement of Executive Compensation*.

"NI 51-102" means National Instrument 51-102 – *Continuous Disclosure Obligations*.

"NI 52-110" means National Instrument 52-110 – *Audit Committees*.

"Non-Arm's Length Party" means (a) in relation to a company: a promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any such Persons; and (b) in relation to an individual, any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.

"Notice" has the meaning ascribed thereto under Item 10 – *Description of Securities to be Listed*.

"OPEC" means the Organization of Petroleum Exporting Countries.

"Options" has the meaning ascribed thereto under Item 17 - *Executive Compensation - Stock Option Plans and Other Incentive Plans*.

"Option Plan" means the option plan of the Corporation approved by the Corporation's shareholders at the Meeting.

"Persons" includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative.

"Related Party Transaction" has the meaning ascribed to that term under MI 61-101 and includes a related party transaction that is determined by the Exchange to be a Related Party Transaction.

"Resources Report" means the report titled "Resources Audit – Helisium Project, Kansas" prepared by RPS Energy Canada Ltd. dated July 23, 2021, evaluating the oil and gas resources attributed to the Helisium Project as of June 1, 2021.

"SEDAR" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators, accessible at www.sedar.com.

"Shareholders" means the holder(s) of Common Shares.

"Share Purchase Agreement" means the share purchase agreement dated August 6, 2021 among the Corporation, Brooks Range and Brooks Energy.

"Subco" means 1306696 B.C. Ltd., a wholly-owned subsidiary of the Corporation incorporated under the BCBCA, and which amalgamated with Fundco 1 pursuant to the Fundco 1 Amalgamation.

"Subco 2" means 1330851 B.C. Ltd., a wholly-owned subsidiary of the Corporation incorporated under the BCBCA, and which amalgamated with Fundco 2 pursuant to the Fundco 2 Amalgamation.

"Subscription Receipts" means the subscription receipts issued pursuant to the Fundco 2 Financing, with each such subscription receipt to be automatically exchanged for one Fundco 2 Share upon satisfaction of the Escrow Release Conditions.

"Subscription Receipt Escrow Agreement" has the meaning ascribed thereto under Item 5 – *Description of the Business – The Fundco 2 Financing*.

"Transfer Agent" means Computershare Trust Corporation of Canada.

"Units" means the units of the Corporation, each of which consists of one Common Share and one Warrant.

"Warrants" means the share purchase warrants of the Corporation, each of which is exercisable into one Common Share at an exercise price of \$2.00 for a period of sixty months following the date of issuance, subject to accelerated expiry in certain circumstances.

"Warrant Acceleration" has the meaning ascribed thereto under Item 10 – *Description of Securities to be Listed*.

"WHO" means the World Health Organization.

GENERAL

Except as otherwise indicated in this Application, all information disclosed in this Application is as of November 8, 2021 and the phrase "as of the date hereof" and equivalent phrases refer to that date.

No Person is authorized to give any information or to make any representation not contained in this Application and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation or the directors and officers of the Corporation. This Application does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer or proxy solicitation. Neither delivery of this Application nor any distribution of the securities referred to in this Application will, under any circumstances, create an implication that there has been no change in the information set forth herein since the date of this Application.

No securities regulatory authority has expressed an opinion about the Acquisition or the securities which are the subject to this Application, and it is an offense to claim otherwise.

An investment in the Corporation should be considered highly speculative due to the nature of its activities and the present stage of its projects. See "*Risk Factors*".

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

References in this Application to "**C\$**" are to Canadian dollars and references in this Application to "**US\$**" are to United States dollars. The financial statements of the Corporation included herein are reported in Canadian dollars. The financial statements of Brooks Range and the carve-out financial statements of Brooks Energy included herein are reported in United States dollars.

On October 27, 2021, the indicative rate for the United States dollar in terms of Canadian dollars, quoted by the Bank of Canada, was US\$1.00 = C\$1.2358.

FINANCIAL INFORMATION

Unless otherwise indicated, all financial information referred to in this Application was prepared in accordance with IFRS.

MARKET DATA

Unless otherwise indicated, market data and industry forecasts contained in this Application have been obtained from publicly available sources (including industry publications, surveys and forecasts), and the good faith estimates of management of the Corporation, Brooks Range and Brooks Energy, respectively ("**Management**"). Unless otherwise indicated, Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from their internal research, and are based on assumptions made by Management based on such data and its knowledge of the industry and markets, which Management believes to be reasonable. The internal research of Management has not been independently verified by any independent source. While Management believes the market position, market opportunity and market share information included in this Application is generally reliable, such information is inherently imprecise. In addition, projections, assumptions and estimates of the future performance of the Corporation and Brooks Range and their respective future performance is necessarily subject to a high degree of uncertainty and risk due to a variety of factors. See "*Cautionary Note Regarding Forward-Looking Information*" and "*Risk Factors*".

INFORMATION RELATING TO BROOKS RANGE AND BROOKS ENERGY

Except as otherwise indicated, the information concerning Brooks Range and Brooks Energy contained in this Application is based solely on information provided to the Corporation by Brooks Range and Brooks Energy. Although the Corporation has no knowledge that would indicate that any of the information provided

by Brooks Range or Brooks Energy is untrue or incomplete, neither the Corporation nor any of its officers or directors assumes any responsibility for the accuracy or completeness of such information, nor any failure by Brooks Range or Brooks Energy to disclose facts or events which may have occurred or may affect the completeness or accuracy of such information but which are unknown to the Corporation. The Corporation has no knowledge of any material information concerning Brooks Range and Brooks Energy that has not been generally disclosed. See also "*Risk Factors*".

DOCUMENTS INCORPORATED BY REFERENCE

The following documents with respect to the Corporation filed with the securities commissions or similar authorities in the Provinces of British Columbia and Alberta are specifically incorporated by reference and form an integral part of this Application:

- (a) the unaudited condensed consolidated interim financial statements of the Corporation for the three months ended June 30, 2021 and June 30, 2020, together with the notes thereto (the "**Interim Financial Statements**") attached hereto as Schedule "D";
- (b) management's discussion and analysis for the three months ended June 30, 2021 (the "**Interim MD&A**");
- (c) the audited consolidated annual financial statements of the Corporation for the years ended March 31, 2021 and March 31, 2020, together with the notes thereto and auditors report thereon (together with the Interim Financial Statements, the "**Financial Statements**") attached hereto as Schedule "D"; and
- (d) management's discussion and analysis for the year ended March 31, 2021 (together with the Interim MD&A, the "**MD&As**").

Item 3: Summary

The following is a summary of the principal features of this Application and should be read together with the more detailed information, financial data and statements contained or referred to elsewhere in this Application and the Resources Report and Circular.

The Companies

The Corporation was incorporated on April 27, 2006 under the name "Sante Fe Metals Corporation". On February 16, 2021, the Corporation changed its name from "Sante Fe Metals Corporation" to "Wintertide Ventures Inc." On July 1, 2021 the Corporation entered into the Fundco 1 Amalgamation Agreement, and pursuant to the terms thereof, on July 7, 2021, the Corporation completed the Fundco 1 Amalgamation, whereby the Corporation's wholly-owned subsidiary, Subco, amalgamated with Fundco 1, and each of the 52,900,001 Fundco 1 Shares were exchanged for Common Shares on a one-for-one basis. Fundco 1 had previously raised an aggregate of approximately \$1,058,000 through the Fundco 1 Financing.

On September 30, 2021, the Corporation changed its name from "Wintertide Ventures Inc." to "Total Helium Ltd."

Pursuant to the Share Purchase Agreement, the Corporation proposes to complete the Acquisition of Brooks Range from Brooks Energy. Brooks Range is a privately-held Colorado corporation (currently, wholly-owned by Brooks Energy), established for the purposes of holding the rights and interests in the Helisium Project. Upon completion of the Acquisition, is expected that the Corporation's principal business, operated through Brooks Range, will be the advancement of the Helisium Project located in Kansas, United States.

The Fundco 2 Financing

On October 20, 2021, Fundco 2 completed a non-brokered financing of an aggregate of 12,500,000 Subscription Receipts at a subscription price of \$1.00 per Subscription Receipt for aggregate gross

proceeds of \$12,500,000 (the "**Escrowed Funds**"). The Escrowed Funds are held in escrow by the Escrow Agent, subject to satisfaction of the Escrow Release Conditions. Upon satisfaction of the Escrow Release Conditions, immediately prior to completion of the Acquisition, each Subscription Receipt will automatically convert into one Fundco 2 Unit for no additional consideration. Each Fundco 2 Unit will consist of one Fundco 2 Share and one Fundco 2 Warrant. Each Fundco 2 Warrant will be exercisable into one Fundco 2 Share at an exercise price of \$2.00 for a period of sixty months following the date of issuance following which, Fundco 2 and Subco 2 will amalgamate pursuant to the BCBCA and each Fundco 2 Share will be exchanged for one Common Share and each Fundco 2 Warrant will be exchanged for one Warrant on a one-for-one basis. Each Warrant will be exercisable into one Common Share at an exercise price of \$2.00 for a period of sixty months following the date of issuance. If, at any time after the issuance of the Common Shares and Warrants, the volume weighted average trading price of the Common Shares on the Exchange is more than \$3.00 for the preceding twenty consecutive trading days, the Corporation will have the right to accelerate the expiry of the Warrants by giving notice, via news release, of its exercise of such right and thereafter the Warrants will, without further notice or act by the Corporation, automatically expire and be of no further force and effect at 4:00 p.m. (Vancouver time) on the date that is thirty (30) days after the date of said news release. Unless otherwise agreed, if the Escrow Release Conditions are not completed by the Escrow Release Deadline, the proceeds of the Fundco 2 Financing will be returned to the subscribers.

In connection with the Fundco 2 Financing, the Corporation will pay an aggregate of \$304,800 in finder's fees. After deducting finder's fees and the expenses of the Fundco 2 Financing, the net proceeds of the Fundco 2 Financing will be approximately \$12,195,200. The Corporation intends to use the net proceeds of the Fundco 2 Financing principally to pay the Cash Consideration, for advancement of the Helisium Project and for general and administrative expenses of the Corporation. See Item 5 – *Description of the Business – Available Funds and Principal Purposes*.

The Share Purchase Agreement

On August 6, 2021, the Corporation, Brooks Range and Brooks Energy entered into the Share Purchase Agreement, pursuant to which, on Closing, the Corporation will acquire from Brooks Energy, all of the issued and outstanding securities in the capital of Brooks Range, being an aggregate of 100 Brooks Range Shares.

As consideration for the Brooks Range Shares, the Corporation will pay to Brooks Energy the Cash Consideration, being US\$1,150,000.

The completion of the Acquisition is subject to a number of conditions precedent, including the completion of the Fundco 2 Financing, and receipt of TSXV conditional approval, which are outside the control of the Corporation or the parties to the Share Purchase Agreement. There can be no certainty, nor can the Corporation provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

The Fundco 2 Amalgamation Agreement

On November 8, 2021, the Corporation and Fundco 2 entered into the Fundco 2 Amalgamation Agreement, pursuant to which, in connection with the Closing, the Corporation will acquire Fundco 2, in exchange for the issuance of an aggregate of 12,500,000 Common Shares and 12,500,00 Warrants to the holders of Fundco 2 Shares and Fundco 2 Warrants. A total of 12,500,000 Fundco 2 Shares and 12,500,000 Fundco 2 Warrants will be issued to the holders of the Subscription Receipts upon satisfaction of the Escrow Release Conditions, which such Fundco 2 Shares and Fundco 2 Warrants shall, in connection with the Fundco 2 Amalgamation, be exchanged for Common Shares and Warrants on the basis of one Common Share for each Fundco 2 Share and one Warrant for each Fundco 2 Warrant.

The Amalgamation will be effected pursuant to Section 269 of the BCBCA. Pursuant to the Fundco 2 Amalgamation Agreement, Subco 2 and Fundco 2 will amalgamate and continue as one entity ("**Amalco**"). Amalco will be a wholly-owned subsidiary of the Corporation.

Completion of the Amalgamation is subject to a number of conditions, including requisite shareholder and regulatory approvals of the Amalgamation and certain other conditions typical of a transaction of this nature.

See Item 5 – *Description of the Business*.

Outlook

Upon completion of the Acquisition, the Corporation is expected to be an oil and gas company engaged in the advancement of the Helisium Project. The Corporation's primary objective will be to generate returns from these assets for shareholders and value for its other stakeholders. The Corporation may also consider additional opportunities to grow shareholder value through the acquisition of additional prospective oil and gas properties, or other strategic transactions. Its future performance depends on, among other things, its ability to discover and develop oil and gas reserves at economically recoverable quantities, the prevailing market price of the oil and gas it produces, its ability to secure required financing, and in the event oil and gas reserves are found in economically recoverable quantities, its ability to secure operating and environmental permits to commence and maintain its production operations.

Available Funds and Principal Purposes

Following completion of the Acquisition and the Fundco 2 Financing, including the net proceeds of the Fundco 2 Financing, the Corporation is expected to have working capital of approximately \$12,726,615 (see Item 5 – *Description of the Business – Available Funds and Principles Purposes*).

Available Funds	(\$)
Working capital as at September 30, 2021	\$531,415
Fundco 2 Financing ⁽¹⁾	\$12,195,200
TOTAL:	\$12,726,615

Notes:

(1) After deduction of finder's fees of \$304,800.

The expected principal purposes for which the available funds will be used are described below:

Use of Available Funds	(\$)
Payment of the Cash Consideration to Brooks Energy ⁽¹⁾	\$1,421,170
Initial work program of drilling and testing four wells on the Helisium Project ⁽²⁾	\$1,853,700
General and administrative costs for next 12 months ⁽³⁾	\$702,000
Costs of the Corporation to complete the Acquisition	\$160,000
Cash payment to Fiore upon closing of the Fundco 2 Financing ⁽⁴⁾	\$125,000
Cash payment to Fiore upon closing of the Acquisition ⁽⁵⁾	\$28,423
Unallocated working capital	\$8,436,322
TOTAL:	\$8,436,322

Notes:

(1) Based on the Cash Consideration of US\$1,150,000, converted to Canadian dollars using the October 27, 2021 exchange rate of US\$1.00 = C\$1.2358.

(2) Based on the initial work program budgeted to cost approximately US\$1,500,000, converted to Canadian dollars using the September 1, 2021 exchange rate of US\$1.00 = C\$1.2607. This consists of US\$780,000 for drilling, US\$320,000 for completion and testing, US\$138,000 for testing and US\$285,000 for contingencies.

(3) Consists of approximately \$122,000 in office and administrative expenses, \$160,000 in legal and audit expenses, \$60,000 in regulatory fees, \$180,000 in consulting fees, and \$180,000 in marketing and advertisement expenses for the 12 months following the closing of the Acquisition.

(4) Pursuant to a Corporate Administration and Financial Advisory Services Agreement with Fiore, the Corporation is required to pay Fiore 1% of the gross proceeds of any equity or debt financing completed by the Corporation or any affiliated company.

(5) Pursuant to a Corporate Administration and Financial Advisory Services Agreement with Fiore, the Corporation is required to pay Fiore 2% of the transaction value of any acquisition of an asset or company completed by the Corporation.

The initial work program recommended in the Resources Report is contemplated to include drilling one (1) well, proposed for September 2021 one (1) well proposed for October, 2021 and two (2) additional wells are proposed to be drilled in November, 2021 on the Helisium Project. The total cost of the initial four (4) well work program is estimated to be approximately \$1,891,050.

Based on current projections, the Corporation's working capital available for funding ongoing operations is expected to meet its expenses for a period of 12 months commencing after the completion of the Acquisition.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to affect the planned activities of the Corporation. For these reasons, management of the Corporation considers it to be in the best interests of the Corporation and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. Further, the above uses of available funds should be considered estimates. See "*Cautionary Note Regarding Forward-Looking Information*".

Future activities are expected to be financed through Helium Pre-Purchase Payments and additional equity and/or debt financing or other financing methods, as deemed appropriate by management.

See Item 5 – *Description of the Business – Available Funds and Principles Purposes* for more information.

Capitalization and Listing

The Corporation is seeking to list the Common Shares on the TSXV. Following completion of the Acquisition, it is expected that there will be 65,583,806 Common Shares issued and outstanding, including the Common Shares issued pursuant to the Fundco 2 Amalgamation See Item 6 – *Financings*.

Directors and Executive Officers

Upon Closing, the Board and executive officers of the Corporation are proposed to be as follows:

Robert Price	<i>Director and Chief Executive Officer</i>
Szascha Lim	<i>Chief Financial Officer</i>
Gordon Keep	<i>Director</i>
Ian Telfer	<i>Director</i>
Robert Johnston	<i>Director</i>
Kia Russell	<i>Corporate Secretary</i>

See Item 16 – *Directors and Executive Officers*.

The Assets

Upon completion of the Acquisition, the Corporation will indirectly acquire Brooks Range's rights and interests in the Assets, which consist of the Helisium Project, the Helium Pre-Purchase Payments, along with the Colorado Leases. The Helisium Project is comprised of the Kansas Leases, which includes approximately 46,000 acres of oil and gas leases in the State of Kansas, the Farmout Right, which covers approximately 40,000 acres of oil and gas leases in the State of Kansas owned by the Farmor, and includes the right to all oil, natural gas and constitute products therein (including helium) along with the right to explore for, develop, produce and remove such oil, natural gas and constituted products from the lands. The Helisium Project is examined in more detail in the Resources Report, which is attached as Schedule "F" to this Application.

Risk Factors

Upon completion of the Acquisition, the Corporation will be an oil and gas company. This industry is capital intensive, highly speculative, and is subject to fluctuations in commodity prices, market sentiment, inflation and other risks.

See Item 21 – *Risk Factors*.

Selected Pro Forma Consolidated Financial Information

Set forth below is a summary of certain *pro forma* unaudited financial information after giving effect to the Acquisition for the periods indicated. The selected *pro forma* unaudited financial information has been derived from the applicable *pro forma* unaudited financial statements set out in Schedule "D" to this Application. The *pro forma* adjustments are based upon the assumptions described in the notes to the unaudited *pro forma* financial statements, including that the Corporation's shareholders have approved the matters relating to the Acquisition at the Meeting (such matters were approved at the Meeting), and that the Acquisition, the Fundco 2 Financing and the transactions contemplated by the Share Purchase Agreement are completed. The unaudited *pro forma* financial statements are for illustrative purposes only and are not necessarily indicative of what the actual results of operations or financial position of the Corporation would have been if all these events had in fact occurred on the dates or for the periods indicated, nor do they purport to project the results of operations or financial position of the Corporation for any future periods or as of any date.

	Pro Forma Three Months Ended June 30, 2021 (unaudited)
Total assets	\$13,059,553
Total liabilities	\$362,285
Total Shareholders' Equity	\$12,697,268

The following information should be read in conjunction with the financial statements and reports thereon included or incorporated by reference in this Application, being:

- the Interim Financial Statements of the Corporation for the three months ended June 30, 2021 and June 30, 2020, together with the notes thereto attached hereto as Schedule "D";
- the Audited Financial Statements of the Corporation for the years ended March 31, 2021 and March 31, 2020, together with the notes thereto and auditors report thereon attached hereto as Schedule "D";
- the audited consolidated annual financial statements of Brooks Range for the period from incorporation (February 17, 2021) to June 30, 2021, attached hereto as Schedule "B";
- the audited carve-out financial statements of Brooks Energy for the years ended June 30, 2021 and June 30, 2020, attached hereto as Schedule "C"; and
- the unaudited *pro forma* financial statements of the Corporation for the three months ended June 30, 2021 are attached hereto as Schedule "D".

Market for Securities

The Common Shares were listed on the TSXV on March 6, 2008. On July 8, 2016, trading in the Common Shares was suspended by the TSXV for having failed to maintain the services of a transfer agent. On October 18, 2016, the Corporation's Listing was transferred to NEX and the trading symbol changed from SFM to SFM.H. On December 14, 2018, the Common Shares were delisted from NEX for failure to pay the NEX Listing Maintenance Fee. On April 15, 2021, the British Columbia Securities Commission revoked their cease trade order issued against the Corporation. The Corporation remains a reporting issuer in the provinces of British Columbia and Alberta. There is no public market for the Common Shares or the Brooks Range Shares.

Conditional Approval of Exchange

The Exchange has conditionally accepted the Listing, subject to the Corporation fulfilling all of the requirements of the Exchange. There is no assurance that the Corporation will be able to meet all of such requirements. If Corporation is unable to meet all of such requirements, the Acquisition and the Listing will not be completed.

Item 4: Corporate Structure

The Corporation

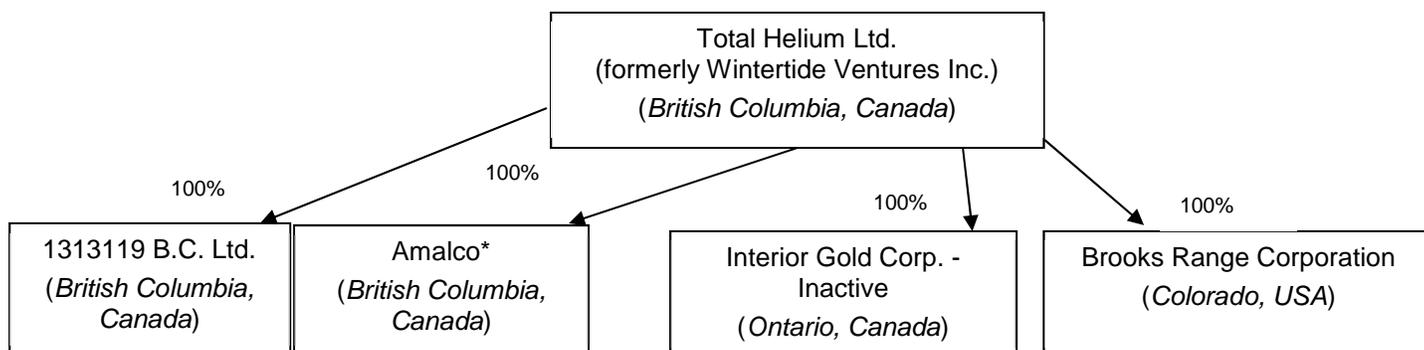
Santa Fe Metals Corporation was incorporated under the BCBCA on April 27, 2006. On February 16, 2021, the Corporation changed its name from "Sante Fe Metals Corporation" to "Wintertide Ventures Inc." On September 30, 2021, the Corporation changed its name from "Wintertide Ventures Inc." to "Total Helium Ltd.". The Corporation's head office and principal place of business is Suite 3123 – 595 Burrard Street, Vancouver, British Columbia P.O Box 49139, V7X 1J1. The telephone number for the head office is 604.609.6110. The Corporation's registered office is Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8. The telephone number for the registered office is 604.691.6100.

At the Meeting, Shareholders approved the adoption of new articles of the Corporation, with the only significant change being to the quorum provisions for the transaction of business at a meeting of Shareholders. Under the old articles, the quorum is two persons who are, or who represent by proxy, Shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to vote at the Meeting. Under the new articles, the quorum is two Shareholders entitled to vote at the Meeting, present in person or represented by proxy.

The Common Shares were listed on the TSXV on March 6, 2008. On July 8, 2016, trading in the Common Shares was suspended by the TSXV for having failed to maintain the services of a transfer agent. On October 18, 2016, the Corporation's listing was transferred to NEX and the trading symbol changed from SFM to SFM.H. On December 14, 2018, the Common Shares were delisted from NEX for failure to pay the NEX Listing Maintenance Fee. On April 15, 2021, the British Columbia Securities Commission revoked their cease trade order issued against the Corporation. The Corporation remains a reporting issuer in the provinces of British Columbia and Alberta.

The Corporation has two wholly-owned subsidiaries: (1) Subco, originally incorporated under the BCBCA on June 29, 2021 for the purposes of effecting the Fundco 1 Amalgamation, and was amalgamated with Fundco 1 effective July 7, 2021; and (2) Interior Gold Corp., incorporated under the Business Corporations Act (*Ontario*) on October 12, 2010, which such subsidiary is currently inactive.

Pursuant to the completion of the Acquisition as described in Item 5 – *Description of the Business – The Acquisition*, Subco will amalgamate with Fundco 2, with the resulting entity being a wholly-owned subsidiary of the Corporation. In addition, Brooks Range will become a wholly-owned subsidiary of the Corporation. A chart reflecting the expected corporate structure of the Corporation following the completion of the Acquisition is set forth below.



*Amalco will be formed following the Fundco 2 Amalgamation.

Brooks Range

Brooks Range was incorporated under the laws of the State of Colorado on February 17, 2021. Brooks Range's head office address is 3400 Bayaud Avenue, Suite 300, Denver, Colorado 80209, and its registered office is 1125 17th Street, Suite 2200, Denver, CO 80202. Brooks Range is a privately-held Colorado corporation (currently, wholly-owned by Brooks Energy), established for the purposes of holding the rights and interests in the Assets. Brooks Energy is a company formed under the laws of the State of Oklahoma on February 24, 1992.

Item 5: Description of the Business

Overview

Pursuant to the Acquisition and the transactions contemplated by the Share Purchase Agreement, the Corporation will own or have interests in the Assets, which consist of the Helisium Project, the Helium Pre-Purchase Payments, along with the Colorado Leases. Upon completion of the Acquisition, the Corporation is therefore expected to be an oil and gas company, with a focus on the advancement of the Helisium Project. The Helisium Project is comprised of the Kansas Leases, which includes approximately 46,000 acres of oil and gas leases in the State of Kansas, the Farmout Right, which covers approximately 40,000 acres of oil and gas leases in the State of Kansas owned by the Farmor, and includes the right to all oil, natural gas and constitute products therein (including helium) along with the right to explore for, develop, produce and remove such oil, natural gas and constituted products from the lands. The Helisium Project is examined in more detail in the Resources Report, which is attached as Schedule "F" to this Application.

The Corporation's primary objective will be to generate returns from the Assets for shareholders and value for its other stakeholders. The Corporation may also consider additional opportunities to grow shareholder value through the acquisition of additional prospective oil and gas properties, or other strategic transactions. Its future performance depends on, among other things, its ability to discover and develop oil and gas reserves at economically recoverable quantities, the prevailing market price of the oil and gas it produces, its ability to secure required financing, and in the event oil and gas reserves are found in economically recoverable quantities, its ability to secure operating and environmental permits to commence and maintain its production operations.

See - Item 5 – *Description of the Business - General Development of the Business – Three Year History.*

The Share Purchase Agreement

On August 6, 2021, the Corporation, Brooks Range and Brooks Energy entered into the Share Purchase Agreement, pursuant to which, on Closing, the Corporation will acquire from Brooks Energy, all of the issued and outstanding securities in the capital of Brooks Range, being an aggregate of 100 Brooks Range Shares.

As consideration for the Brooks Range Shares, the Corporation will pay to Brooks Energy the Cash Consideration, being US\$1,150,000.

The following description of the certain material terms and conditions of the Share Purchase Agreement is a summary only and is qualified in its entirety by reference to the terms of the Share Purchase Agreement.

Representations and Warranties

The Share Purchase Agreement contains various representations and warranties made by Brooks Energy (severally and not jointly and severally) to the Corporation, as well as representations and warranties made by the Corporation to Brooks Energy. These representations and warranties relate to, among other things: organization and corporate capacity, subsidiaries, capitalization, dissolution, approvals and consents, authorizations and binding effect, litigation, judgements, no prior business liabilities, compliance (including stock exchange and securities laws compliance) and absence of changes. The Share Purchase Agreement contains various representations and warranties of the Corporation, Brooks Energy and Brooks Range that are customary for a transaction of this nature. These representations and warranties relate to, among other things: incorporation and good standing, required consents, required authorizations, authorized and issued capital of Brooks Range, title to assets, no liabilities, taxes, title to the Brooks Range Shares, and execution and binding obligation. The representations and warranties were made solely for purposes of the Share Purchase Agreement and, in certain cases, are subject to important qualifications and limitations agreed to by the parties to the Share Purchase Agreement. Moreover, some of the representations and warranties are subject to a contractual standard of materiality different from that generally applicable to public disclosure to Shareholders under securities laws. For the foregoing reasons, Shareholders should not rely on the representations and warranties contained in the Share Purchase Agreement as statements of fact.

Covenants

The Share Purchase Agreement provides for certain covenants of the Corporation, Brooks Range and Brooks Energy, as applicable, which such covenants include, without limitation, the following:

- (a) the parties will use commercially reasonable efforts to obtain all necessary consents, authorizations, exemptions, assignments, waivers, orders or other approvals of any courts, governmental authorities, Shareholders and any third parties as necessary to fulfil its obligations and to carry out the transactions;
- (b) Brooks Range will, and Brooks Energy agrees, it will cause Brooks Range to, among other things, conduct its business in the ordinary course such that the representations and warranties of Brooks Range under the Share Purchase Agreement will be true, correct and complete on the closing of the Acquisition as if they were made on and as of such date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated by the Share Purchase Agreement;
- (c) except with the prior written consent of the Corporation or as contemplated in the Share Purchase Agreement, Brooks Range will not, and Brooks Energy agrees it will not permit or cause Brooks Range to, among other things:
 - (i) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital, to its Shareholders;
 - (ii) split, combine or reclassify any outstanding shares;
 - (iii) enter into any material contract without the consent of the Corporation;
 - (iv) redeem, purchase or offer to purchase any of its shares or other securities;
 - (v) reorganize, amalgamate or merge with any other person in any manner whatsoever;
 - (vi) acquire or agree to acquire any person or any assets or properties other than in the ordinary course of its business;
 - (vii) incur or commit to incur any indebtedness for borrowed money or issue any debt securities;
 - (viii) issue or commit to issue any shares, rights, warrants or options to purchase such shares, or any securities convertible into such shares, warrants or options;

- (ix) alter or amend in any way its constating documents;
 - (x) take any action which would be outside the ordinary course of business or which may result in a material adverse change in its affairs;
 - (xi) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of its assets;
 - (xii) engage in any business enterprise or other activity materially different from that carried on or intended to be carried on;
 - (xiii) enter into any transaction with or make payments to a party with which it does not deal at arm's length, other than in the ordinary course of business consistent with past practice;
 - (xiv) grant any director, officer or employee who has a policy-making function any increase in compensation or in severance or termination pay (whether or not such compensation or pay is payable in cash), or enter into or modify any employment or consulting agreement with any such director, officer or employee, or hire or promote any such person; or
 - (xv) perform any act or enter into any transaction or negotiation which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under the Share Purchase Agreement.
- (d) the Corporation will use all commercially reasonable efforts to conduct its business in the ordinary course such that the representations and warranties of the Corporation under the Share Purchase Agreement will be true, correct and complete on the closing of the Acquisition as if they were made on and as of such date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated by the Share Purchase Agreement;
- (e) the Corporation will make application to the TSXV and obtain the conditional approval of the TSXV for listing of the Common Shares;
- (f) the Corporation will change its name to "Total Helium Ltd.", or such other name as may be accepted by the relevant regulatory authorities, and Brooks Energy;
- (g) the Corporation will not, except as contemplated in the Share Purchase Agreement, or with the prior written consent of Brooks Energy:
- (i) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital, to its Shareholders;
 - (ii) split, combine or reclassify any outstanding shares;
 - (iii) redeem, purchase or offer to purchase any of its shares or other securities;
 - (iv) incur or commit to incur any indebtedness for borrowed money or issue any debt securities;
 - (v) alter or amend in any way its constating documents;
 - (vi) take any action which would be outside the ordinary course of business or which may result in a material adverse change in its affairs;
 - (vii) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any of its assets;
 - (viii) engage in any business enterprise or other activity, other than as contemplated herein and as required and under the policies of the TSXV; or
 - (ix) perform any act or enter into any transaction or negotiation which might materially adversely interfere or be materially inconsistent with the consummation of the transactions contemplated under the Share Purchase Agreement;
- (h) the parties shall use their commercial best efforts to ensure satisfaction of all closing conditions set out in the Share Purchase Agreement;
- (i) the parties shall make, or cause to be made, all filings and submissions under all laws applicable to each party, that are required for each party to consummate the Acquisition in accordance with the terms of the Share Purchase Agreement, and each party shall use its commercial best efforts to obtain, or cause to be obtained, all authorizations necessary or advisable to be obtained by it in order to consummate such transfer, including obtaining approval from the TSXV; and

- (j) Brooks Range and Brooks Energy shall promptly notify the Corporation, and the Corporation shall promptly notify Brooks Energy, upon any representation or warranty made by it contained in the Share Purchase Agreement becoming untrue or incorrect prior to the closing of the Acquisition.

Conditions Precedent

The completion of the Acquisition is subject to the satisfaction of certain conditions precedent prior to the Closing Date, subject to waiver by either party for whose benefit the condition precedents are inserted.

The obligations of the Corporation to complete the Acquisition are subject to the fulfillment, on or before the Closing Date, of each of the following conditions:

- (a) all of the representations and warranties of Brooks Energy made in the Share Purchase Agreement shall be true and correct as of the Closing Date;
- (b) Brooks Energy has complied with or performed all of the obligations, covenants and agreements under the Share Purchase Agreement to be complied with or performed by Brooks Energy on or before the Closing Date, no Material Adverse Effect (as defined in the Share Purchase Agreement) has occurred in respect of Brooks Range or Brooks Energy since the date of the Share Purchase Agreement;
- (c) all consents and authorizations as identified in the Share Purchase Agreement have been obtained, in each case in form and substance satisfactory to the Corporation in order to permit the closing of the Acquisition and are in full force and effect and without violating or breaching any clause under any agreement with respect to the Assets;
- (d) the acquisition of the Brooks Range Shares is not prohibited by any applicable laws, government order, regulation or any other order, decree or judgement in any court of a competent jurisdiction and no person shall have initiated any action or proceeding before any governmental authority seeking damages or other remedies against the Corporation or seeking to prevent the Corporation from entering into the Share Purchase Agreement;
- (e) the Corporation shall have received certain customary closing deliveries, such as closing certificates from Brooks Energy certifying certain matters under the Share Purchase Agreement;
- (f) the Corporation shall be satisfied with its due diligence investigations in respect of Brooks Range and the Assets; and
- (g) such other documentation as the Corporation reasonably requests.

The obligations of Brooks Energy to complete the transaction contemplated by the Share Purchase Agreement are subject to the fulfillment, on or before the Closing Date, of each of the following conditions:

- (a) all of the representations and warranties of the Corporation made in or pursuant to the Share Purchase Agreement shall be true and correct as of the Closing Date;
- (b) the Corporation has complied with or performed all of the obligations, covenants and agreements under the Share Purchase Agreement to be complied with or performed by the Corporation on or before the Closing Date, no Material Adverse Effect (as defined in the Share Purchase Agreement) shall have occurred in respect of the Corporation since the date of the Share Purchase Agreement; and
- (c) Brooks Energy shall have received certain customary closing deliveries, such as closing certificates certifying from the Corporation certain matters under the Share Purchase Agreement.

Termination

The Share Purchase Agreement may be terminated, and the Acquisition may be abandoned at any time prior to its completion (notwithstanding approval of the Acquisition Resolution by the Shareholders):

- (a) by the mutual written consent of Brooks Energy and the Corporation;

- (b) by either Brooks Energy or the Corporation if the Closing Date has not occurred on or before the Escrow Release Deadline, provided that the terminating party has not willfully been the cause of the delay; or
- (c) by either Brooks Energy or the Corporation if a final and non-appealable order shall have been entered in any action or proceeding before any court, governmental entity or administration agency either prevents or makes illegal the consummation of the transactions or, by the Corporation, if such order materially affects in an adverse way the benefit of the transactions to the Corporation.

The Acquisition constitutes a Related Party Transaction under the rules of MI 61-101 on the basis that Robert Price, the founder, Chief Executive Officer and controlling shareholder of Brooks Energy, owns and controls 17,343,500 Common Shares, representing 26.44% of the issued and outstanding Common Shares as at the date of this Application. Accordingly, Minority Shareholder approval of the Acquisition was required to be obtained. "**Minority Shareholders**" means Shareholders whose votes were included in the determination of minority approval of the Acquisition Resolution, being Shareholders other than (a) any "interested party" to the Acquisition within the meaning of MI 61-101; (b) any related party to such interested party within the meaning of MI 61-101 (subject to the exceptions set out therein); and (c) any person that is a joint actor with any of the foregoing for the purposes of MI 61-101 (collectively, the "**Excluded Parties**"). On the basis of the foregoing, Robert Price was an Excluded Party and accordingly, the 17,280,000 Common Shares owned by Mr. Price at the time were excluded in determining whether the Minority Shareholders approved the Acquisition Resolution. At the Meeting, the Acquisition Resolution was approved by the requisite majority of the Minority Shareholders. The completion of the Acquisition is subject to a number of conditions precedent, including the completion of the Fundco 2 Financing, and receipt of TSXV conditional approval, which are outside the control of the Corporation or the parties to the Share Purchase Agreement. There can be no certainty, nor can the Corporation provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

The Fundco 2 Amalgamation Agreement

On November 8, 2021, the Corporation, Subco 2 and Fundco 2 entered into the Fundco 2 Amalgamation Agreement, pursuant to which, in connection with the Closing, the Corporation will acquire Fundco 2, in exchange for the issuance of an aggregate of 12,500,000 Common Shares and 12,500,00 Warrants to the holders of Fundco 2 Shares and Fundco 2 Warrants. A total of 12,500,000 Fundco 2 Shares and 12,500,000 Fundco 2 Warrants will be issued to the holders of the Subscription Receipts upon satisfaction of the Escrow Release Conditions, which such Fundco 2 Shares and Fundco 2 Warrants shall, in connection with the Fundco 2 Amalgamation, be exchanged for Common Shares and Warrants on the basis of one Common Share for each Fundco 2 Share and one Warrant for each Fundco 2 Warrant. The Amalgamation will be effected pursuant to Section 269 of the BCBCA. Pursuant to the Fundco 2 Amalgamation Agreement, Subco 2 and Fundco 2 will amalgamate and continue as Amalco. Amalco will be a wholly-owned subsidiary of the Corporation.

Completion of the Amalgamation is subject to a number of conditions, including requisite shareholder and regulatory approvals of the Amalgamation and certain other conditions typical of a transaction of this nature.

The Fundco 2 Financing

On October 20, 2021, Fundco 2 completed a non-brokered financing of an aggregate of 12,500,000 Subscription Receipts at a subscription price of \$1.00 per Subscription Receipt for the Escrowed Funds. The Escrowed Funds are held in escrow by the Escrow Agent, subject to satisfaction of the Escrow Release Conditions. Upon satisfaction of the Escrow Release Conditions, immediately prior to completion of the Acquisition, each Subscription Receipt will automatically convert into one Fundco 2 Unit for no additional consideration. Each Fundco 2 Unit will consist of one Fundco 2 Share and one Fundco 2 Warrant. Each Fundco 2 Warrant will be exercisable into one Fundco 2 Share at an exercise price of \$2.00 for a period of sixty months following the date of issuance, following which Fundco 2 and Subco 2 will amalgamate pursuant to the BCBCA and each Fundco 2 Share will be exchanged for one Common Share and each Fundco 2 Warrant will be exchanged for one Warrant on a one-for-one basis. Each Warrant will be exercisable into one Common Share at an exercise price of \$2.00 for a period of sixty months following the date of issuance. If, at any time after the issuance of the Common Shares and Warrants, the volume weighted average trading price of the Common Shares on the Exchange is more than \$3.00 for the preceding twenty consecutive trading days, the Corporation will have the right to accelerate the expiry of the Warrants by giving notice, via news release, of its exercise of such right and thereafter the Warrants will, without further notice or act by the Corporation, automatically expire and be of no further force and effect at 4:00 p.m. (Vancouver time) on the date that is thirty (30) days after the date of said news release. Unless otherwise agreed, if the Escrow Release Conditions are not completed by the Escrow Release Deadline, the proceeds of the Fundco 2 Financing will be returned to the subscribers.

In connection with the Fundco 2 Financing, upon Closing, the Corporation will pay an aggregate of \$304,800 in finder's fees. After deducting finder's fees and the expenses of the Fundco 2 Financing, the net proceeds of the Fundco 2 Financing will be approximately \$12,195,200. The Corporation intends to use the net proceeds of the Fundco 2 Financing principally to pay the Cash Consideration, for advancement of the Helisium Project and for general and administrative expenses of the Corporation. See Item 5 – *Description of the Business – Available Funds and Principal Purposes*.

The Fundco 1 Amalgamation Agreement

On July 1, 2021 the Corporation entered into the Fundco 1 Amalgamation Agreement, and pursuant to the terms thereof, on July 7, 2021, the Corporation completed the Fundco 1 Amalgamation, whereby the Corporation's wholly-owned subsidiary, Subco, amalgamated with Fundco 1, and each of the 52,900,001 Fundco 1 Shares were exchanged for one Common Share on a one-for-one basis. Fundco 1 had previously raised an aggregate of approximately \$1,058,000 through the Fundco 1 Financing, being the non-brokered private placement offerings by Fundco 1 of an aggregate of 52,900,001 Fundco 1 Shares.

General Development of the Business – Three Year History

Although the Corporation has had no active business or operations since December 31, 2015; however, the following provides a brief description of the general development of the business of the Corporation during each of its three most recently completed financial years.

Financial Year Ended March 31, 2019

The Corporation was pursuing acquisition opportunities in the natural resource industry.

Financial Year Ended March 31, 2020

The Corporation was pursuing acquisition opportunities in the natural resource industry.

Financial Year Ended March 31, 2021

The Corporation was pursuing acquisition opportunities in the natural resource industry.

Board of Directors

On March 4, 2021, the Corporation reconstituted its board of directors to consist of Gordon Friesen, Scott Davis and Allan Glowach. In addition, Gordon Friesen was appointed as the Chief Executive Officer, the Chief Financial Officer and the Corporate Secretary.

Recent Developments

Revocation of Cease Trade Order

On April 15, 2021, the Corporation announced that the BCSC rescinded its cease trade order against the Corporation effective April 15, 2021.

Share Consolidation

On May 18, 2021, the Corporation announced that it completed a share consolidation of one post-consolidation common share for every 250-pre-consolidation Common Shares outstanding (the "**Consolidation**"). Prior to completing the Consolidation, the Corporation had 46,951,490 Common Shares outstanding and following the completion of the Consolidation, the Corporation had approximately 183,805 Common Shares outstanding.

The Business Combination with Fundco and Fundco Financing

See Item 5 – *Description of the Business – The Business Combination* and Item 5 – *Description of the Business – The Fundco 1 Amalgamation Agreement*

Capitalization of the Corporation

Following completion of the Acquisition, the Fundco 1 Amalgamation, the Fundco 2 Amalgamation, the transactions contemplated by the Share Purchase Agreement and the payment of expenses and any related finder's fees, the Corporation will have cash in the amount of approximately \$8,436,322 (see Item 5 – *Description of the Business – Available Funds and Principles Purposes*).

Pro forma Holdings of the Common Shares

	<u>Common Shares Held</u>
Original Shareholders	183,805
Fundco 1 Amalgamation Shareholders ⁽¹⁾	52,900,001
Fundco 2 Amalgamation Shareholders ⁽²⁾	12,500,000
Total:	65,583,806

Notes:

- (1) Upon the completion of the Fundco 1 Amalgamation, the Corporation participated in a share exchange of one Common Share for each outstanding Fundco 1 Share.
- (2) Upon the completion of the Fundco 2 Amalgamation, the Corporation will issue one Unit for each outstanding Fundco 2 Unit (which such Fundco 2 Unit will become outstanding upon conversion of the Subscription Receipts).

Trends

Management is not aware of any trend, commitment, event or uncertainty that is both presently known to management as at the date of this Application, except as otherwise disclosed herein or except in the ordinary course of business.

Resources Report

The Resources Report prepared by RPS Energy Canada Ltd. is attached as Schedule "F" to this Application.

Available Funds and Principal Purposes

Following completion of the Acquisition and the Fundco 2 Financing, including the net proceeds of the Fundco 2 Financing, the Corporation is expected to have working capital of approximately \$12,726,615 (see Item 5 – *Description of the Business – Available Funds and Principles Purposes*).

Available Funds	(\$)
Working capital as at September 30, 2021	\$531,415
Fundco 2 Financing ⁽¹⁾	\$12,195,200
TOTAL:	\$12,726,615

Notes:

(1) After deduction of finder's fees of \$304,800.

The expected principal purposes for which the available funds will be used are described below:

Use of Available Funds	(\$)
Payment of the Cash Consideration to Brooks Energy ⁽¹⁾	\$1,421,170
Initial work program of drilling and testing four wells on the Helisium Project ⁽²⁾	\$1,853,700
General and administrative costs for next 12 months ⁽³⁾	\$702,000
Costs of the Corporation to complete the Acquisition	\$160,000
Cash payment to Fiore upon closing of the Fundco 2 Financing ⁽⁴⁾	\$125,000
Cash payment to Fiore upon closing of the Acquisition ⁽⁵⁾	\$28,423
Unallocated working capital	\$8,436,322
TOTAL:	\$8,436,322

Notes:

- (1) Based on the Cash Consideration of US\$1,150,000, converted to Canadian dollars using the October 27, 2021 exchange rate of US\$1.00 = C\$1.2358.
- (2) Based on the initial work program budgeted to cost approximately US\$1,500,000, converted to Canadian dollars using the September 1, 2021 exchange rate of US\$1.00 = C\$1.2607. This consists of US\$780,000 for drilling, US\$320,000 for completion and testing, US\$138,000 for testing and US\$285,000 for contingencies.
- (3) Consists of approximately \$122,000 in office and administrative expenses, \$160,000 in legal and audit expenses, \$60,000 in regulatory fees, \$180,000 in consulting fees, and \$180,000 in marketing and advertisement expenses for the 12 months following the closing of the Acquisition.
- (4) Pursuant to a Corporate Administration and Financial Advisory Services Agreement with Fiore, the Corporation is required to pay Fiore 1% of the gross proceeds of any equity or debt financing completed by the Company or any affiliated company.
- (5) Pursuant to a Corporate Administration and Financial Advisory Services Agreement with Fiore, the Corporation is required to pay Fiore 2% of the transaction value of any acquisition of an asset or company completed by the Corporation.

Business Objectives and Milestones

The initial work program recommended in the Resources Report is contemplated to include drilling one (1) well, proposed for September 2021 one (1) well proposed for October, 2021 and two (2) additional wells are proposed to be drilled in November, 2021 on the Helisium Project. The total cost of the initial four (4) well work program is estimated to be approximately \$1,853,700.

Based on current projections, the Corporation's working capital available for funding ongoing operations is expected to meet its expenses for a period of 12 months commencing after the completion of the Acquisition.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to affect the planned activities of the Corporation. For these reasons, management of the Corporation considers it to be in the best interests of the Corporation and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. Further, the above uses of available funds should be considered estimates. See "Cautionary Note Regarding Forward-Looking Information".

Although the Corporation expects to expend the funds available to it as set out above, the amount actually expended for the purposes described above could vary significantly depending on, among other things, the

price of crude oil and gas, unforeseen events, and the Corporation's future operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

Due to the nature of the business of oil and gas development, budgets are regularly reviewed with respect to both the success of the drilling program and other opportunities which may become available to the Corporation. Accordingly, if continuing with the drilling program becomes inadvisable for any reason, the Corporation may alter the recommended work program, or may make arrangements for the performance of all or any portion of such work by other persons or companies and may use any funds so diverted for the purpose of conducting work or examining other properties acquired by the Corporation, although it has no present plans in this respect.

Item 6: Financings

The Corporation's principal business will be the advancement and development of the Helisium Project located in Kansas. On July 7, 2021 Corporation issued 52,900,001 Common Shares in connection with the Fundco 1 Amalgamation. See Item 5 – *Description of the Business – General Development of the Business – Three Year History – The Fundco 1 Amalgamation Agreement* for more details. On October 20, 2021, Fundco 2 completed the Fundco 2 Financing for aggregate gross proceeds of \$12,500,000 million. See Item 5 – *Description of the Business – The Fundco 2 Financing* for more details.

Upon completion of the Acquisition, the Corporation will have available cash of approximately \$8,589,745 (see Item 5 – *Description of the Business – Available Funds and Principal Purposes*). Future activities are expected to be financed through Helium Pre-Purchase Payments and additional equity and/or debt financing or other financing methods, as deemed appropriate by management.

Item 7: Dividends and Other Distributions

The Corporation has neither declared nor paid any dividends on its Common Shares. The Corporation intends to retain its cash to finance its drilling and exploration activities, finance growth and expand its operations and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

Item 8: Management's Discussion and Analysis

The management's discussion and analysis of the Corporation for the year ended March 31, 2021 and for the six months ended June 30, 2021 is available on the Corporation's profile at www.sedar.com and is incorporated by reference into this Application. The management's discussion and analysis of the Corporation should be read in conjunction with the financial statements of the Corporation attached hereto as Schedule "D".

Item 9: Disclosure of Outstanding Security Data on Fully Diluted Basis

The Corporation is seeking to list the Common Shares and Warrants on the TSXV. Following completion of the Acquisition it is expected that there will be 65,583,806 Common Shares and 12,500,000 Warrants issued and outstanding.

Item 10: Description of Securities to Be Listed

The following is a summary of the rights, privileges, restrictions and conditions which are attached to the Common Shares.

Authorized Capital

The authorized capital of the Corporation consists of an unlimited number of Common Shares, of which 65,583,806 are expected to be issued and outstanding following completion of the Acquisition.

Each Common Share carries the right to one vote. There are no cumulative or similar voting rights attached to the Common Share. The holders of Common Shares are entitled to dividends, if, as and when declared by the Board, to one vote per share at meetings of the Shareholders and, upon liquidation, to share equally in such assets of the Corporation as are distributable to the holders of Common Shares.

The Corporation is also applying to list the Warrants on the Exchange. The Corporation currently has 12,500,000 Warrants outstanding. Each Warrant entitles the holder to acquire one Common Share at an exercise price of \$2.00 for a period of sixty months after the date of issuance. In the event that the volume weighted average trading price of the Common Shares on the Exchange is more than \$3.00 for the preceding twenty consecutive trading days, the Corporation will have the right to accelerate the expiry of the Warrants by giving notice, via news release, of its exercise of such right and thereafter the Warrants will, without further notice (the “**Notice**”) or act by the Corporation, automatically expire and be of no further force and effect at 4:00 p.m. (Vancouver time) on the date that is thirty (30) days after the date of said news release (the “**Warrant Acceleration**”). For greater certainty, the non-receipt by any one or more holders of the Warrants of such notice shall not invalidate the accelerated expiry of all the Warrants as aforesaid.

The Warrant Acceleration provision will be included in any accompanying warrant certificates and warrant indenture. Within ten business days of the threshold for the Warrant Acceleration being met, the Corporation will: (i) decide whether it will trigger the Warrant Acceleration; (ii) provide all warrant holders and the warrant agent with the Notice; and (iii) issue a news release disclosing any decision to accelerate the expiry date of the Warrants. In addition, the Warrants will not expire until at least 30 days after the Notice is given by the Corporation. Finally, the Corporation will also provide an undertaking to the Exchange that the Corporation will provide notice in writing to the Exchange of the Warrant Acceleration and a draft of the proposed news release no later than two business days prior to the day on which the Notice is given to the warrant holders and the news release is disseminated.

Item 11: Consolidated Capitalization

Consolidated Capitalization

Other than in connection with the Acquisition, the completion of the Fundco 1 Amalgamation, the Fundco 2 Amalgamation and the Escrow Release Conditions, and as disclosed in Item 13 – *Prior Sales*, there have not been any material changes in the share and loan capital of the Corporation since June 30, 2021. The following table and the notes thereto set forth the consolidated capitalization of the Corporation as of June 30, 2021, both before and after giving *pro forma* effect to the Acquisition, the Fundco 1 Amalgamation, the Fundco 2 Amalgamation and the Escrow Release Conditions, and the transactions set forth in Item 13 – *Prior Sales*. This table should be read in conjunction with the financial statements included in Schedule "D" of this Application.

Designation of Security	Amount Authorized	Outstanding as at June 30, 2021 prior to giving effect to the Fundco 1 Amalgamation, the Fundco 2 Amalgamation and the Acquisition	Outstanding as at June 30, 2021 prior to giving effect to the Fundco 2 Amalgamation and the Acquisition	Outstanding as at June 30, 2021 prior to giving effect to the Acquisition	Outstanding as of the date of this Application
Common Shares	Unlimited	183,805	53,083,806	65,583,806 ⁽¹⁾	65,583,806 ⁽¹⁾

Notes:

(1) Assumes 12,500,000 Common Shares issued pursuant to the automatic exchange of the Subscription Receipts upon satisfaction of the Escrow Release Conditions.

Fully Diluted Share Capitalization

The following table sets forth the fully diluted share capital after giving effect to the Acquisition.

	Number of Common Shares	Percentage of Total Number After Giving Effect to the Acquisition	Percentage of Voting Rights After Giving Effect to the Acquisition
Common Shares	65,583,806 ⁽¹⁾	77.48%	77.48%
Securities Reserved for Future Issue:			
Reserved for issuance upon exercise of Warrants	12,500,000	14.77%	14.77%
Reserved for issuance and allocated upon exercise of Options under Stock Option Plan ⁽¹⁾	4,895,000	5.78%	5.78%
Reserved for issuance upon exercise of remaining Options under Stock Option Plan ⁽¹⁾	1,663,381	1.97%	1.97%
TOTAL NUMBER OF DILUTED SECURITIES	84,642,187	100%	100%

Notes:

(1) The vesting of the Options is as follows: 50% of the Options will vest immediately upon issue, 25% of the Options will vest 6-months following the date of issue and 25% of the Options will vest 12-months following the date of issue.

Item 12: Stock Option Plan

The Board has adopted the Stock Option Plan. A copy of the Stock Option is set out in Schedule "A" to this Application. The Stock Option Plan was approved by Shareholders at the Meeting.

Summary of the Stock Option Plan

The Corporation has implemented the Stock Option Plan pursuant to which the Board may grant options to purchase Common Shares to officers, directors and employees of the Company or affiliated corporations and to consultants retained by the Corporation. A summary of the Stock Option Plan is set forth below:

- (a) the Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum number of Common Shares of the Corporation equal to up to a maximum of 10% of the issued Common Shares of the Corporation at the time of any stock option grant;
- (b) an optionee must either be an Eligible Charitable Organization or a Director, Employee or Consultant of the Corporation (as defined in the Stock Option Plan) at the time the option is granted in order to be eligible for the grant of a stock option to the optionee;
- (c) the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12-month period must not exceed 5% of the issued Common Shares of the Corporation calculated on the date an option is granted to the Person (unless the Corporation has obtained the requisite Disinterested Shareholder Approval);

- (d) the aggregate number of options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Common Shares of the Corporation, calculated at the date an option is granted to the Consultant;
- (e) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued shares of the Corporation in any 12-month period, calculated at the date an option is granted to any such Person;
- (f) options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12-months with no more than 1/4 of the options vesting in any 3-month period;
- (g) the minimum exercise price per common share of a stock option must not be less than the Market Price of the Common Shares of the Corporation, subject to a minimum exercise price of \$0.05;
- (h) options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (o) below));
- (i) stock options (other than options held by a person involved in investor relations activities) will cease to be exercisable 90 days after the optionee ceases to be a Director (which term includes a senior officer), Employee, Consultant, or Management Company Employee otherwise than by death, or for a "reasonable period", which shall be limited to a maximum of one year, after the optionee ceases to serve in such capacity, as determined by the Board of Directors. Stock options granted to persons involved in Investor Relations Activities will cease to be exercisable 30 days after the optionee ceases to serve in such capacity otherwise than by death, or for a "reasonable period", which shall be limited to a maximum of one year, after the optionee ceases to serve in such capacity, as determined by the Board of Directors;
- (j) all options are non-assignable and non-transferable;
- (k) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of a stock option if the optionee is an Insider of the Corporation at the time of the proposed amendment and Disinterested Shareholder Approval will also be required for granting Option, which when added together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in the grant to Insiders, within a 12-month period, of a number of Options exceeding 10% of the issued Common Shares;
- (l) the Stock Option Plan contains provisions for adjustment in the number of Common Shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the Common Shares;
- (m) upon the occurrence of an Accelerated Vesting Event (as defined in the Stock Option Plan), the Board of Directors will have the power, at its sole discretion and without being required to obtain the approval of Shareholders or the holder of any stock option, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of stock options, conditionally or unconditionally; (b) terminating every stock option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board of Directors considers fair and appropriate in the circumstances having regard to the treatment of holders of Common Shares under such transaction; (c) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such

Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board of Directors in respect of any such Accelerated Vesting Event shall for the purposes of the Option Plan be final, conclusive and binding;

- (n) in connection with the exercise of an option, as a condition to such exercise the Corporation shall require the optionee to pay to the Corporation an amount as necessary so as to ensure that the Corporation is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option;
- (o) a stock option will be automatically extended past its expiry date if such expiry date falls within a period (a "**Blackout Period**") during which the Corporation prohibits optionees from exercising their options, subject to the following requirements: (a) the Blackout Period must (i) be formally imposed by the Corporation pursuant to its internal trading policies; and (ii) must expire upon the general disclosure of undisclosed Material Information; and (b) the automatic extension of an optionee's stock option will not be permitted where the optionee or the Corporation is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Corporation's securities. "Consultant", "Director", "Disinterested Shareholder Approval", "Eligible Charitable Organization", "Employee", "Investor Relations Activities", "Management Company Employee", "Material Information" and "Person" all have the same definition as set out in the Stock Option Plan; and
- (p) the Stock Option Plan must receive shareholder approval at the time the Plan is to be implemented and annual, at the Company's annual general meeting. Further, the Stock Option Plan must be approved by the Exchange on an annual basis.

As of the date of the Application, there are 4,895,000 Options granted under the Stock Option Plan.

Item 13: Prior Sales

The following sets forth the number and price at which securities of the Corporation, Brooks Range, Fundco 1 and Fundco 2 have been sold within the 12-month period prior to the date of this Application.

During the 12 months preceding the date of this Application, the Corporation has not re-purchased any securities of the Corporation. During the 12-month period prior to the date of this Application, the Corporation issued an aggregate of 52,900,001 Common Shares in connection with the acquisition of Fundco 1, a private British Columbia company. In accordance with the terms of the Fundco 1 Amalgamation Agreement, Subco amalgamated with Fundco 1.

On February 17, 2021, the date upon which Brooks Range was incorporated, Brooks Energy was issued 100 Brooks Range Shares at a value of \$1.00 per Brooks Range Share.

On October 20, 2021, Fundco 2 completed the Fundco 2 Financing, by issuing an aggregate of 12,500,000 Subscription Receipts at a subscription price of \$1.00 per Subscription Receipt for aggregate gross proceeds of \$12,500,000 please see "Item 6 – *Financings*".

Item 14: Escrowed Securities and Securities Subject to Restriction on Transfer

Escrowed Securities

Subject to approval of the TSXV, the following table sets out the Common Shares which the Corporation expects will be subject to escrow, pursuant to the rules of the TSXV:

Name	Designation of Class	Prior to giving effect to the Acquisition		After giving effect to the Acquisition ⁽¹⁾	
		Number of securities to held in escrow	Percentage of class	Number of securities to held in escrow	Percentage of class
Robert Price	Common Shares	17,343,500	26.44%	17,343,500	26.44%
Robert Price	Warrants	63,500	0.51%	63,500	0.51%
Gordon Keep	Common Shares	1,307,750	1.99%	1,307,750	1.99%
Gordon Keep	Warrants	57,750	0.46%	57,750	0.46%
Ian Telfer	Common Shares	2,200,000	3.35%	2,200,000	3.35%
Szascha Lim	Common Shares	50,000	0.08%	50,000	0.08%
Kia Russell	Common Shares	20,000	0.03%	20,000	0.03%
Katherine Keep	Common Shares	1,350,000	2.06%	1,350,000	2.06%
Katherine Keep	Warrants	100,000	0.80%	100,000	0.80%

Notes:

- (1) Assumes 12,500,000 Common Shares issued pursuant to the automatic exchange of the Subscription Receipts upon satisfaction of the Escrow Release Conditions.

Seed Share Resale Restrictions

Certain seed share resale restrictions will be applicable to the Common Shares held by nonprincipals in accordance with the seed share resale matrix under TSXV Policy 5.4. Pursuant to Policy 5.4, an aggregate of 30,850,001 Common Shares, representing approximately 47% of the issued and outstanding Common Shares on a post-Acquisition basis, are expected to be subject to a hold period of 36 months with 10% released from any resale restrictions on the Listing Date and 15% released every six months thereafter.

There is currently no market through which the Common Shares may be sold and, unless the Common Shares are listed on a stock exchange and a sufficient trading market for the Common Shares develops, shareholders may not be able to resell the Common Shares. There is no assurance that the Common Shares will be listed on a stock exchange or that such a trading market will develop.

Item 15: Principal Securityholders

To the knowledge of the Corporation, there are no persons who will, immediately following the completion of the Acquisition, directly or indirectly, own or exercise control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation, other than as set out below.

Name	No. of Proportionate Voting Shares Owned or Controlled	Percentage of Voting Rights prior to Acquisition	Percentage of Voting Rights after to Acquisition
Robert Price	17,343,500	26.44%	26.44%

Item 16: Directors and Executive Officers

Name, Address and Occupation

The names, province or state of residence, positions with the Corporation and the principal occupations of the persons who will serve as directors and executive officers of the Corporation after giving effect to the Acquisition are set out below, together with their *pro forma* holdings of the Common Shares, on a non-diluted basis.

Name, Position, and Province or State and Country of Residence	Principal occupation (for last 5 years)	Pro Forma Holdings of Common Shares⁽¹⁾
Robert Price <i>Director and Chief Executive Officer</i> Colorado, United States	President at Brooks Energy Company since 1992. Chief Executive Officer and Chairman at Highlands Natural Resources between 2014 and 2019.	17,343,500 (26.44%)
Szascha Lim <i>Chief Financial Officer</i> British Columbia, Canada	CFO of Fiore Management & Advisory Corp. since January 2020; Senior Accountant of Fiore Management & Advisory Corp. since August 2016.	50,000 (0.08%)
Gordon Keep⁽²⁾⁽³⁾ <i>Director</i> British Columbia, Canada	Chief Executive Officer of Fiore Management & Advisory Corp. (financial advisory), since 2013.	1,307,750 (1.99%)
Ian Telfer⁽²⁾⁽³⁾ <i>Director</i> British Columbia, Canada	Mining industry executive; Chief Executive Officer of Goldcorp from 2004-2006. Chairman of Goldcorp from 2006 to 2019.	2,200,000 (3.35%)
Robert Johnston⁽²⁾⁽³⁾ <i>Director</i> Oklahoma, United States	President and Chief Executive Officer of Atalaya Resources since 2014.	Nil
Kia Russell <i>Corporate Secretary</i> British Columbia, Canada	Associate Corporate Finance at Fiore Management & Advisory Corp since 2020. Consulting Chief Executive Officer at 1010714 B.C. Ltd. from 2017 to 2020. Officer Manager, Executive Assistant to Corporate Secretary at Gold Standard Ventures Corp. 2010 to 2017.	20,000 (0.03%)

Notes:

- (1) Assuming 65,583,806 Common Shares will be issued and outstanding immediately following the completion of the Acquisition.
(2) Will be considered independent within the meaning of NI 52-110.
(3) Member of the Audit Committee.

As a group, the directors and officers of the Corporation will hold approximately 20,921,250 Common Shares, representing approximately 31.9% of all issued and outstanding voting securities of the Corporation.

Director and Officer Biographies

Robert Price – Director and Chief Executive Officer

Mr. Price has assembled and managed a series of companies, including energy, real estate, and manufacturing. He was Vice President, Trust Officer and Oil and Gas Trust Energy Department Manager of the First National Bank and Trust Company of Tulsa, now J P Morgan Chase Bank. Mr. Price formed Brooks Energy Company, active in both oil and natural gas and helium exploration and production in the Mid-Continent and Rocky Mountain regions. He owned and managed a natural gas compressor manufacturing company and rental business, S & R Compression. Served as Chairman and CEO for Highlands Natural Resources, which primarily developed oil and gas horizontal wells in the DJ Basin of Colorado. Mr. Price was the founder and Chairman of Zeledyne, which purchased Ford Motor Company's Glass division with plants in Tulsa, Nashville and Juarez, Mexico manufacturing and distributing automotive and architectural glass, employing over 1,200 employees.

Mr. Price served as a member of the U.S. Department of Interior's Mineral Management Service (now known as The Bureau of Ocean Energy Management, Regulation and Enforcement) Royalty Policy Committee. He also served on Tulsa Technology Center governing board, which provides workforce training to thousands of people and was appointed by former Governor John Hickenlooper to serve as a commissioner to the State of Colorado Economic Development Commission.

Mr. Price received a Bachelors of Arts Degree from the University of Colorado at Denver and Juris Doctorate Degree from the University of Tulsa.

Szascha Lim – Chief Financial Officer

Ms. Lim holds a Bachelor of Commerce degree with honors from the University of British Columbia, specializing in Accounting and successfully completed the CFE to obtain a CPA designation. Ms. Lim has extensive experience in working with public companies in an accounting capacity and has served as CFO to numerous public companies. She has worked with companies in junior mining and exploration and cannabis.

Gordon Keep – Director

Gordon Keep has an MBA degree from the University of British Columbia and has many years' experience acting in the capacity of director, officer and audit committee member of numerous public companies operating in the resource sector.

Ian Telfer – Director

Mr. Telfer is a Canadian executive and philanthropist who is known for his strategic business success in the mining and resource sector. He studied Political Science at the University of Toronto and earned his Master of Business Administration from the University of Ottawa. Mr. Telfer is also a Fellow in the Institute of Chartered Accountants, a member of the National Association of Corporate Directors, and a member of the Institute of Corporate Directors. From 2001, Mr. Telfer was the Chief Executive Officer of Wheaton River until its merger with Goldcorp in 2005, when he became Goldcorp's President and Chief Executive Officer. In 2006, Mr. Telfer was appointed Chairman of the Board for Goldcorp, a position that he held until 2019 when Goldcorp merged with Newmont Mining, creating the world's largest gold company.

Mr. Telfer's financial experience as a Chartered Accountant and his extensive experience as a Director and running public companies ensures that he has the financial literacy and education to act as a member of the audit committee.

Robert Johnston – Director

Mr. Johnston is presently President of Atalaya Resources, LLC, a private oil and gas exploration company operating in Western Oklahoma and the Texas Panhandle. Retired from Apache Corporation in 2014 as Executive Vice President. His positions at Apache included Vice President of the Central Region, responsible for the Anadarko Basin, Permian Basin, and East Texas Basin; Country Manager Apache Argentina, responsible for Neuquén Basin, Austral Basin, and Cuyo Basin; Exploitation Manager, Apache Canada, responsible for southern Alberta and Saskatchewan; and Development Manager, Apache Egypt, responsible for Khalda concession. Mr. Johnston began career in 1982 as geologist with Apache Corporation. Mr. Johnston received a Bachelor of Science degree from The University of Tulsa.

Mr. Johnston has not previously served on an audit committee of a public company, but has experience reviewing financial statements and accounting issues for private enterprises and will be assisted by the other members of the Audit Committee, the CFO, as well as the Company's Auditor with the role as needed.

Each director elected will hold office until the next annual general meeting of the Corporation or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Corporation, or with the provisions of the BCBCA, provided that, in the event that the Acquisition is not completed in accordance with the terms of the Share Purchase Agreement, Robert Price and Robert Johnston will resign as directors of the Corporation and their vacancies will be filled at the discretion of the Board.

Kia Russell – Corporate Secretary

Ms. Russell holds a Bachelor of Commerce Degree and a Bachelor of Physical Education from the University of Otago. Ms. Russell has over 10 years' experience working with public companies acting as an administrator, officer and director in the junior mining and exploration sector.

Work Commitment to the Corporation

The Chief Executive Officer of the Corporation will work on a full-time basis for the Corporation. The Chief Financial Officer will work on a part-time basis for the Corporation.

Other Reporting Issuer Experience over the Previous 5 Years

The following table sets out the directors and officers of the Corporation who are, or have been within the last five years, directors or officers of other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position	From	To
Szascha Lim	Mich Resources Ltd. (formerly Michelin Mining Corp.)	Canadian Securities Exchange	Director, CFO and Corporate Secretary	November 2019	Present
	Vanadian Energy Corp.	TSXV	CFO and Corporate Secretary	January 2020	Present
	Rusoro Mining Ltd.	TSXV	CFO	March 2020	Present
	Gold Line Resources Ltd.	TSXV	CFO and Corporate Secretary	August 2020	Present
	Thoughtful Brands Inc. (formerly Mota Ventures Corp.)	Canadian Securities Exchange	CFO and Corporate Secretary	June 2019	September 2020
Ian Telfer	Aris Gold Corporation (British Columbia)	TSX	Director	February 2021	Present
	Renaissance Oil Corp. (British Columbia)	TSXV (formerly)	Director	September 2014	July 2021
	Goldcorp Inc. (Ontario)	TSX and NYSE	Director and Chairman	February 2005	January 2019
	NG Energy International Corp. (British Columbia)	TSXV	Director	May, 2017	July, 2017
Gordon Keep	Vanadian Energy Corp. (British Columbia)	TSXV	Director	November 2003	Present
	Rusoro Mining Ltd. (British Columbia)	TSXV	Director	November 2006	Present
	Oceanic Iron Ore Corp. (British Columbia)	TSXV	Director	September 2010	Present
	Klondike Gold Corp. (British Columbia)	TSXV	Director	December 2013	Present
	Renaissance Oil Corp (British Columbia)	TSXV (formerly)	Director	September 2014	Present
	Northern Dynasty Minerals Ltd. (British Columbia)	TSX	Director	October 2015	Present
	NG Energy International Corp. (British Columbia)	TSXV	Director	July, 2017	Present
	Gold X Mining Corp. Formerly Sandspring Resources Ltd. (British Columbia)	TSXV	Director	March 2017	March 2020
	Encanto Potash Corp. (British Columbia)	TSXV	Director and Chairman	December 2008,	December 2017

				October 2009	
	Tekmodo Industries Inc. (Alberta)	TSXV	Director	July 2015	January 2017
Robert Johnston	None	N/A	N/A	N/A	N/A
Kia Russell	Consolidated Westview Resource Corp.	TSXV	Corporate Secretary, Director	March 2014	November 2017

Corporate Cease Trade Orders or Bankruptcies

No current director or executive officer of the Corporation is, as at the date of the Application, or has been within the past ten years, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemptions under securities legislation, and that was in effect for a period of more than 30 consecutive days, while such person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemptions under securities legislation, and that was in effect for a period of more than 30 consecutive days, that was issued after that individual ceased to be a director or chief executive officer or chief financial officer and which resulted from an event that occurred while such person was acting in a capacity as a director, chief executive officer or chief financial officer.

Except as described below, no current director or executive officer of the Corporation or securityholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, within the ten years prior to the date of the Application, has been a director or executive officer of any company (including the Corporation) that, while such person was acting in that capacity or within a year of that individual 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.

Gordon Keep, was a director of Rusoro Mining Ltd. ("**Rusoro**") on May 21, 2013 when the BCSC issued a cease trade order against Rusoro for failure to file its audited financial statements for the year ended December 31, 2012 and related MD&A. On June 5, 2013 and June 7, 2013 respectively, similar cease trade orders were issued against Rusoro by the Ontario Securities Commission ("**OSC**") and the Autorite des Marches Financiers ("**AMF**"). On August 21, 2013, the BCSC, on August 28, 2013 the AMF and on September 4, 2013 the OSC, granted full revocations of the cease trade order issued by each of them. Rusoro was unable to file its December 31, 2012 financial statements and MD&A by the required filing deadline because it experienced significant delays in preparing them due to the nationalization by the Venezuelan government of Rusoro's gold mining assets in Venezuela.

Penalties or Sanctions

Other than as disclosed below, no current director or officer or securityholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has been subject to: (i) 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 (ii) 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.

Ian W. Telfer entered into a settlement agreement with staff of the OSC in September 2013 with respect to allegations that he acted contrary to the public interest in connection with a share transaction in 2008. Mr. Telfer cooperated fully with staff and, pursuant to the settlement agreement, paid \$200,000 towards the costs of the investigation.

Personal Bankruptcies

No current director or officer or securityholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation has, within the last ten years prior to the date of the Application, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or securityholder.

Conflicts of Interest

There are no existing material conflicts of interest between the Corporation and any director or officer of the Corporation. Directors and officers of the Corporation may serve as directors and/or officers of other companies or have significant shareholdings in other oil and gas companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, certain directors may have a conflict of interest in negotiating and conducting terms in respect of any transaction involving such companies. In the event that such conflict of interest arises at a meeting of the Board, a director who has such a conflict is required to disclose such conflict and abstain from voting for or against the approval of such transaction.

Item 17: Executive Compensation

For reference to the Corporation's executive compensation disclosure for the previous three financial years, please refer to the Circular, which is available under the Corporation's profile on www.sedar.com.

The information provided below is the anticipated executive compensation of the Corporation on a go-forward basis following completion of the Acquisition. This information is forward-looking, and is accordingly subject to change, in the discretion of the Board.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of Perquisites (US\$)⁽⁷⁾	Value of all other compensation (US\$)⁽⁷⁾	Total compensation (US\$)
Robert Price⁽¹⁾ CEO and Director	2021	\$180,000	Nil	Nil	Nil	Nil	\$180,000
Szascha Lim⁽²⁾ CFO	2021	Nil	Nil	Nil	Nil	Nil	Nil
Gordon Keep⁽³⁾ Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
Ian Telfer⁽⁴⁾ Director	2021	Nil	Nil	Nil	Nil	Nil	Nil
Robert Johnston⁽⁵⁾	2021	Nil	Nil	Nil	Nil	Nil	Nil

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (US\$)	Bonus (US\$)	Committee or meeting fees (US\$)	Value of Perquisites (US\$) ⁽⁷⁾	Value of all other compensation (US\$) ⁽⁷⁾	Total compensation (US\$)
Director							
Kia Russell ⁽⁶⁾	2021	Nil	Nil	Nil	Nil	Nil	Nil
Corporate Secretary							

Notes:

- (1) Mr. Price was appointed as CEO and elected as a director of the Corporation on September 21, 2021.
- (2) Ms. Lim was appointed the CFO of the Corporation on September 21, 2021
- (3) Mr. Keep was elected as a director of the Corporation on September 21, 2021
- (4) Mr. Telfer was elected as a director of the Corporation on September 21, 2021
- (5) Mr. Johnston was elected as a director of the Corporation on September 21, 2021.
- (6) Ms. Russell was appointed the Corporate Secretary of the Corporation on September 21, 2021.
- (7) Bonus is subject to year-end financial performance of the Corporation and cannot be determined as of the date of this Application.

Compensation Securities ⁽¹⁾							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹¹⁾	Date of issue or grant	Issue, conversion or exercise price (C\$)	Closing price of security or underlying security on date of grant (C\$)	Closing price of security or underlying security at year end (C\$)	Expiry date
Robert Price ⁽²⁾ CEO and Director	Stock Options	750,000	November 8, 2021	\$1.00	N/A	N/A	10-years from the date of issuance
Szascha Lim ⁽³⁾ CFO	Stock Options	150,000	November 8, 2021	\$1.00	N/A	N/A	10-years from the date of issuance
Gordon Keep ⁽⁴⁾ Director	Stock Options	600,000	November 8, 2021	\$1.00	N/A	N/A	10-years from the date of issuance
Ian Telfer ⁽⁵⁾ Director	Stock Options	600,000	November 8, 2021	\$1.00	N/A	N/A	10-years from the date of issuance
Robert Johnston ⁽⁶⁾	Stock Options	650,000	November 8, 2021	\$1.00	N/A	N/A	10-years from the

Compensation Securities ⁽¹⁾							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹¹⁾	Date of issue or grant	Issue, conversion or exercise price (C\$)	Closing price of security or underlying security on date of grant (C\$)	Closing price of security or underlying security at year end (C\$)	Expiry date
Director							date of issuance
Kia Russell ⁽⁷⁾ Corporate Secretary	Stock Options	150,000	November 8, 2021	\$1.00	N/A	N/A	10-years from the date of issuance

Notes:

- (1) The vesting of the Options is as follows: 50% of the Options will vest immediately upon issue, 25% of the Options will vest 6-months following the date of issue and 25% of the Options will vest 12-months following the date of issue.
- (2) Mr. Price was appointed as the CEO and elected as a director of the Corporation on September 21, 2021.
- (3) Ms. Lim was appointed the CFO of the Corporation on September 21, 2021
- (4) Mr. Keep was elected as a director of the Corporation on September 21, 2021
- (5) Mr. Telfer was elected as a director of the Corporation on September 21, 2021
- (6) Mr. Johnston was elected as a director of the Corporation on September 21, 2021.
- (7) Ms. Russell was appointed the Corporate Secretary of the Corporation on September 21, 2021.

The executive officers and directors of the Corporation are eligible to participate in the Stock Option Plan. See Item 12 – *Stock Option Plan*.

Stock Options and Other Compensation Securities and Instruments

The Corporation did not grant any stock options to the NEOs or directors of the Corporation during the three most recently completed financial years.

Exercise of Compensation Securities by Directors and NEOs

No NEO or director of the Corporation exercised compensation securities in the three most recently completed financial years.

Stock Option Plans and Other Incentive Plans

The Corporation has a 10% rolling stock option plan (defined above as the "Stock Option Plan"), which was adopted by the Shareholders at Meeting held on September 21, 2021. Pursuant to the Stock Option Plan, the Board may grant options (the "**Options**") to purchase Common Shares of the Corporation to NEOs, directors and employees of the Corporation or affiliated corporations and to consultants retained by the Corporation.

The purpose of the Stock Option Plan is to attract, retain, and motivate NEOs, directors, employees and other service providers by providing them with the opportunity, through options, to acquire an interest in the Corporation and benefit from the Corporation growth.

There are presently no Options outstanding under the Stock Option Plan.

Employment, Consulting and Management Agreements

Management functions of the Corporation are not, to any substantial degree, performed other than by directors or NEOs of the Corporation. There are no agreements or arrangements that provide for compensation to NEOs or directors of the Corporation, or that provide for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, severance, a change of control in the Corporation or a change in the NEO or director's responsibilities. The Corporation may enter into employment or consulting agreements with directors or NEOs upon completion of the Acquisition.

Oversight and Description of Director and NEO Compensation

Compensation of Directors

Compensation of directors of the Corporation is reviewed annually and determined by the Board. The level of compensation for directors is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

In the Board's view, there is, and has been, no need for the Corporation to design or implement a formal compensation program for directors. While the Board considers grants of options directors under the stock option plan of the Corporation (the "Option Plan") from time to time, the Board does not employ a prescribed methodology when determining the grant or allocation of Options. Other than the Option Plan the Corporation does not offer any long-term incentive plans, share compensation plans or any other such benefit programs for directors.

Compensation of NEOs

Compensation of NEOs is reviewed annually and determined by the Board. The level of compensation for NEOs is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

Elements of NEO Compensation

As discussed above, the Corporation provides an Option Plan to motivate NEOs by providing them with the opportunity, through Options, to acquire an interest in the Corporation and benefit from the Corporation's growth. The Board does not employ a prescribed methodology when determining the grant or allocation of Options to NEOs. Other than the Option Plan, the Corporation does not offer any long-term incentive plans, share compensation plans, retirement plans, pension plans, or any other such benefit programs for NEOs.

Pension Plan Benefits

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Corporation and none are proposed at this time.

Item 18: Indebtedness of Director and Executive Officers

As at the date hereof, no director or executive officer of the Corporation, no proposed nominee for election as a director of the Corporation, no associate of any such director, executive officer or proposed nominee (including companies controlled by them), no employee of the Corporation or any of its subsidiaries, and no former executive officer, director or employee of the Corporation or any of its subsidiaries, is indebted to the Corporation or any of its subsidiaries (other than for routine "indebtedness" as defined under applicable securities legislation) or is indebted to another entity where such indebtedness is the subject of

a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

Item 19: Audit Committee and Corporate Governance

Audit Committee

Item 1: Audit Committee Charter

The Charter of the Audit Committee is attached hereto as Schedule "E". The Board may from time to time establish additional committees with varying mandates which will be in compliance with applicable legal and regulatory requirements.

Item 2: Composition of The Audit Committee

The current members of the Audit Committee are Gordon Keep, Ian Telfer and Robert Johnston, and all of whom are financially literate as defined by NI 52-110. To assess financial literacy, the Board considers the ability to read and understand a set of financial statements that present a breadth and level 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 Corporation's financial statements.

Item 3: Relevant Education and Experience

All members of the Audit Committee have been involved in enterprises which engage corporate acquisitions and/or private equity investing, each of which requires a working understanding of, and ability to analyze and assess, financial information (including financial statements).

Gordon Keep – Director

Gordon Keep has an MBA degree from the University of British Columbia and has many years' experience acting in the capacity of director, officer and audit committee member of numerous public companies operating in the resource sector.

Ian Telfer – Director

Mr. Telfer is a Canadian executive and philanthropist who is known for his strategic business success in the mining and resource sector. He studied Political Science at the University of Toronto and earned his Master of Business Administration from the University of Ottawa. Mr. Telfer is also a Fellow in the Institute of Chartered Accountants, a member of the National Association of Corporate Directors, and a member of the Institute of Corporate Directors. From 2001, Mr. Telfer was the Chief Executive Officer of Wheaton River until its merger with Goldcorp in 2005, when he became Goldcorp's President and Chief Executive Officer. In 2006, Mr. Telfer was appointed Chairman of the Board for Goldcorp, a position that he held until 2019 when Goldcorp merged with Newmont Mining, creating the world's largest gold company.

Mr. Telfer's financial experience as a Chartered Accountant and his extensive experience as a Director and running public companies ensures that he has the financial literacy and education to act as a member of the audit committee.

Robert Johnston – Director

Mr. Johnston is presently President of Atalaya Resources, LLC, a private oil and gas exploration company operating in Western Oklahoma and the Texas Panhandle. Retired from Apache Corporation in 2014 as Executive Vice President. His positions at Apache included Vice President of the Central Region, responsible for the Anadarko Basin, Permian Basin, and East Texas Basin; Country Manager Apache Argentina, responsible for Neuquén Basin, Austral Basin, and Cuyo Basin; Exploitation Manager, Apache

Canada, responsible for southern Alberta and Saskatchewan; and Development Manager, Apache Egypt, responsible for Khalda concession. Mr. Johnston began career in 1982 as geologist with Apache Corporation. Mr. Johnston received a Bachelor of Science degree from The University of Tulsa.

Mr. Johnston has not previously served on an audit committee of a public company, but has experience reviewing financial statements and accounting issues for private enterprises and will be assisted by the other members of the Audit Committee, the Chief Financial Officer, as well as the Company's Auditor with the role as needed.

Item 4: Audit Committee Oversight

At no time during the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor (currently, De Visser Gray LLP, Chartered Professional Accountants) not adopted by the Board.

Item 5: Reliance On Certain Exemptions

Since the effective date of NI 52-110, the Corporation has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Item 6: Pre-Approval Policies and Procedures

Formal policies and procedures for the engagement of non-audit services have yet to be formulated and adopted. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable by the Audit Committee, on a case by case basis.

Item 7: External Auditor Service Fees (By Category)

The aggregate fees charged to the Company by the external auditors in each of the last two fiscal years are as follows

	2021 ⁽¹⁾	2020 ⁽¹⁾
Audit Fees	\$8,000	\$12,000
Audit-Related Fees	Nil	Nil
Tax fees	Nil	Nil
All Other Fees	Nil	Nil
Total Fees:	\$8,000	\$12,000

Notes:

(1) Financial year ended March 31.

Item 8: Exemption

In respect of the most recently completed financial year, the Corporation is relying on the exemption set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the

Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Corporate Governance

Item 1: Board of Directors

The Board supervises the CEO and the CFO. Both the CEO and CFO are required to act in accordance with the scope of authority provided to them by the Board.

Director	Independence
Robert Price	Not independent, as he is the CEO of the Corporation
Gordon Keep	Independent
Ian Telfer	Independent
Robert Johnston	Independent

Item 2: Directorships

The following directors of the Corporation are also currently directors of the following reporting issuers:

Director	Name of Reporting Issuer
Gordon Keep	Vanadian Energy Corp. (TSX-V) Rusoro Mining Ltd. (TSX-V) Oceanic Iron Ore Corp. (TSX-V) Klondike Gold Corp. (TSX-V) Northern Dynasty Minerals Ltd. (TSX-V) NG Energy International Corp. (TSX-V)
Ian Telfer	Aris Gold Corporation (TSX)

Item 3: Orientation and Continuing Education

The Board does not have a formal process for the orientation of new Board members. Orientation is done on an informal basis. New Board members are provided with such information as is considered necessary to ensure that they are familiar with the Company's business and understand the responsibilities of the Board.

The Board does not have a formal program for the continuing education of its directors. The Company expects its directors to pursue such continuing education opportunities as may be required to ensure that they maintain the skill and knowledge necessary to fulfill their duties as members of the Board. Directors

can consult with the Company's professional advisors regarding their duties and responsibilities, as well as recent developments relevant to the Company and the Board.

Item 4: Ethical Business Conduct

The Board has not adopted a formal code of ethics. In the Board's view, the fiduciary duties placed on individual directors by corporate legislation and the common law, and the restrictions placed by corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Although the Company has not adopted a formal code of ethics, the Company promotes an ethical business culture. Directors and officers of the Company are encouraged to conduct themselves and the business of the Company with the utmost honesty and integrity. Directors are also encouraged to consult with the Company's professional advisors with respect to any issues related to ethical business conduct.

Item 5: Nomination of Directors

The identification of potential candidates for nomination as directors of the Company is primarily done by the CEO, but all directors are encouraged to participate in the identification and recruitment of new directors. Potential candidates are primarily identified through referrals by business contacts.

Item 6: Compensation

The compensation of directors and the CEO is determined by the Board as a whole. Such compensation is determined after consideration of various relevant factors, including the expected nature and quantity of duties and responsibilities, past performance, comparison with compensation paid by other issuers of comparable size and nature, and the availability of financial resources.

Item 7: Other Board Committees

The Board does not have any standing committees other than the Audit Committee.

Item 8: Assessments

The Board does not have any formal process for assessing the effectiveness of the Board, its committees, or individual directors. Such assessments are done on an informal basis by the CEO and the Board as a whole.

Item 20: Agent, Sponsor or Advisor

The Corporation is requesting an exemption from the sponsorship requirements under TSXV Policy 2.2 – *Sponsorship and Sponsorship Requirements* of the TSXV's Corporate Finance Manual ("**Policy 2.2**"). Under Section 3.4(a)(i) of Policy 2.2, an exemption from the sponsorship requirement may be available where, among other things: (a) the issuer is not a Foreign Issuer (as defined in Policy 2.2); (b) and management of the issuer meets a high standard such that the directors and senior officers of the issuer collectively possess appropriate experience, qualifications and history with respect to junior issuers; and (c) the issuer is a mining or oil and gas issuer that satisfies certain Tier 2 listing requirements and has a current geological report for its principal properties. The Corporation expects that the TSXV will grant the request for an exemption from the sponsorship requirements.

There are no actual or anticipated agreements with any registrant to provide sponsorship or corporate finance services either now or in the future.

Item 21: Risk Factors

There are a number of risks facing participants in the crude oil and natural gas industry. Some risks are common to all businesses while others are specific to the industry. The following reviews a number of the identifiable business risks faced by the Corporation. Business risks evolve constantly, and additional risks emerge periodically. The risks below are those identified by management at the date of completion of this Application and are not an exhaustive list and should not be taken as a complete summary or description of all of the risks associated with the Corporation's business, the business of third parties with whom the Corporation conducts business and the crude oil and natural gas business generally. If any event arising from the risk factors set forth below occurs, The Corporation's business, prospects, financial condition, results of operation or cash flows and in some cases, its reputation, could be materially adversely affected.

An investment in the Corporation should be considered highly speculative due to the nature of its activities and the present stage of its development. The Corporation is expected to carry on the business currently carried on by Brooks Range with respect to the advancement of oil and gas projects, and in particular, the Helisium Project. Investors should carefully consider the following risk factors. These risk factors are in addition to the risk factors disclosed elsewhere in this Application.

Risks Related to the Acquisition

Possible Failure to Complete the Acquisition

The Acquisition is subject to normal commercial risk that the Acquisition may not be completed on the terms negotiated or at all. If the Acquisition is not completed or satisfied as described in this Circular, then the Subscription Receipts will be cancelled and the holders of Subscription Receipts will be entitled to receive a refund of the purchase price paid for the Subscription Receipts held by them. In addition, if the closing of the Acquisition does not take place as contemplated, the Corporation may not be able to complete a listing of its Common Shares on the TSXV, and could suffer adverse consequences, including the loss shareholder value and loss of investor confidence.

Satisfaction of Conditions Precedent

The completion of the Acquisition is subject to a number of conditions precedent, including the completion of the Financing and receipt of TSXV approval, which are outside the control of the Corporation or the parties to the Share Purchase Agreement. There can be no certainty, nor can the Corporation provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied.

Possible Failure to Realize Anticipated Benefits of the Acquisition

There can be no assurances that the anticipated benefits of the Acquisition will materialize. It is possible that the risks and uncertainties described in this Circular will arise and become material to such an extent that some or all of the anticipated benefits of the Acquisition never materialize or are nullified.

Dilution

Shareholders will experience substantial dilution upon completion of the Financing.

Risks Related to the Corporation and the Corporation's Business

Crude Oil and Natural Gas Prices and General Economic Conditions

The Corporation's plan is to explore for and/or appraise oil and/or gas properties that could then lead to eventual development, and its financial results will be largely dependent on the prevailing prices of crude oil and natural gas. Crude oil and natural gas prices are subject to fluctuations in supply, demand, market uncertainty and other factors that are beyond the Corporation's control. This can include but is not limited to: the global and domestic supply of and demand for crude oil and natural gas; global and North American economic conditions; the actions of OPEC or individual producing nations; government regulation; political stability; the ability to transport commodities to markets; developments related to the market for liquefied

natural gas; the availability and prices of alternate fuel sources; and weather conditions. In addition, significant growth in crude oil and natural gas production in the United States has resulted in pressure on transportation and pipeline capacity which contributes to fluctuations in prices. All of these factors are beyond the Corporation's control and can result in a high degree of price volatility.

Changes in world crude oil and natural gas prices may significantly affect the Corporation's financial performance and cash generated from operating activities. Consequently, such prices may also affect the value of the Corporation's oil and/or gas properties and the level of spending for oil and natural gas exploration and development. Fluctuations in the price of commodities and associated price differentials will also affect the value of the Corporation's assets and the Corporation's ability to pursue its business objectives. Prolonged periods of low commodity prices and volatility may also affect the Corporation's ability to meet guidance targets and its financial obligations as they come due. Any substantial and extended decline in the price of crude oil and natural gas could have an adverse effect on the Corporation's resources and reserves, borrowing capacity, revenues, profitability and funds flow and may have a material adverse effect on the Corporation's business, financial condition, results of operations, prospects and the level of expenditures for the development of crude oil and natural gas reserves. This may include delay or cancellation of existing or future drilling or development programs or curtailment in production as the economics of producing from some wells may become impaired.

The economics of producing from some wells may change as a result of lower prices, which could result in a reduction in the volumes of the Corporation's reserves (if any). The Corporation might also elect not to produce from certain wells at lower prices. A prolonged period of adverse market conditions may impede the Corporation's ability to finance its operations. Given the current market conditions and the current lack of confidence in the global oil and natural gas industry generally, the Corporation may have difficulty raising additional funds in the future or if it is able to do so, it may be on unfavorable and highly dilutive terms. If these conditions persist, the Corporation's cash flow may not be sufficient to continue to fund operations and to satisfy obligations when due and will require additional equity or debt financing and/or proceeds from asset sales. There can be no assurance that such equity or debt financing will be available on terms that are satisfactory or at all. Similarly, there can be no assurance that the Corporation will be able to realize any or sufficient proceeds from asset sales to discharge its obligations (See "*Substantial Capital Requirements*"). All of these factors could result in a material decrease in the Corporation's net production revenue. All of the Corporation's expenditures are subject to the effects of inflation and prices received for the product sold are not readily adjustable to cover any increase in expenses from inflation.

The Corporation will conduct regular assessments of the carrying amount of its assets in accordance with IFRS. If crude oil and natural gas prices decline significantly and remain at low levels for an extended period of time, the carrying amount of the Corporation's assets may be subject to impairment.

Market conditions which include global crude oil and natural gas supply and demand and global events including actions taken by OPEC, Russia's withdrawal from OPEC, sanctions against Iran and Venezuela, slowing growth in China and emerging economies, weakening global relationships, isolationist and punitive trade policies, shale production in the United States, sovereign debt levels and political upheavals in various countries including growing anti-fossil fuel sentiment, the outbreak of COVID-19 and the price war between Saudi Arabia and Russia have caused significant volatility in commodity prices. In addition, continued hostilities in the Middle East and the occurrence or threat of terrorist attacks, including attacks on crude oil infrastructure in crude oil producing nations, in the United States or other countries could adversely affect the economies of the United States and other countries. These events and conditions have caused a significant reduction in the valuation of crude oil and natural gas companies and a decrease in confidence in the future of the crude oil and natural gas industry.

Nature of Business

An investment in the Corporation should be considered highly speculative due to the nature of the Corporation's involvement in the acquisition, development, production and marketing of, oil and gas reserves in a developing country and its current stage of development. Oil and gas operations involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to

overcome. There is no assurance that further commercial quantities of oil will be discovered or acquired by the Corporation, or that the Corporation will be able to successfully exploit its current reserves.

Exploration and Production Risks

Oil and natural gas exploration involves a high degree of risk and there is no assurance that future expenditures made on exploration by the Corporation will result in new discoveries of oil or natural gas in commercial quantities. It is difficult to project the costs of implementing an exploratory drilling program due to the inherent uncertainties of drilling in unknown formations, the costs associated with encountering various drilling conditions such as over pressured zones and tools lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or additional seismic data and interpretations thereof.

The Corporation will have a limited number of specific identified exploration or development prospects. Management of the Corporation will continue to evaluate prospects on an ongoing basis in a manner consistent with industry standards and past practices. The long-term commercial success of the Corporation depends on its ability to find, acquire, develop and commercially produce oil and natural gas reserves. No assurance can be given that the Corporation will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Corporation may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic.

Future oil and/or gas exploration may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not assure a profit on the investment or recovery of drilling, completion and operating costs. In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. While close well supervision and effective maintenance operations can contribute to maximizing production rates over time, production delays and declines from normal field operating conditions cannot be eliminated and can be expected to adversely affect revenue and cash flow levels to varying degrees.

In addition, oil and gas operations are subject to the risks of development and production of oil and natural gas properties, including encountering unexpected formations or pressures, premature declines of reservoirs, blow outs, cratering, sour gas releases, fires, spills or leaks. These risks could result in personal injury, loss of life, and environmental or property damage. Any of the aforementioned risks could have a material adverse effect on the Corporation's future results of operations, liquidity and financial conditions.

Substantial Capital Requirements

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

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

Further, if the Corporation'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. The current conditions in the oil and natural gas industry have negatively impacted the ability of oil and natural gas 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 Corporation. The Corporation may be required to seek additional equity financing on terms that are highly dilutive to existing Shareholders. The inability of the Corporation to access sufficient capital for its operations could have a material adverse effect on its business financial condition, financial performance and prospects.

Property Exploitation

The Corporation's exploitation programs will require sophisticated and scarce technical skills as well as capital and access to land and oilfield service equipment. The Corporation will endeavour to minimize the associated risks by ensuring that:

- activity is focused in core regions where internal expertise and experience can be applied;
- prospects are internally generated;
- development drilling is in areas where there is immediate or near-term access to facilities, pipelines and markets or where construction of necessary infrastructure is within the Corporation's financial capacity; and
- the Corporation acts as operator, which enables the Corporation to generally control the timing, cost and technical content of its exploration and development programs.

Nevertheless, drilling and completing a well may not result in the discovery of economic reserves, or a well may be rendered uneconomic by commodity price declines or an increasing cost structure. In addition, the Corporation investment program will currently be focused on development of the Helisium Project, resulting in asset concentration risk.

Commodity Price Fluctuations

When the Corporation identifies hydrocarbons of sufficient quantity and quality and successfully brings them on stream, it faces a pricing environment which is volatile and subject to a myriad of factors, largely out of the Corporation's control. Low prices for the Corporation's expected primary products will have a material effect on the Corporation's funds flow and profitability and thus re-investment capacity, and hence ultimate growth potential. Low prices also limit access to capital, both equity and debt. The Corporation in part mitigates the risk of pricing volatility through the use of risk management contracts, such as fixed priced sales, swaps, collars and similar contracts. However, access to such commodity price protection instruments may not be available in future periods, or available only at a cost considered to be uneconomic.

Adverse Well or Reservoir Performance

Changes in productivity in wells and areas developed by the Corporation could result in termination or limitation of production, or acceleration of decline rates, resulting in reduced overall corporate volumes and revenues. In addition, wells drilled by the Corporation tend to produce at high initial rates followed by rapid declines until a flattening decline profile emerges. There is a risk that the decline profile which eventually emerges for newly drilled wells is sub-economic.

Field Operations

The Corporation's current and future exploration, development and production activities involve the use of heavy equipment and the handling of volatile liquids and gases. Catastrophic events, regardless of cause or responsibility, such as well blowouts, explosions and fires within pipeline, gathering, or facility infrastructure, as well as failure of gathering systems or mechanical equipment, could lead to releases of liquids or gases, spills of contaminants, personal injuries and death, damage to the environment, as well

as uncontrolled cost escalation. With support from suitably qualified external parties, the Corporation has developed and implemented policies and procedures to mitigate environmental, health and safety risks. These policies and procedures include the use of formal corporate policies, emergency response plans, and other policies and procedures reflecting what management considers to be best oilfield practices. These policies and procedures are subject to periodic review. The Corporation also manages environmental and safety risks by maintaining its operations to a high standard and complying with all state and federal environmental and safety regulations. Nevertheless, application of best practices to field operations serves only to mitigate, not eliminate, risk. The Corporation maintains industry-specific insurance policies, including environmental damage and control of well, on important owned drilled locations and specific equipment. Although the Corporation believes its current insurance coverage corresponds to industry standards, there is no guarantee that such coverage will be available in the future, and if it is, at a cost acceptable to the Corporation, or that existing coverage will necessarily extend to all circumstances or incidents resulting in loss or liability.

Industry Capacity Constraints

The collapse in prices for crude oil and natural gas, in a historical context, has reduced field activity and thus concerns over access to equipment and services. Further, service costs have fallen in recent years and remain relatively stable. Nevertheless, periods of high field activity can result in shortages of services, products, equipment, or manpower in many or all of the components of the development cycle. Increased demand leads to higher land and service costs during peak activity periods. In addition, access to transportation and processing facilities may be difficult or expensive to secure. The Corporation's competitors include companies with far greater resources, including access to capital and the ability to secure oilfield services at more favourable prices and to build out operations on a scale which lowers the economic threshold for exploitation of a resource. The Corporation competes by maintaining a large inventory of self-generated exploration and development locations, by acting as operator where possible, and through facility access and ownership. The Corporation also seeks to carefully manage key supplier relationships. Declines in commodity prices should, in principle, result in lower service costs; however, this may be offset by service providers choosing to retire equipment rather than operate at sub-optimum prices, or ceasing business altogether.

Capital Programs

Capital expenditures are designed to accomplish two main objectives, being the generation of short- and medium-term funds flow from development activities, and expansion of future funds flow from the identification of or further development of reserves. The Corporation focuses its activity in core areas, which allows it to leverage its experience and knowledge, and acts as operator wherever possible. The Corporation may use farm-outs to minimize risk on plays it considers higher risk or where total capital invested exceeds an acceptable level. In addition, the Corporation may enter into risk management contracts in support of capital programs, and to manage future debt levels. Generally, capital programs are financed from funds flow and disciplined use of debt, and occasionally, equity. Failure to develop producing wells or to sell production at a reasonable price and thus maintain an acceptable level of funds flow, will result in the exhaustion of available financial resources and will require the Corporation to seek additional capital which may not be available, or only available on unacceptable terms, or terms highly dilutive to existing shareholders. In addition, credit availability from the Corporation's bankers is also necessary to support capital programs and any changes to credit arrangements may have an effect on both the size of the Corporation's future capital programs and the timing of expenditures. As the banking facility available to the Corporation is based on future funds flows from existing production, falling commodity prices will likely have an effect on borrowing availability.

Global Health Crises and the Effects of Pandemics

The Corporation's business, operations and financial condition could be materially adversely affected by the outbreak of epidemics or pandemics or other health crises. In December 2019, COVID-19 was reported to have surfaced in Wuhan, China; on January 30, 2020, the WHO declared the outbreak a global health

emergency; and on March 11, 2020 the WHO declared the outbreak of COVID-19 a global pandemic. The outbreak has spread exponentially throughout the world and despite the development and early stage deployment of vaccines, a second wave is underway with numerous variants that have since emerged. The spread of COVID-19 has led companies and various jurisdictions to impose restrictions such as quarantines, business closures and domestic and international travel restrictions. The duration of the business disruptions internationally and related financial effect cannot be reasonably estimated at this time. Similarly, the Corporation cannot estimate whether or to what extent this pandemic and the potential financial effect may extend to countries outside of those currently affected.

Such public health crises can result in volatility and disruptions in the supply, demand and pricing for crude oil and natural gas, global supply chains 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, credit ratings, credit risk and inflation. In particular, crude oil prices significantly weakened in 2020 in response to the outbreak of COVID-19. The risks to the Corporation of such public health crises also include risks to employee health and safety and a slowdown or temporary suspension of operations in geographic locations affected by an outbreak. This could include the Corporation's wells and facilities and/or third-party facilities and pipelines used by the Corporation. While there has been little to no disruption to date on the Corporation's operations, the extent to which COVID-19 may affect the Corporation in the future is uncertain; it is possible that COVID-19 may have a material adverse effect on the Corporation's business, results of operations and financial condition.

At this point, the extent to which COVID-19 may continue to affect the Corporation is uncertain; however, it is possible that the ongoing COVID-19 pandemic may have a material adverse effect in the future on the Corporation's business, results of operations and financial condition. If subsequent waves or additional variants of COVID-19 emerge which are more transmissible or cause more severe disease, or if other diseases emerge with similar effects, there may be further adverse impacts on the economy, commodity prices, and the Corporation's operations.

Negative Operating Cash Flow

The Corporation has negative cash flow from operating activities, has no history of earnings, has earned no revenue since commencing operations, has no source of operating cash flow, and there is no assurance that additional funding will be available to it for continued exploration and development. The only sources of future funds presently available to the Corporation are the sale of equity capital, or the offering by the Corporation of an interest in its properties. There can be no assurance that the Corporation will be able to obtain adequate financing in the future or that the terms of such financing will be acceptable. Failure to obtain such financing could result in delay or indefinite postponement of further exploration and development of the Corporation's projects. There is also no assurance that the Corporation can generate revenues, operate profitably, or provide a return on investment or that it will successfully implement its plans.

Economic Dependence

Currently, the Corporation does not have cash inflows and/or adequate financing to develop profitable operations. The Corporation is pursuing exploration projects and contracts that will require substantial additional financing before they are able to generate positive operating cash flows. Accordingly, the Corporation's continued successful operations and its ability to carry on its exploration and developmental activities both now and in the future are and will be dependent on its ability to obtain additional financing.

Access to Debt and Equity

The Corporation assess its funds flow and borrowing capacity is sufficient to fund its existing capital budget. Nevertheless, funding is finite and investment must result in production being brought on stream, followed by the generation of funds flow and the identification of proved plus probable reserves.

Although equity is another source of financing, the Corporation is exposed to changes in the equity markets, which could result in equity not being available, or only available under conditions which are unacceptably dilutive to existing shareholders. The inability of the Corporation to develop profitable operations, with the

consequent exclusion from debt and equity markets, may result in the Corporation curtailing or suspending operations.

Marketability of Crude Oil and Natural Gas

The marketability and price of oil and natural gas will be affected by numerous factors beyond the control of the Corporation. The Corporation will be affected by the differential between the price paid by refiners for light quality oil and the medium grades of oil which may be produced by the Corporation. The ability of the Corporation to market its oil and natural gas may depend upon its ability to acquire access to production facilities and space on pipelines. The Corporation will also be subject to market fluctuations in the prices of oil and natural gas, deliverability uncertainties related to the proximity of its reserves to pipeline and processing facilities and extensive government regulation relating to price, taxes, royalties, land tenure, allowable production, the export of oil and natural gas and many other aspects of the oil and natural gas business.

Project Risks

The Corporation may manage in the future a variety of prospective small and large projects in the conduct of its business. Project delays may delay expected revenues from operations. Significant project cost overruns could make a project uneconomic. The Corporation's ability to execute projects and market oil and natural gas depends upon numerous factors beyond the Corporation's control, including:

- the availability of processing capacity;
- the availability and proximity of pipeline capacity;
- the availability of storage capacity;
- the supply of, and demand for, oil and natural gas;
- the availability of alternative fuel sources;
- the effects of inclement weather;
- the availability of drilling and related equipment;
- unexpected cost increases;
- accidental events;
- currency fluctuations;
- changes in regulations;
- the availability and productivity of skilled labour; and
- the regulation of the oil and natural gas industry by various levels of government and governmental agencies.

As a result of these factors, the Corporation could be unable to execute projects on time, on budget or at all, and may not be able to effectively market the oil and natural gas that it produces.

Costs of Production

Production of crude oil and natural gas reserves at an acceptable level of profitability may not be possible during periods of low commodity prices. The Corporation will attempt to mitigate this risk by focusing on higher netback opportunities and will act as operator where possible, thus allowing the Corporation to manage costs, timing, method and marketing of production. Production risk is also addressed by concentrating field activity in regions where infrastructure is or will be the Corporation's owned, or readily accessible at an acceptable cost. In periods of low commodity prices the Corporation will shut in production, either temporarily or permanently, if netbacks are sub-economic.

Production is also dependent in part on access to third-party facilities and pipelines with the result that production may be reduced by outages, accidents, maintenance programs, pro-rationing and similar interruptions outside of the Corporation's control.

Transportation of gas to processing facilities and to market is similarly exposed to the extent that the required capacity is not covered by contract. In addition, contracts for processing or pipeline access are for a fixed term and may not be renewed or may be renewed under more onerous terms.

Financial and Liquidity Risks

The Corporation faces a number of financial risks over which it has no control, such as commodity prices, exchange rates, interest rates, access to credit and capital markets, as well as changes to government regulations and tax and royalty policies. The Corporation uses the following guidelines to address financial exposure:

- Internal funds flow provides the initial source of funding on which the Corporation's capital expenditure program is based.
- Debt, if available, may be utilized to expand capital programs, including acquisitions, when it is deemed appropriate and where debt retirement can be controlled. The Corporation measures debt levels against current or near-term funds flow. If the debt-to-funds-flow ratio becomes unacceptably high, capital programs will be postponed, assets sold or farmed out or other measures taken to bring debt levels down.
- Interest rate contracts, if available, may be used to manage fluctuations in interest rate.
- Equity, if available on acceptable terms, may be raised to fund acquisitions and capital programs.
- Farm-outs of projects may be arranged if management considers that the capital requirements of a project are excessive in the context of the Corporation's resources, or where the project affects the Corporation's risk profile, or where the project is of lower priority.
- Risk management contracts, if available, may be used to manage commodity price volatility when the Corporation has capital programs, including acquisitions, whose cost exceeds near-term projected funds flow and where capital programs involve longer-term commitments.
- The Corporation will also sell assets at an acceptable price if the proceeds can be redeployed in properties offering a higher netback or greater development potential.

Although these guidelines result in conservative management of the Corporation's finances, they cannot eliminate the financial risks the Corporation faces.

Changes in Government Policy

Governments of oil and/or gas producing jurisdictions typically exercise significant influence over their domestic oil and/or gas industries, as well as many other aspects of their respective economies. Government policy may change to discourage foreign investment or restrictions and requirements not currently foreseen may be implemented. There can be no assurance that the Corporation's assets and properties will not be subject to nationalization, expropriation, requisition or confiscation, whether legitimate or not, by any authority or body. Similarly, the Corporation's operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property or environmental legislation. Any government action concerning the economy, including the oil and/or gas industry (such as a change in oil or gas pricing policy or taxation rules or practice, or renegotiation or nullification of existing concession contracts or oil and/or gas exploration policy, laws or practice), could have a material adverse effect on the Corporation. Sovereign or regional governments could also require the Corporation to grant to them larger shares of oil and/or gas or revenues than previously agreed to, or postpone or review projects, nationalize assets, or make changes to laws, rules, regulations or policies, in each case, which could adversely affect the Corporation's business, prospects, financial condition or financial performance.

Royalty Regimes

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

No Reserves

The Corporation currently has no reserves. Reserves are the amount of hydrocarbons that are estimated to be economically recoverable from a particular resource base from a given date forward. Ultimate recoverable reserves can range widely depending on resource characteristics, available technologies and economic and contractual parameters.

Estimates of Resources

There are numerous uncertainties inherent in estimating quantities of oil, natural gas and natural gas liquids resources, including many factors beyond the Corporation's control. The information concerning the Corporation's resources will represent estimates only and should not be construed as being exact quantities. There is no certainty that any portion of the prospective resources will be discovered. Additionally, if discovered, there is no certainty that it will be commercially viable to produce any portion of the prospective resources. The Corporation's proposed exploration program must be considered as a high-risk exploration play. Accordingly, there is a risk that the volume of actual resources, if discovered, will be materially different than as estimated.

Status and Stage of Development

The Corporation currently has no production. There can be no assurance that any of the Corporation's properties will commence production, generate earnings, operate profitably or provide a return on investment in the future.

There is a risk that none of the proposed exploration, appraisal or development of the Corporation's assets will be completed on time or within the applicable capital cost estimates or at all. Additionally, there is a risk that proposed projects may experience delays, interruption of operations or increased costs due to many factors, including, without limitation:

- breakdown or failure of equipment or processes;
- construction performance falling below expected levels of disruptions or declines in productivity;
- design errors;
- contractor or operator errors;
- non-performance by third party contractors;
- labour disputes;
- disruptions or declines in productivity;
- increases in materials or labour costs;
- inability to attract sufficient numbers of qualified workers;
- delays in obtaining, or conditions imposed by, regulatory approvals;
- changes in project scope;
- violation of permit requirements;
- disruption in the supply of energy and other inputs, including natural gas and diluents;
- catastrophic events such as fires, earthquakes, storms or explosions; and
- numerous factors, many of which are beyond the Corporation's control, could impact the Corporation's ability to explore and develop these assets and the timing thereof, including the risk factors set forth elsewhere in this Circular.

Risks related to the Farmout Agreement

The Farmout Agreement is subject to risks that are normally associated with the conduct of joint parties. These risks may include, but are not limited to: (i) disagreements between the parties on how to develop and operate the wells and land efficiently; (ii) the possibility that the economic or business interests or goals of the parties may diverge and become inconsistent; (iii) an inability of the parties to meet their obligations under the agreement or to third parties; (iv) the possibility that a party may become bankrupt; (v) the possibility that a party may not be able to sell its interest in the venture; or (vi) litigation and disputes arising between parties regarding the venture matters. The existence or occurrence of one

or more of the foregoing circumstances and events could have a material adverse impact on the Corporation's profitability, future cash flows, earnings, results of operations and financial condition.

Health and Safety

The Corporation is subject to labor and health and safety laws and regulations, at a national, state and local level in the United States, that govern, among other things, the relationship between the Corporation and its employees and the health and safety of the Corporation's employees. For example, the Corporation is required to adopt certain measures to safeguard the health and safety of its employees, as well as third parties, in its facilities. In the event that compliance by the Corporation with such requirements is reviewed by the applicable authorities and a decision that the Corporation violated any labor laws, results from such review, the Corporation may be exposed to penalties and sanctions, including the payment of fines and, depending on the level of severity of the infraction, exposed to the closure of its facilities and/or stoppage of its operations and the cancellation or suspension of governmental registrations, authorizations and licenses, any one of which may result in interruption or discontinuity of activities in the Corporation's facilities, and materially and adversely affect the Corporation.

Insurance

Oil and/or gas operations will be subject to the risks normally associated with the operation and development of oil and natural gas properties and the drilling of oil and natural gas wells, including encountering unexpected formations or pressures, blowouts, cratering and fires, all of which could result in personal injuries, loss of life and damage to the property of the Corporation and others. Although the Corporation intends to obtain insurance consistent with industry standards to address such risks, such insurance will have limitations on liability that may not be sufficient to cover the full extent of such liabilities. In addition, such risks may not, in all circumstances be insurable or, in certain circumstances, the Corporation may elect not to obtain insurance to deal with specific risks due to the high premiums associated with such insurance or other reasons. The payment of such uninsured liabilities would reduce the funds available to the Corporation. The occurrence of a significant event that the Corporation is not fully insured against, or the insolvency of the insurer of such event, could have a material adverse effect on the Corporation's financial position, financial performance or prospects.

Risks of Foreign Operations

Following the Acquisition, the Corporation will carry on its business in the United States. The United States regulatory regimes are generally stable and, typically, supportive of energy industry activity. However, there are risks inherent in any foreign operations such as risks of pandemics or other outbreaks of illness, disease or virus, such as COVID-19, civil and/or labor unrest, strikes, regulatory uncertainty and complex commercial arrangements. Risks to the Corporation's operations include, but are not limited to, loss of revenue, restrictions on repatriation of income or capital, currency exchange restrictions, contract deprivation, force majeure events and the potential for trade and economic sanctions or other restrictions to be imposed by the United States Government. Such risks could have material adverse impacts on the Corporation's financial condition and operating results.

Infrastructure, Availability of Drilling Equipment and Access Restrictions

Crude oil and natural gas development and production activities depend, to one degree or another, on adequate infrastructure and the availability of drilling and related equipment in the particular areas where such activities will be conducted. Reliable roads, bridges, barge access along rivers, power sources, water supply and disposal facilities are important determinants, which affect capital and operating costs. Unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of such infrastructure could adversely affect the operations, financial condition and results of operations of the Corporation. If the Corporation is unable to obtain, or unable to obtain without undue cost, drilling rigs, equipment, supplies or personnel, its development and production operations could be delayed or adversely affected. Furthermore, pipeline and trucking operations are subject to uncertainty and lack of availability, due to mechanical and/or social issues. Oil and natural gas pipelines and truck transport travel through miles of territory and are subject to the risk of diversion, destruction or delay. Transportation of oil

with barges could also be subject to similar risks. Further, the Corporation operates in remote areas and may rely on helicopter, boats or other transportation methods. Some of these transport methods may result in increased levels of risk and could lead to operational delays which could affect the Corporation's ability to add to its resource base and produce oil and could have a significant impact on its reputation or cash flow. Additionally, some required equipment may be difficult to obtain in the Corporation's areas of operations, which could hamper or delay operations, and could increase the cost of those operations.

Nature of Reserves and Additional Funding Requirements

Obtaining future production from proven undeveloped, probable and possible reserves, and the development of properties where oil is discovered, are each conditional on the availability of additional financing to fund the specific capital expenditures necessary to develop the reserves or develop the properties. Such additional financing may not be available in the near term or, if available, may not be available on favourable terms. The ability of the Corporation to arrange such financing in the future will depend in part upon the prevailing capital market conditions. There can be no assurance that the Corporation will be successful in its efforts to arrange additional financing in the near term. If adequate funds are not available, the Corporation may not be able to take advantage of opportunities, or otherwise respond to competitive pressures and remain in business.

Strategic and Business Relationships

The ability of the Corporation to successfully bid on and acquire additional properties, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements will depend on developing and maintaining effective working relationships with industry participants and on the Corporation's ability to select and evaluate suitable partners and to consummate transactions in a highly competitive environment. These relationships are subject to change and may impair the Corporation's ability to grow.

To develop the Corporation's business, it may enter into strategic and business relationships, which may take the form of joint ventures with other parties or with local government bodies, or contractual arrangements with other oil and gas companies, including those that supply equipment and other resources that the Corporation may use in its business. The Corporation may not be able to establish these business relationships or, if established, it may not be able to maintain them. In addition, the dynamics of the Corporation's relationships with strategic partners may require the Corporation to incur expenses or undertake activities it would not otherwise be inclined to take to fulfill its obligations to these partners or maintain its relationships. If the Corporation fails to make the cash calls required by its joint venture partners in the joint ventures it does not operate, the Corporation may be required to forfeit its interests in joint ventures. If the Corporation's strategic relationships are not established or maintained, its business prospects may be limited, which could diminish its ability to conduct its operations.

Capital Requirements and Liquidity

The Corporation's operations are highly capital intensive, and the Corporation anticipates that it will make substantial capital expenditures for the acquisition, development and production of oil and natural gas reserves in the future, including in relation to its assets. The Corporation may therefore require additional funding in the future to cover working capital and investment needs. Should the Corporation not be able to obtain such funding on favorable terms, or at all, the Corporation may, *inter alia*, be forced to reduce or delay capital expenditures, sell assets on unfavorable terms or to restructure or refinance its debt. Failure to obtain funding could also cause the Corporation to forfeit its interest in certain properties and to miss certain acquisition opportunities. Any of the aforementioned could have a material adverse effect on the Corporation's business, results of operations, prospects and financial condition.

Dividends

The Corporation has never declared or paid any cash dividends on the Common Shares. The Corporation currently intends to retain future earnings, if any, for future operations, expansion and/or debt repayment, if necessary. The Board does not anticipate paying dividends in the near future. Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, among other things, the

Corporation's financial performance, current and anticipated cash requirements and surplus, financial condition, contractual restrictions and financing agreement covenants, solvency tests imposed by corporate law and other factors that the Board may consider relevant.

In addition to the foregoing, the Corporation's ability to institute and pay dividends now or in the future may be limited by covenants contained in the agreements governing any indebtedness that the Corporation may incur in the future including the terms of any credit facilities the Corporation may enter into with third party lenders. It is not uncommon that credit facilities will prevent a borrower from declaring or paying any dividends (excluding stock dividends) to any of its Shareholders or returning any capital (including by way of dividend) to any of its Shareholders.

As a result of the foregoing factors, purchasers of Common Shares may not receive any return on an investment in Common Shares held or purchased by them unless they sell such Common Shares for a price greater than that which they paid for them.

Competition

The oil and/or gas industry is highly competitive, particularly as it pertains to the search for and development of, new sources of crude oil and natural gas reserves, the construction and operation of crude oil and natural gas pipelines and facilities, and the transportation and marketing of crude oil, natural gas, sulphur and other petroleum products. Competitors include integrated oil and/or gas companies and numerous other independent oil and/or gas companies, many of which have greater financial and other resources than the Corporation. The oil and natural gas industry is intensely competitive and the Corporation must compete in all aspects of its operations with a substantial number of other companies which may have greater technical or financial resources.

The Corporation will compete for the acquisition, exploration, production and development of oil and natural gas properties, for capital to finance such activities and for skilled industry personnel and the Corporation's competitors include companies that have greater financial and personnel resources available to them. The Corporation's competitors include major integrated oil and natural gas companies and numerous other independent oil and natural gas companies and individual producers and operators.

The Corporation's ability to successfully bid on and acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will be dependent upon developing and maintaining close working relationships with its future industry partners and joint operators, and its ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment. Hiring and retaining technical and administrative personnel continues to be a competitive process.

Cost of New Technologies

The oil and gas industry is characterized by rapid and significant technological advancements and introductions of new products and services utilizing new technologies. Other oil and gas 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 Corporation. There can be no assurance that the Corporation 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 Corporation or implemented in the future may become obsolete. In such case, the Corporation's business, financial condition and results of operations could be materially adversely affected. If the Corporation is unable to utilize the most advanced commercially available technology, its business, financial condition and results of operations could be materially adversely affected.

Environmental Risks and Regulation

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 international conventions and national, state and local laws and regulations. As an owner, licensee and/or operator of oil and gas properties in the United States, the Corporation is subject to various national, state and local laws and regulations relating to the discharge

of materials into, and protection of, the environment. For example, the Corporation is required to obtain environmental permits or approvals from the United States government prior to conducting seismic operations or drilling wells. Environmental laws and regulations in the United States impose substantial restrictions on, among other things, the use of natural resources, interference with the natural environment, the location of facilities, the handling and storage of hazardous materials such as hydrocarbons, the use of radioactive material, the disposal of waste, and the emission of noise and other activities. These laws and regulations may, among other things: (a) impose liability on the owner or lessee under an oil and gas lease for the cost of property damage, oil spills, discharge of hazardous materials, remediation and clean-up resulting from operations; (b) subject the owner or lessee to liability for pollution damages and other environmental or natural resource damages; and (c) require suspension or cessation of operations in affected areas.

Environmental legislation is evolving in a manner that has and is expected to continue to result in stricter standards and enforcement, larger fines, liabilities and sanctions, and potentially increased capital expenditures and operating costs. To mitigate potential environmental liabilities, the Corporation, in addition to implementing policies and procedures designed to prevent an accidental spill or discharge, maintains insurance at industry standards.

The discharge of oil, natural gas, or other pollutants into the air, soil or water may give rise to liabilities to third parties and may require the Corporation to incur costs to remedy such discharge in the event that they are not covered by the Corporation's insurance. Although the Corporation maintains insurance to industry standards, which in part covers liabilities associated with discharges, it is not certain that such insurance will cover all possible environmental events, foreseeable or otherwise, or whether changing regulatory requirements or emerging jurisprudence may render such insurance of little benefit.

The Corporation's oil and natural gas operations include drilling, well completions and tie-ins, production, facility operation, distribution, pricing, marketing and transportation and are subject to compliance with federal, provincial and local laws and regulations controlling the discharge of pollutants into the environment or otherwise relating to the protection of the environment. Regulations and laws impose restrictions on emissions, spills and releases of various substances used in oil and gas industry operations, requirements for waste handling and storage, habitat protection and the operation, maintenance, abandonment and reclamation of facilities, pipelines and wells. Changes to environmental regulations could delay or prevent planned activity, affect current and forecast production levels and increase the cost of production and/or development capital expenditures.

Although the Corporation believes that it is in material compliance with current applicable environmental regulations, changing government regulations may have an adverse effect on the Corporation. The Corporation's practice is to do all that it reasonably can to ensure that it remains in material compliance with environmental protection legislation. The Corporation also believes that it is reasonably likely that the trend towards stricter standards in environmental legislation and regulation will continue. The Corporation is committed to meeting its responsibilities to protect the environment wherever it operates and will take such steps as required to ensure compliance with environmental legislation.

No assurance can be given that environmental laws will not result in a curtailment of production, a material increase in the costs of production or the costs of development activities, or otherwise adversely affect the Corporation's financial condition, capital expenditures, results of operations, competitive position or prospects. The complexity and breadth of changes in environmental regulation make it extremely difficult to predict the potential future effects on the Corporation.

Reserve Estimates

Estimates of economically recoverable crude oil, natural gas reserves and natural gas liquids, and related future net cash flows, are based upon a number of variable factors and assumptions. These include commodity prices, production, future operating, transportation, development and facility as well as decommissioning costs, access to market, and potential changes to the Corporation's operations or to reserve measurement protocols arising from regulatory or fiscal changes. All of these estimates may vary from actual circumstances, with the result that estimates of recoverable crude oil and natural gas reserves

attributable to any property are subject to revision. In future, the Corporation's actual production, revenues, royalties, transportation, operating expenditures, finding, development, facility and decommissioning costs associated with its reserves may vary from such estimates, and such variances may be material.

Reserve Replacement

The Corporation's future oil and natural gas reserves, production, and cash flows to be derived therefrom are highly dependent on the Corporation successfully acquiring or discovering new reserves. Without the continual addition of new reserves, any existing reserves the Corporation may have at any particular time and the production therefrom will decline over time as such existing reserves are exploited. A future increase in the Corporation's reserves will depend not only on the Corporation's ability to develop any properties it may have from time to time, but also on its ability to select and acquire suitable producing properties or prospects. There can be no assurance that the Corporation's future development efforts will result in the discovery and development of additional commercial accumulations of oil and natural gas.

Climate Change

The Corporation's production facilities and other operations and activities emit greenhouse gases and the Corporation may be required to comply with greenhouse gas emissions legislation in the United States or other countries in which the Corporation may operate in the future. Climate change policy is evolving at regional, national and international levels, and political and economic events may significantly affect the scope and timing of climate change measures that are ultimately put in place. There is a risk that greenhouse gas emissions legislation, or related regulations, may in the future adversely affect the Corporation's operations and business generally, for example by requiring the Corporation to make significant expenditures in order to comply with such regulations. In addition, the Corporation may be subject to activism from groups campaigning against fossil fuel extraction, which could affect its reputation, expose the Corporation to contractual liability, disrupt its campaigns or programs or otherwise negatively impact the Corporation's business.

Failure to Realize Anticipated Benefits of Acquisitions and Dispositions

The Corporation makes acquisitions and dispositions of businesses and assets that occur in the ordinary course of business. Achieving the benefits of acquisitions depends in part on successfully consolidating functions and integrating operations and procedures in a timely and efficient manner, as well as realizing the anticipated growth opportunities and synergies from combining the acquired businesses and operations with those of the Corporation. The integration of acquired businesses may require substantial management effort, time and resources and may divert management's focus from other strategic opportunities and operational matters. Management assesses the value and contribution of individual properties and other assets.

Finding, Developing and Acquiring Petroleum and Natural Gas Reserves on an Economic Basis

Petroleum and natural gas reserves naturally deplete as they are produced over time. The success of the Corporation's business is highly dependent on its ability to acquire and/or discover new reserves in a cost efficient manner. Substantially all of the Corporation's cash flow is derived from the sale of the petroleum and natural gas reserves it accumulates and develops. In order to remain financially viable, the Corporation must be able to replace reserves over time at a lesser cost on a per unit basis than its cash flow on a per unit basis. The reserves and costs used in this determination are estimated each year based on numerous assumptions and these estimates and costs may vary materially from the actual reserves produced or from the costs required to produce those reserves. The Corporation mitigates this risk by employing a qualified and experienced team of petroleum and natural gas professionals, operating in geological areas in which prospects are well understood by management and by closely monitoring the capital expenditures made for the purposes of increasing its petroleum and natural gas reserves.

Operational Dependence

The Corporation has certain farm-in agreements, and oil and gas leases under which other companies may own or operate some of the assets in which the Corporation will have or has an interest. The Corporation

will have diminished ability to exercise influence over the operation of those assets or their associated costs, which could adversely affect the Corporation's financial performance. The Corporation's return on assets operated by others may therefore depend upon a number of factors that may be outside of the Corporation's control, including the timing and amount of capital expenditures, the operator's expertise and financial resources, the approval of other participants, the selection of technology and risk management practices.

Management and Key Personnel

A loss in key personnel of the Corporation could delay the completion of certain projects or otherwise have a material adverse effect on the Corporation. Shareholders are dependent on the Corporation's management and staff in respect of the administration and management of all matters relating to the Corporation's assets.

Recruiting and retaining qualified personnel is critical to the Corporation's success. The number of persons skilled in the acquisition, exploration and development of oil and gas properties is limited and competition for such persons is intense. The Corporation believes that it will be successful in recruiting excellent personnel to meet its corporate objectives but, as the Corporation's business activity grows, it may require additional key financial, administrative and technical personnel. Although the Corporation believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success. In the event that the Corporation is unable to attract additional qualified personnel, its ability to grow its business or develop its existing properties could be materially impaired.

Conflicts of Interest

Certain directors of the Corporation are also directors or officers of corporations which are in competition to the interests of the Corporation. No assurances can be given that opportunities identified by such directors will be provided to the Corporation. Such conflicts must be disclosed in accordance with and are subject to such other procedures and remedies as applicable under, the BCBCA.

Tax Regimes

Tax regimes in the jurisdictions in which the Corporation operates can be subject to differing interpretations and are often subject to legislative change and changes in administrative interpretation in those jurisdictions. The interpretation by the Corporation's relevant subsidiaries of relevant tax law as applied to their transactions and activities (including farm-ins and farm-outs) may not coincide with that of the relevant tax authorities. As a result, transactions may be challenged by tax authorities and any profits of the Corporation's subsidiaries from activities in those jurisdictions may be assessed to additional tax or additional transactional taxes (e.g. stamp duty or value added taxes), which, in each case, could result in significant additional taxes, penalties and interest, any of which could have a material adverse impact on the Corporation's business, prospects, financial condition or financial performance.

Management of Growth

The Corporation may be subject to growth-related risks including capacity constraints and pressure on its internal systems and controls. The ability of the Corporation 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 inability of the Corporation to deal with this growth could have a material adverse impact on its business, operations and prospects.

Permits, Licences, Approvals and Authorizations

The proposed operations of the Corporation require permits, licences, approvals and authorizations from various governmental and nongovernmental authorities. Such permits, licences, approvals and authorizations are subject to the discretion of the applicable governmental and non-governmental authorities. The Corporation must comply with existing standards, laws and regulations, as applicable that may entail greater or lesser costs and delays, depending on the nature of the activity to be permitted and the permitting authority. There can be no assurance that the Corporation will be able to obtain all necessary permits, licences, approvals or authorizations. Failure to obtain such licences, permits, approvals or

authorizations may have a material adverse effect on the Corporation's business, prospects, financial condition or financial performance. The Corporation's intended activities will be dependent on such permits, licences, approvals and authorizations which, if obtained, could subsequently be withdrawn or made subject to limitations. There can be no guarantee as to the terms of any such permits, licences, approvals and authorizations that future permits, licences, approvals and authorizations will be renewed or, if so, on what terms when they come up for renewal. Properties in the United States are subject to licence requirements, which generally include, inter alia, certain financial commitments which, if not fulfilled, could result in the suspension or ultimate forfeiture of the relevant licences. Government action, which could include non-renewal of licences, may result in any income receivable by the Corporation or licences held by the Corporation being adversely affected. In particular, changes in the application or interpretation of laws and/or taxation provisions in the regions in which it carries on business could adversely affect the value of the Corporation's interests.

Expiration or Termination of Licenses

The Corporation's properties are currently held, and any future properties are expected to be held, in the form of licenses and working interests in licenses, including, without limitation, with respect to the Kansas Leases, the Colorado Leases and the Farmout Lands. If the Corporation or the holder of the license fails to meet the specific requirement of a license, the license may terminate or expire. There can be no assurance that any of the obligations required to maintain each license will be met. The termination or expiration of the Corporation's licenses or the working interests relating to a license may have a material adverse effect on the Corporation's results of operations and business.

Joint Venture, Earn-in, Option Agreement Risks

The Corporation is a party to the Farmout Agreement, and certain of the Corporation's contracts may in the future contemplate earn-in, options or joint ventures. Pursuant to the terms of any such arrangement, the Corporation may have a lesser degree of control over the property or joint venture that may expose the Corporation to additional operational, financial, compliance and legal risks.

Generally:

- the Corporation (or relevant person) may be dependent on a counterparty for capital, product distribution, local market knowledge, or other resources;
- the Corporation's (or relevant person's) ability to exercise management control or influence over the property or joint venture and the success of its investments in it will depend on the cooperation between the participants and the terms of the agreements, which allocates control among the participants;
- if the Corporation (or relevant person) is unable to effectively manage the property or joint venture; and/or a counterparty fails to meet its obligations under the arrangement, encounters financial difficulty, elects to alter, modify or terminate the relationship, or the arrangement does not comply with local legislation or regulations, the Corporation (or relevant person) may be unable to achieve its objectives and its financial performance may be negatively impacted.

Additional Funding Requirements

The Corporation's cash flow from its reserves may not be sufficient to fund its ongoing activities at all times. From time to time, the Corporation may require additional financing in order to carry out its oil and gas acquisition and development activities. Failure to obtain such financing on a timely basis could cause the Corporation to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate its operations. If the Corporation's revenues from its reserves decrease as a result of lower oil and natural gas prices or otherwise, it will affect the Corporation's ability to expend the necessary capital to replace its reserves or to maintain its production. If the Corporation's cash flow from operations and current cash balance is not sufficient to satisfy its capital expenditure requirements, there can be no assurance that additional debt or equity financing will be available to meet these requirements or available on favorable terms.

Variations in Foreign Exchange Rates and Interest Rates

A significant amount of the Corporation's proposed activities will be transacted in or referenced to various currencies including Canadian and US dollars. As a result, fluctuations in currencies could result in unanticipated fluctuations in the Corporation's financial results, which are reported in Canadian dollars. The Corporation may choose to manage a portion of its exposure to fluctuations in exchange rates, however, if it chooses to do so, there can be no assurance that such management will fully offset the fluctuations. To the extent that the Corporation engages in risk management activities related to foreign exchange rates, there is a credit risk associated with counterparties with which the Corporation may contract.

Furthermore, an increase in interest rates could result in a significant increase in the amount the Corporation pays to service debt.

Issuance of Debt

From time to time, the Corporation may enter into transactions to acquire assets or the securities of other business entities. These transactions may be financed partially or wholly with debt which may increase the Corporation's debt levels above industry standards. The level of the Corporation's indebtedness from time to time could impair the Corporation's ability to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise.

Hedging

The Corporation may enter into hedging arrangements in the form of swaps, puts and calls and similar instruments to secure revenue or offset the risk of revenue losses if commodity prices decline. However, such arrangements may be expensive and there can be no assurance that hedging will be available or continue to be available on commercially reasonable terms. In addition, hedging itself carries certain risks, including expenses associated with termination or close-out of treasury transactions under hedging agreements and the risk that the Corporation could incur losses should it fail to anticipate movements in commodity prices. The Corporation may also be required to provide cash collateral under its hedging arrangements, which the Corporation may be unable to provide or which could affect the liquidity of the Corporation. There is also the risk that the Corporation will be obliged to make payments under swap arrangements, even in a scenario where its production has decreased or ceased, potentially creating cash obligations which the Corporation is unable to settle. Further, certain types of hedging arrangements, if entered into by the Corporation, may also involve a risk of not realizing potential gains if the Corporation should fail to anticipate movements in commodity prices.

Cyber Attacks or Terrorism

The Corporation will depend upon the availability, capacity, reliability and security of its information technology infrastructure, and its ability to expand and continually update this infrastructure, to conduct daily operations. The Corporation may be threatened by problems such as cyber attacks, computer viruses, or terrorism that may disrupt operations and harm operating results. While the Corporation expects that the probability of a targeted attack is low, security measures have been implemented to protect the Corporation's information technology systems and network infrastructure. Despite the implementation of security measures, technology systems may be vulnerable to disability or failures due to hacking, viruses, acts of war or terrorism, and other causes. Additionally, the Corporation may be reliant on third party service providers for certain information technology applications. While the Corporation believes that these third party service providers have adequate security measures, there can be no assurance that these security measures will prevent any cyber events or computer viruses from impacting the Corporation. If the Corporation is unable to recover from such cyber events in a timely way, the Corporation might be unable to fulfil critical business functions, which could have a material adverse effect on the business, financial condition, and financial performance.

The Corporation's oil and natural gas properties, wells and facilities could be the subject of a terrorist attack which may have a material adverse effect on its business, financial condition, financial performance and prospects. The Corporation may be required by regulators or by the future terrorist threat environment to make investments in security that cannot be predicted. The implementation of security guidelines and

measures and maintenance of insurance, to the extent available, addressing such activities could increase costs. These types of events could materially adversely affect the Corporation's business and financial performance. The Corporation does not have insurance to protect against the risk of terrorism.

Non-Governmental Organizations and Eco-Terrorism Risks

The crude oil and natural gas industry may, at times, be subject to public opposition. Such public opposition could expose the Corporation to the risk of higher costs, delays or even project cancellations due to increased pressure on governments and regulators by special interest groups including Aboriginal groups, landowners, environmental interest groups (including those opposed to oil and/or gas production operations) and other non-governmental organizations, blockades, legal or regulatory actions or challenges, increased regulatory oversight, reduced support of governments, and delays in, challenges to, or the revocation of regulatory approvals, permits and/or licences. There is no guarantee that the Corporation will be able to satisfy the concerns of the special interest groups and non-governmental organizations and attempting to address such concerns may require significant and unanticipated capital and operating expenditures which may negatively impact the Corporation's business, financial condition, financial performance and prospects.

Canada's Extractive Sector Transparency Measures Act

The Canadian Extractive Sector Transparency Measures Act ("**ESTMA**"), which became effective June 1, 2015, requires public disclosure of payments to governments by entities engaged in the commercial development of oil, gas and minerals who are either publicly listed in Canada or with business or assets in Canada. Mandatory annual reporting is required for extractive companies with respect to payments made to foreign and domestic governments at all levels, including entities established by two or more governments, including Indigenous groups. ESTMA requires reporting on the payments of any taxes, royalties, fees, production entitlements, bonuses, dividends, infrastructure improvement payments and any other prescribed payment over \$100,000. Failure to report, false reporting or structuring payments to avoid reporting may result in fines of up to \$250,000 (which may be concurrent). The Corporation is currently compliant with its obligations under ESTMA.

Disclosure Controls and Procedures

Assuming that the Common Shares are approved for listing on the TSXV, TSXV-listed companies are not required to provide representations in the annual filings relating to the establishment and maintenance of disclosure controls and procedures ("**DC&P**") and internal control over financial reporting ("**ICFR**"), as defined in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*. In particular, the CEO and CFO certifying officers do not make any representations relating to the establishment and maintenance of: (a) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and (b) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's International Financial Reporting Standards. The Corporation's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in their certificates regarding the absence of misrepresentations and fair disclosure of financial information. Shareholders should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement, on a cost-effective basis, DC&P and ICFR may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Litigation

In the normal course of the Corporation's operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, relating to personal injuries, property damage, property taxes, land rights, the environment and contract disputes. The outcome of outstanding, pending or future proceedings cannot be predicted with

certainty and may be determined adversely to the Corporation and as a result, could have a material adverse effect on the Corporation's assets, liabilities, business, financial condition and financial performance. Even if the Corporation prevails in any such legal proceeding, the proceedings could be costly and time-consuming and may divert the attention of management and key personnel from the Corporation's business operations, which could adversely affect its financial condition.

Community Relationships

The operations of the Corporation may have a significant effect on the areas in which it operates, and communities have, in the past, demonstrated an ability and willingness to halt operations or delay approvals. Should the Corporation's relationship with local populations and governments not remain in good standing, this could lead to a delay in operations, loss of license or major impact to the Corporation's reputation, which in turn could adversely affect the Corporation's business.

Breach of Confidentiality

While discussing potential business relationships or other transactions with third parties, the Corporation may disclose confidential information relating to its business, operations or affairs. Although confidentiality agreements are signed by third parties prior to the disclosure of any confidential information, a breach could put the Corporation at competitive risk and may cause significant damage to its business. The harm to the Corporation's business from a breach of confidentiality cannot presently be quantified, but may be material and may not be compensable in damages. There is no assurance that, in the event of a breach of confidentiality, the Corporation will be able to obtain equitable remedies, such as injunctive relief, from a court of competent jurisdiction in a timely manner, if at all, in order to prevent or mitigate any damage to its business that such a breach of confidentiality may cause.

Conflicts of Interest

Directors and officers of the Corporation may also be directors and officers of other oil and gas companies involved in oil and gas exploration and development, and conflicts of interest may arise between their duties as officers and directors of the Corporation and as officers and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such other procedures and remedies as apply under the BCBCA.

Significant Shareholders of the Corporation

Robert Price, proposed Director and Chief Executive Officer of the Corporation is expected to hold 26.44% of the voting rights of the Corporation, following completion of the Acquisition. Accordingly, Mr. Price can exercise significant influence over the management and affairs of the Corporation, and over matters requiring shareholder approval, including the election of directors and significant corporate transactions (other than approval of the Acquisition, in respect of which the Common Shares held by Mr. Price were excluded from the vote on the Acquisition Resolution).

Dilution

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

There are no restrictions on the Corporation issuing or selling Common Shares other than those pursuant to applicable securities laws and stock exchange policies. The sale of a substantial number of the Common Shares in the public market, or the perception that such sales may occur, could adversely affect the prevailing market price of the Common Shares and negatively impact the Corporation's ability to raise equity capital in the future.

No Market; Share Price Volatility

There is currently no market through which the Common Shares may be sold, and Shareholders may not be able to resell their Common Shares. This may affect the pricing of the Common Shares in the secondary

market, the transparency and availability of trading prices and the liquidity of the Common Shares. There can be no assurance that a secondary market for the Common Shares will develop or be sustained. Even if a market develops for the Common Shares, there can be no assurance that it will be liquid and that the price of the Common Shares will not decline. If an active market for the Common Shares does not develop, the liquidity of a Shareholder's investment their Common Shares may be limited and the price may decline below the portion of the price paid for the Common Shares.

Assuming completion of the Acquisition, and approval of the TSXV, the Common Shares will be posted and listed for trading on the TSXV. Thereafter, the market price for Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Corporation's control, including the following: (i) actual or anticipated changes in oil and natural gas prices; (ii) the COVID-19 pandemic; (iii) actual or anticipated fluctuations in the Corporation's quarterly financial performance; (iv) recommendations by securities research analysts; (v) changes in the economic performance or market valuations of other companies that investors deem comparable to the Corporation; (vi) the addition or departure of the Corporation's executive officers and other key personnel; (vii) sales or perceived sales of additional Common Shares; (viii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Corporation or its competitors; and (ix) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Corporation's industry or target markets.

Financial markets have experienced significant price and volume fluctuations in the last several years that have particularly affected the market prices of equity securities of companies and that have, in many cases, been unrelated to the operating performance, underlying asset values or prospects of such companies. Accordingly, the market price of the Common Shares may decline even if the Corporation's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses.

As well, certain institutional investors may base their investment decisions on consideration of the Corporation's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to meet such criteria may result in a limited or no investment in the Common Shares by those institutions, which could adversely affect the trading price of the Common Shares. There can be no assurance that continuing fluctuations in the price and volume of publicly traded equity securities will not occur. If such increased levels of volatility and market turmoil continue, the Corporation's operations could be adversely impacted and the trading price of the Common Shares may be adversely affected.

Liquidity of Common Shares and Realization of Investment in Common Shares

Shareholders should be aware that the value of the Common Shares and income from the Common Shares can go down as well as up, and that there may not be a liquid market in the Common Shares.

An investment in the Common Shares may thus be difficult to realize. The ability of an investor to sell Common Shares will depend on there being a willing buyer for them at an acceptable price. Consequently, it might be difficult for an investor to realize on their investment in the Corporation and they may lose all of their investment. In the event of a winding-up of the Corporation, the Common Shares will rank behind any liabilities of the Corporation and therefore any return for Shareholders will depend on the Corporation's assets being sufficient to meet prior entitlements of creditors.

Third Party Credit Risk

The Corporation may be exposed to third party credit risk through its contractual arrangements with its future joint venture partners, marketers of its oil and natural gas production and other parties. In the event such entities fail to meet their contractual obligations to the Corporation, such failures may have a material adverse effect on the Corporation's business, financial condition, financial performance and prospects. In addition, poor conditions in the industry and of joint venture partners may impact a joint venture partner's

willingness to participate in the Corporation's ongoing capital program, potentially delaying the program and the results of such program until the Corporation finds a suitable alternative partner.

Alternatives to and Changing Demand for Petroleum Products

Fuel reduction regulations, alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas and technological advances in fuel economy and renewable energy generation devices could reduce the demand for crude oil and liquid hydrocarbons. Recently, certain jurisdictions have implemented policies or incentives to decrease the use of fossil fuels and encourage the use of renewable fuel alternatives, which may lessen the demand for petroleum products and put downward pressure on commodity prices. In addition, advancements in energy efficient products have a similar effect on the demand for oil and gas products. The Corporation cannot predict the effect of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on the Corporation's business, financial condition, results of operations and funds flow.

Reputational Risk Associated with Operations

Any environmental damage, loss of life, injury or damage to property caused by the Corporation's operations could damage its reputation in the areas in which the Corporation operates. Negative sentiment towards the Corporation could result in a lack of willingness of municipal authorities being willing to grant the necessary licenses or permits for the Corporation to operate its business and in residents in the areas where the Corporation is doing business opposing the Corporation's further operations in the area. If the Corporation develops a reputation of having an unsafe work site it may impact the Corporation's ability to attract and retain the necessary skilled employees and consultants to operate its business. Further, the Corporation's reputation could be affected by actions and activities of other Corporation's operating in the oil and gas industry, over which the Corporation has no control. In addition, environmental damage, loss of life, injury or damage to property caused by the Corporation's operations could result in negative investor sentiment towards the Corporation, which may result in limiting the Corporation's access to capital, increasing the cost of capital, and decreasing the price and liquidity of the Common Shares.

Changing Investor Sentiment

A number of factors, including the concerns of the effects of the use of fossil fuels on climate change, the effect of crude oil and natural gas operations on the environment, environmental damage relating to spills of petroleum products during production and transportation and indigenous rights, have affected certain investors' sentiments towards investing in the crude oil and natural gas industry. As a result of these concerns, some institutional, retail and public investors have announced that they no longer are willing to fund or invest in crude oil and natural gas properties or companies tied to crude oil and natural gas or are reducing the amount thereof over time. In addition, certain institutional investors are requesting that issuers develop and implement more robust social, environmental and governance policies and practices. Developing and implementing such policies and practices can be costly and require a significant time commitment from the Board, management and employees of the Corporation. Failing to implement the policies and practices as requested by institutional investors may result in such investors reducing their investment in the Corporation or not investing in the Corporation at all. Any reduction in the investor base interested or willing to invest in the crude oil and natural gas industry, and more specifically, the Corporation, may result in limiting the Corporation's access to capital, increasing the cost of capital, and decreasing the price and liquidity of the Common Shares, even if the Corporation's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause a decrease in the value of the Corporation's assets which may result in an impairment change.

Extraordinary Circumstances

The Corporation's operations and its financial condition may be affected by uncontrollable, unpredictable and unforeseeable circumstances such as weather patterns, changes in contractual, regulatory or fiscal terms, actions by governments at various levels, both domestic and other, termination of access to third-party pipelines or facilities, actions by industry organizations, local communities, exclusion from certain markets or other undeterminable events.

Forward-Looking Information May Prove to be Inaccurate

Investors are cautioned not to place undue reliance on 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.

No Liquid Trading Market for Common Shares or Warrants

The Common Shares and Warrants are not listed on a stock exchange and listing of the Common Shares and Warrants on the TSXV is subject to the meeting the requirements of, and the approval of, TSXV. The Corporation is a reporting issuer in the Provinces of British Columbia and Alberta but does not have any liquid trading market. There may never be a liquid market for the Common Shares or Warrants and an investor may never realize a return on their investment. The Common Shares and Warrants, therefore, may not be suitable as short-term investments.

General

Although the Corporation believes that the above risks fairly and comprehensively illustrate all material risks facing the Corporation, the risks noted above do not necessarily comprise all those potentially faced by the Corporation as it is impossible to foresee all possible risks.

Item 22: Promoters

Robert Price, the founder, Chief Executive Officer and controlling shareholder of Brooks Energy and current director and Chief Executive Officer of the Corporation, may be considered a promoter for the purposes of applicable securities legislation. Robert Price's current shareholdings in the Corporation are referred to elsewhere in this Application.

Item 23: Legal Proceedings and Regulatory Actions

Regulatory Actions

There have been no: (i) penalties or sanctions imposed against the Corporation by a court relating to securities legislation or by a securities regulatory authority; (ii) other penalties or sanctions imposed by a court or regulatory body against the Corporation; and (iii) settlement agreements the Corporation entered into with a court relating to securities legislation or with a securities regulatory authority.

Legal Proceedings

There are no material legal proceedings to which the Corporation is a party or in respect of which any of the assets of the Corporation are subject, which are or will be material to the Corporation, and the Corporation is not aware of any such proceedings that are contemplated.

Item 24: Interests of Management and Others in Material Transactions

Except as disclosed in this Application, none of the directors or executive officers of the Corporation or any person or company that is the direct or indirect owner of, or who exercises control or direction of, more than 10% of any class or series of the Corporation's outstanding voting securities, or any associate or affiliate of any of the foregoing persons or companies, has or has had any material interest, direct or indirect, in any past transaction or any arrangement that has materially affected or will materially affect the Corporation.

Item 25: Investor Relations Arrangements

Not applicable.

Item 26: Auditors, Transfer Agents and Registrars

Auditors

The auditors of the Corporation are De Visser Gray LLP, Chartered Professional Accountants. De Visser Gray LLP report they are independent of the Corporation, Brooks Energy and Brooks Range within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

At the Meeting, the appointment of De Visser Gray LLP as the auditor of the Corporation was approved.

Transfer Agent and Registrar

Computershare Investors Services Inc., at its principal offices in Vancouver, British Columbia, is the registrar and transfer agent for the Common Shares.

Item 27: Material Contracts

The only contracts entered into by the Corporation that materially affect the Corporation or to which it will become a party on or prior to the date of this Application that can reasonably be regarded as material to a proposed investor in the Common Shares, other than contracts entered into in the ordinary course of business, is the Share Purchase Agreement and the contracts described below.

The Share Purchase Agreement is currently available on the Corporation's profile at www.sedar.com.

Material Contract	Description
The Farmout Agreement	<p>The Farmout Agreement grants the Corporation all rights including all oil, natural gas and constitute products therein (including helium) including the exclusive right to explore for, develop, produce and remove such oil, natural gas and constituent products from the Farmout Lands. The Farmout Agreement gives the Corporation the right to: (i) pay an amount of \$30,000 as a payment-in-lieu-of-Drilling before March 31, 2021; (ii) drill at least one well and re-enter at least one well and connect any wells until June 30, 2021; (iii) drill at least 3 wells and re-enter at least one well and connect any wells not completed until September 30, 2021; (iv) drill at least 3 wells and re-enter at least one well and connect any wells not completed until December 31, 2021; (v) drill at least 3 wells and re-enter at least one well and connect any wells not completed until March 31, 2022; (vi) drill at least 3 wells and re-enter at least one well and connect any wells not completed until June 30, 2022; (vii) drill at least 3 wells and re-enter at least one well and connect any wells not completed until September 30, 2022; (viii) drill at least 3 wells and re-enter at least one well and connect any wells not completed until December 31, 2022; and (ix) the Corporation shall have until March 31, 2023 to connect any wells previously drilled or re-entered. The Farmout Agreement also contains an area of mutual interest clause which specifies that, upon acquiring a new lease for minerals, the party taking such a lease will be obligated to provide the other party with a written notice of the lease and provide them with 30 days to acquire an interest in the lease to the extent that the Corporation has the right to acquire 75% of the lease and the Farmor has the right to acquire 25% of the lease.</p> <p>On July 23, 2021 and September 9, 2021, Brooks Energy and the Farmor entered into two extension agreements to which Brooks Energy was granted an extension on the June 30, 2021 and September 30, 2021 deadlines noted in the Farmout Agreement.</p>
The Linde Agreement	<p>The Linde Agreement is a "take or pay" agreement in which Linde agreed to purchase helium from the Corporation provided the mixture contains at least 65% helium by volume. The terms of the Linde Agreement stipulate that Linde is obligated to take or pay 100% of the helium produced by the Corporation from March 1, 2021 until March 1, 2023. After March 1, 2023, Linde's obligation is reduced to 75% of the helium produced by the Corporation. The Linde Agreement is for a term of 15 years with an automatic annual renewal. The agreement can be terminated with one-hundred and eighty (180) days written notice or if the Corporation fails to establish at least 1,000 cubic square feet of helium production by January 1, 2022.</p>

Item 28: Experts

The Resources Report was prepared by Doug Ashton, P. Eng of RPS Energy Canada Ltd., and has been included in this Application in reliance on such persons' expertise. To the Corporation's knowledge Mr. Ashton "qualified reserves auditor" as such term is defined in National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* of the Canadian Securities Administrators. As at the date hereof Mr. Ashton does not beneficially own any securities of the Corporation.

Item 29: Other Material Facts

There are no other material facts about the Corporation and its securities that are not disclosed under the preceding items and are necessary in order for this Application to contain full, true and plain disclosure of all material facts relating to the Corporation and its securities.

Item 30: Additional Information – Oil and Gas Applicants

See Item 5 – *Description of the Business*.

Item 31: Exemptions

Not applicable.

Item 32: Financial Statement Disclosure for Issuers

The Financial Statements and MD&As of the Corporation described under "Documents Incorporated by Reference" are specifically incorporated by reference and form an integral part of this Application. Brooks Range's audited consolidated annual financial statements for the period from incorporation (February 17, 2021) to June 30, 2021 are attached hereto as Schedule "B". The audited carve-out financial statements of Brooks Energy for the years ended June 30, 2021 and June 30, 2020 are attached hereto as Schedule "C". The Corporation's unaudited *pro forma* financial statements for the three months ended June 30, 2021, the condensed interim consolidated financial statements for the three months ended June 30, 2021 and June 30, 2020 and the audited annual consolidated financial statements for the years ended March 31, 2021 and March 31, 2020 are attached hereto as Schedule "D".

Item 33: Significant Acquisitions

The Corporation has not completed any significant acquisition requiring disclosure under this item.

Item 34: Certificates

Certificate of Applicant

Each of the undersigned hereby certifies that the foregoing constitutes full, true and plain disclosure of all information required to be disclosed under each item of this Application and of any material fact not otherwise required to be disclosed under an item of this Application.

Dated November 8, 2021

"Robert Price"

Robert Price, Chief Executive Officer

"Szascha Lim"

Szascha Lim, Chief Financial Officer

"Gordon Keep"

Gordon Keep, Director

"Ian Telfer"

Ian Telfer, Director

"Robert Johnston"

Robert Johnston, Director

"Kia Russell"

Kia Russell, Corporate Secretary

Acknowledgment - Personal Information

The Corporation hereby represents and warrants that it has obtained all consents required under applicable law for the collection, use and disclosure by the Exchange of the Personal Information contained in or submitted pursuant to this Application for the purposes described in Appendix "A" to this Application.

"Robert Price"

Robert Price, Chief Executive Officer

APPENDIX "A"
FORM 2B PERSONAL INFORMATION COLLECTION POLICY

Collection, Use and Disclosure

TSX Venture Exchange Inc. and its affiliates, authorized agents, subsidiaries and divisions, including TSX Venture Exchange and Toronto Stock Exchange, (collectively referred to as the "Exchange") collect the information contained in or submitted pursuant to Form 2B (which may include personal, confidential, non-public or other information) and use it for the following purposes:

- to conduct background checks,
- to verify the Personal Information that has been provided about each individual,
- to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or, as applicable, an employee or consultant, of the Applicant,
- to consider the eligibility of the Applicant to list on the Exchange,
- to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Applicant, or its associates or affiliates, including information as to
- to detect and prevent fraud, and
- to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the Exchange, securities legislation and other legal and regulatory requirements governing the conduct and protection of the capital markets in Canada.

Personal Information the Exchange collects may also be disclosed:

- (a) to securities regulators and regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, and each of their subsidiaries, affiliates, regulators and authorized agents, for the purposes described above, and these agencies and organizations may use the information in their own investigations;
- (b) on the Exchange's website or through printed materials published by or pursuant to the directions of the Exchange for the purposes described above; and
- (c) as otherwise permitted or required by law.

The Exchange may from time to time use third parties to process information or provide other administrative services. In this regard, the Exchange may share the information with such third party service providers for the purposes described above.

Questions

If you have any questions or enquiries regarding the policy outlined above or about our privacy practices, please send a written request to: Chief Privacy Officer, TMX Group, The Exchange Tower, 130 King Street West, Toronto, Ontario, M5X 1J2.

Schedule A: Stock Option Plan

[See Attached]

TOTAL HELIUM LTD.

INCENTIVE STOCK OPTION PLAN

SEPTEMBER 21, 2021

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ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Defined Terms

For the purposes of this Plan, the following terms shall have the following meanings:

- (a) "**Accelerated Vesting Event**" means the occurrence of any one of the following events:
 - (i) a take-over bid (as defined under applicable securities Laws) is made for Common Shares or Convertible Securities which, if successful would result (assuming the conversion, exchange or exercise of the Convertible Securities, if any, that are the subject of the take-over bid) in any Person or Persons acting jointly or in concert (as determined under applicable securities Laws) or Persons associated or affiliated with such Person or Persons (as determined under applicable securities Laws) beneficially, directly or indirectly, owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;
 - (ii) the acquisition or continuing ownership by any Person or Persons acting jointly or in concert (as determined under applicable securities Laws), directly or indirectly, of Common Shares or of Convertible Securities, which, when added to all other securities of the Corporation at the time held by such Person or Persons, Persons associated with such person or persons, or persons affiliated with such Person or Persons (as determined under applicable securities Laws) (collectively, the "**Acquirors**"), and assuming the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, results in the Acquirors beneficially owning shares that would, notwithstanding any agreement to the contrary, entitle the holders thereof for the first time to cast at least 50% of the votes attaching to all shares in the capital of the Corporation that may be cast to elect Directors;
 - (iii) an amalgamation, merger, arrangement or other business combination (a "**Business Combination**") involving the Corporation receives the approval of, or is accepted by, the securityholders of the Corporation (or all classes of securityholders whose approval or acceptance is required) or, if their approval or acceptance is not required in the circumstances, is approved or accepted by the Corporation and as a result of that Business Combination, parties to the Business Combination or securityholders of the parties to the Business Combination, other than the securityholders of the Corporation, own, directly or indirectly, shares of the continuing entity that entitle the holders thereof to cast at least 50% of the votes attaching to all shares in the capital of the continuing entity that may be cast to elect Directors;
- (b) "**Affiliate**" shall have the meaning ascribed thereto by the TSX Venture Exchange in Policy 1.1 – Interpretation;
- (c) "**Associate**" shall have the meaning ascribed thereto by the TSX Venture Exchange in Policy 1.1 – Interpretation;
- (d) "**Board**" means the board of directors of the Corporation or, as applicable, a committee consisting of not less than 3 directors of the Corporation duly appointed to administer this Plan;

- (e) "**Charitable Option**" means a stock option or equivalent security granted by the Corporation to an Eligible Charitable Organization;
- (f) "**Charitable Organization**" means "charitable organization" as defined in the *Income Tax Act* (Canada) from time to time;
- (g) "**Common Shares**" means the common shares in the capital of the Corporation;
- (h) "**Consultant**" means, in relation to the Corporation, an individual (other than an Employee or a Director of the Corporation) or company that:
 - (i) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Corporation or to an Affiliate of the Corporation, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Corporation or the Affiliate and the individual or the company, as the case may be;
 - (iii) in the reasonable opinion of the Corporation, spends or will spend a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate of the Corporation; and
 - (iv) has a relationship with the Corporation or an Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation;
- (i) "**Consultant Company**" means a Consultant that is a company;
- (j) "**Convertible Securities**" means any security of the Corporation which is convertible into Common Shares;
- (k) "**Corporation**" means TOTAL HELIUM LTD. and its successor entities;
- (l) "**Director**" means a director, senior officer or Management Company Employee of the Corporation, or a director, senior officer or Management Company Employee of the Corporation's subsidiaries;
- (m) "**Disinterested Shareholder Approval**" means approval by a majority of the votes cast by all shareholders entitled to vote at a meeting of shareholders of the Corporation excluding votes attached to shares beneficially owned by insiders to whom options may be granted under this Plan and their Associates;
- (n) "**Distribution**" has the meaning ascribed thereto by the Exchange;
- (o) "**Eligible Charitable Organization**" means:
 - (i) any Charitable Organization or Public Foundation which is a Registered Charity, but is not a Private Foundation; or
 - (ii) a Registered National Arts Service Organization;

- (p) **"Eligible Person"** means
- (i) a Director, Officer, Employee or Consultant of the Corporation or its subsidiaries, if any, at the time the option is granted, and includes companies that are wholly owned by Eligible Persons; or
 - (ii) an Eligible Charitable Organization at the time the Option is granted;
- (q) **"Employee"** means:
- (i) an individual who is considered an employee of the Corporation or its subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source);
 - (ii) an individual who works full-time for the Corporation or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Corporation or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source.
- (r) **"Exchange"** means the TSX Venture Exchange or the NEX board of the TSX Venture Exchange, as the context requires, and any successor entity or the Toronto Stock Exchange if the Corporation is listed thereon;
- (s) **"Exchange Hold Period"** has the meaning ascribed thereto in the TSX Venture Exchange's Corporate Finance Manual;
- (t) **"Expiry Date"** means the last day of the term for an Option, as set by the Board at the time of grant in accordance with Section 5.2 and, if applicable, as amended from time to time;
- (u) **"Governmental Authorities"** means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:
- (i) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or
 - (ii) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;
- (v) **"Insider"** means a director or senior officer of the Corporation, a Person that beneficially owns or controls directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation, a director or senior officer of a company that is an insider or a subsidiary of the Corporation, and the Corporation itself if it holds any of its own securities;

- (w) **"Investor Relations Activities"** has the meaning ascribed thereto in the TSX Venture Exchange's Corporate Finance Manual;
- (x) **"Laws"** means currently existing applicable statutes, by-laws, rules, regulations, orders, ordinances or judgments, in each case of any Governmental Authority having the force of the law;
- (y) **"Management Company Employee"** means an individual who is employed by a Person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities;
- (z) **"Material Information"** has the meaning ascribed thereto in the TSX Venture Exchange's Corporate Finance Manual;
- (aa) **"Officer"** means an officer of the Corporation or its subsidiaries, if any;
- (bb) **"Option"** means a non-transferable and non-assignable option to purchase Common Shares granted to an Eligible Person pursuant to the terms of this Plan;
- (cc) **"Optionee"** means an Eligible Person of an Option granted by the Corporation;
- (dd) **"Other Share Compensation Arrangement"** means, other than this Plan and any Options, any stock option plan, stock options, employee stock purchase plan or other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including but not limited to a purchase of Common Shares from treasury which is financially assisted by the Corporation by way of loan, guarantee or otherwise;
- (ee) **"Person"** means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;
- (ff) **"Plan"** means this incentive stock option plan;
- (gg) **"Private Foundation"** means "private foundation" as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (hh) **"Public Foundation"** means "public foundation" as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (ii) **"Registered Charity"** means "registered charity" as defined in the *Income Tax Act* (Canada) as amended from time to time;
- (jj) **"Registered National Arts Service Organization"** means "registered national arts service organization" as defined in the *Income Tax Act* (Canada) as amended from time to time; and
- (kk) **"Termination Date"** means the date on which an Optionee ceases to be an Eligible Person.

1.2 Interpretation

- (a) References to the outstanding Common Shares at any point in time shall be computed on a non-diluted basis.
- (b) If the Corporation is listed on the Toronto Stock Exchange, the provisions of this Plan as they relate to companies listed on Tier 1 of the TSX Venture Exchange shall apply.

ARTICLE 2 ESTABLISHMENT OF PLAN

2.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation, through the grant of Options, by:

- (a) providing an incentive mechanism to foster the interest of Eligible Persons in the success of the Corporation, its Affiliates and its subsidiaries, if any;
- (b) encouraging Eligible Persons to remain with the Corporation, its Affiliates or its subsidiaries, if any; and
- (c) attracting new Directors, Officers, Employees and Consultants.

2.2 Shares Reserved

- (a) The aggregate number of Common Shares that may be reserved for issuance pursuant to Options shall not exceed 10% of the issued and outstanding Common Shares at the time of the granting of an Option, LESS the aggregate number of Common Shares then reserved for issuance pursuant to any Other Share Compensation Arrangement. For greater certainty, if an Option is surrendered, terminated or expires without being exercised, the Common Shares reserved for issuance pursuant to such Option shall be available for new Options granted under this Plan. If the Corporation is listed on the NEX board of the TSX Venture Exchange, the maximum number of Options that may be reserved for issuance or issued in any 12 month period shall not exceed 10% of the issued and outstanding Common Shares of the Corporation.
- (b) If there is a change in the issued and outstanding Common Shares by reason of any share consolidation or split, reclassification or other capital reorganization, or a stock dividend, arrangement, amalgamation, merger or combination, or any other change to, event affecting, exchange of or corporate change or transaction affecting the Common Shares, the Board shall make, as it shall deem advisable and subject to the requisite approval of the relevant regulatory authorities, appropriate substitution and/or adjustment in:
 - (i) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to this Plan;
 - (ii) the number and kind of shares or other securities or property reserved or to be allotted for issuance pursuant to any outstanding unexercised Options, and in the exercise price for such shares or other securities or property; and
 - (iii) the vesting of any Options, including the accelerated vesting thereof on conditions the Board deems advisable and, if it relates to Investor Relations vesting provisions, then subject to the approval of the Exchange,

and if the Corporation undertakes an arrangement or is amalgamated, merged or combined with another corporation, the Board shall make such provision for the protection of the rights of Optionees as it shall deem advisable.

- (c) No fractional Common Shares shall be reserved for issuance under this Plan and the Board may determine the manner in which an Option, insofar as it relates to the acquisition of a fractional Common Share, shall be treated.
- (d) The Corporation shall, at all times while this Plan is in effect, reserve and keep available such number of Common Shares as will be sufficient to satisfy the requirements of this Plan.

2.3 Non-Exclusivity

Nothing contained herein shall prevent the Board from adopting such other incentive or compensation arrangements as it shall deem advisable.

2.4 Effective Date

This Plan shall be subject to the approval of any regulatory authority whose approval is required. Any Options granted under this Plan prior to such approvals being given shall be conditional upon such approvals being given, and no such Options may be exercised unless and until such approvals are given.

ARTICLE 3 ADMINISTRATION OF PLAN

3.1 Administration

- (a) This Plan shall be administered by the Board or any committee established by the Board for the purpose of administering this Plan. Subject to the provisions of this Plan, the Board shall have the authority:
 - (i) to determine the Eligible Persons to whom Options are granted, to grant such Options, and to determine any terms and conditions, limitations and restrictions in respect of any particular Option grant, including but not limited to the nature and duration of the restrictions, if any, to be imposed upon the acquisition, sale or other disposition of Common Shares acquired upon exercise of the Option, and the nature of the events and the duration of the period, if any, in which any Optionee's rights in respect of an Option or Common Shares acquired upon exercise of an Option may be forfeited; and
 - (ii) to interpret the terms of this Plan, to make all such determinations and take all such other actions in connection with the implementation, operation and administration of this Plan, and to adopt, amend and rescind such administrative guidelines and other rules and regulations relating to this Plan, as it shall from time to time deem advisable, including without limitation for the purpose of ensuring compliance with Section 3.3 and 3.4 hereof.
- (b) The Board's interpretations, determinations, guidelines, rules and regulations shall be conclusive and binding upon the Corporation, Eligible Persons, Optionees and all other Persons.

- (c) For stock options granted to Employees, Consultants or Management Company Employees, the Corporation and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

3.2 Amendment, Suspension and Termination

The Board may amend, subject to the approval of any regulatory authority whose approval is required, suspend or terminate this Plan or any provision herein. No such amendment, suspension or termination shall alter or impair any outstanding unexercised Options or any rights without the consent of such Optionee. If this Plan is suspended or terminated, the provisions of this Plan and any administrative guidelines, rules and regulations relating to this Plan shall continue in effect for the duration of such time as any Option remains outstanding.

3.3 Compliance with Laws

- (a) This Plan, the grant and exercise of Options hereunder and the Corporation's obligation to sell, issue and deliver any Common Shares upon exercise of Options shall be subject to all applicable federal, provincial and foreign Laws, policies, rules and regulations, to the policies, rules and regulations of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading and to such approvals by any Governmental Authority as may, in the opinion of counsel to the Corporation, be required. The Corporation shall not be obligated by the existence of this Plan or any provision of this Plan or the grant or exercise of Options hereunder to sell, issue or deliver Common Shares upon exercise of Options in violation of such Laws, policies, rules and regulations or any condition or requirement of such approvals.
- (b) No Option shall be granted and no Common Shares sold, issued or delivered hereunder where such grant, sale, issue or delivery would require registration or other qualification of this Plan or of the Common Shares under the applicable securities Laws of any foreign jurisdiction, and any purported grant of any Option or any sale, issue and delivery of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to sell, issue or deliver any Common Shares hereunder unless such Common Shares shall have been duly listed, upon official notice of issuance, with all stock exchanges on which the Common Shares are listed for trading.
- (c) Common Shares sold, issued and delivered to Optionees pursuant to the exercise of Options shall be subject to restrictions on resale and transfer under applicable securities Laws and the requirements of any stock exchanges or other markets on which the Common Shares are listed or quoted for trading, and any certificates representing such Common Shares shall bear, as required, a restrictive legend in respect thereof.
- (d) All Options granted to Insiders of the Corporation, or at a discount to the Market Price for the Common Shares (as defined by the policies of the Exchange) at the date of grant, to the extent permitted by this Plan, will be subject to the Exchange Hold Period.

3.4 Tax Withholdings

- (a) Notwithstanding any other provision contained herein, in connection with the exercise of an Option by an Optionee from time to time, as a condition to such exercise the Corporation shall require such Optionee to pay to the Corporation or the relevant Affiliate an amount as necessary so as to ensure that the Corporation or such Affiliate, as applicable, is in compliance with the applicable provisions of any federal, provincial or local Laws relating

to the withholding of tax or other required deductions relating to the exercise of such Options. In addition, the Corporation or the relevant Affiliate, as applicable shall be entitled to withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amount as may be necessary so as to ensure that the Corporation or the relevant Affiliate is in compliance with the applicable provisions of any federal, provincial, local or foreign Laws relating to the withholding of tax or other required deductions relating to the exercise of such Options. The Corporation may also satisfy any liability for any such withholding obligations, on such terms and conditions as the Corporation may determine in its discretion, by (a) requiring an Optionee, as a condition to the exercise of any Options, to make such arrangements as the Corporation may require so that the Corporation can satisfy such withholding obligations including, without limitation, requiring the Optionee to remit to the Corporation in advance, or reimburse the Corporation for, any such withholding obligations or (b) selling on the Optionee's behalf, or requiring the Optionee to sell, any Shares acquired by the Optionee under the Plan, or retaining any amount which would otherwise be payable to the Optionee in connection with any such sale.

ARTICLE 4 OPTION GRANTS

4.1 Eligibility and Multiple Grants

Options shall only be granted to Eligible Persons. An Eligible Person may receive Options on more than one occasion and may receive separate Options, with differing terms, on any one or more occasions.

4.2 Option Agreement

Every Option shall be evidenced by an option agreement executed by the Corporation and the Optionee. In the event of any discrepancy between this Plan and an option agreement, the provisions of this Plan shall govern.

4.3 Limitation on Grants and Exercises

- (a) **To any one Person.** The aggregate number of Options granted to any one Person (and companies wholly owned by that Person) pursuant to this Plan and any other Share Compensation Arrangement in a 12 month period must not exceed 5% of the issued shares of the Corporation, calculated on the date an Option is granted to the Person (unless the Corporation has obtained the requisite Disinterested Shareholder Approval).
- (b) **To Consultants.** The aggregate number of Options granted to any one Consultant in a 12 month period pursuant to this Plan and any other Share Compensation Arrangement must not exceed 2% of the issued shares of the Corporation, calculated at the date an Option is granted to the Consultant.
- (c) **To Persons conducting Investor Relations Activities.** The aggregate number of Options granted to all Persons retained to provide Investor Relations Activities pursuant to this Plan and any other Share Compensation Arrangement must not exceed 2% of the issued shares of the Corporation in any 12 month period, calculated at the date an Option is granted to any such Person. If the Corporation is listed on the NEX board of the TSX Venture Exchange, no Options are permitted to be granted to Persons who provide Investor Relations Activities.
- (d) **To Eligible Charitable Organizations.** The aggregate number of Options granted and outstanding to Eligible Charitable Organizations pursuant to this Plan and any other Share

Compensation Arrangement must not at any time exceed 1% of the issued shares of the Corporation, as calculated immediately subsequent to the grant of any Options to Eligible Charitable Organizations.

ARTICLE 5 OPTION TERMS

5.1 Exercise Price

- (a) Subject to a minimum exercise price of \$0.05 per Common Share, the exercise price per Common Share for an Option shall be determined by the Directors or their delegates if any, but will in no event be less than the Market Price for the Common Shares (as defined by the policies of the Exchange) at the date of grant.
- (b) If Options are granted within ninety days of a Distribution by the Corporation by prospectus, then the exercise price per Common Share for such Option shall not be less than the greater of the minimum exercise price calculated pursuant to subsection 5.1(a) herein and the price per Common Share paid by the public investors for Common Shares acquired pursuant to such Distribution. Such ninety day period shall begin:
 - (i) on the date the final receipt is issued for the final prospectus in respect of such Distribution; or
 - (ii) in the case of an initial public offering, on the date of listing.

5.2 Expiry Date

Every Option granted shall, unless sooner terminated, have a term not exceeding and shall therefore expire no later than 10 years after the date of grant (subject to extension where the expiry date falls within a “blackout period”, as discussed in subsection 5.7) hereof.

5.3 Vesting

- (a) Subject to subsection 5.3(b) herein and otherwise in compliance with the policies of the Exchange, the Board shall determine the manner in which an Option shall vest and become exercisable.
- (b) Options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any 3 month period.

5.4 Accelerated Vesting Event

Subject to subsection 5.3(b) and in compliance with the policies of the Exchange, upon the occurrence of an Accelerated Vesting Event, the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any Option, except pertaining to options granted to Consultants performing Investor Relations activities which will be subject to prior written Exchange approval, to make such changes to the terms of Options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of Options, conditionally or unconditionally; (b) terminating every Option if under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the Options are proposed to be granted to or exchanged with the holders of Options, which replacement options treat the holders of Options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such

transaction; (c) otherwise modifying the terms of any Option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any Option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of this Plan be final, conclusive and binding.

5.5 Non-Assignability

Options may not be assigned or transferred.

5.6 Ceasing to be Eligible Person

- (a) If an Optionee who is a Director, Officer, Employee or Consultant is terminated for cause, each Option held by such Optionee shall terminate and therefore cease to be exercisable upon such termination for cause.
- (b) If an Optionee dies prior to otherwise ceasing to be an Eligible Person, each Option held by such Optionee shall be exercisable by the heirs or administrators of such Optionee and shall terminate and therefore cease to be exercisable no later than the earlier of the Expiry Date and the date which is twelve months from the date of the Optionee's death.
- (c) Unless an option agreement specifies otherwise, if an Optionee ceases to be an Eligible Person for any reason other than death or termination for cause, each Option held by the Optionee other than an Optionee who is involved in investor relations activities will cease to be exercisable 90 days after the Termination Date or for a "reasonable period", which shall be limited to a maximum of one year after the Optionee ceases to serve in such capacity. For Optionees involved in investor relations activities, Options shall cease to be exercisable 30 days after the Termination Date or for a "reasonable period", which shall be limited to a maximum of one year after the Optionee ceases to serve in such capacity.
- (d) If any portion of an Option is not vested at the time an Optionee ceases, for any reason whatsoever, to be an Eligible Person, such unvested portion of the Option may not be thereafter exercised by the Optionee or its legal representative, as the case may be, provided that the Board may, in its discretion, thereafter permit the Optionee or its legal representative, as the case may be, to exercise all or any part of such unvested portion of the Option that would have vested prior to the time such Option otherwise terminates.
- (e) A Charitable Option must expire after the earlier of a date that is not more than 10 years from the grant date of the Charitable Option and the 90th day following the date that the holder of the Charitable Option ceases to be an Eligible Charitable Organization.

5.7 Disinterested Shareholder Approval

Disinterested Shareholder Approval will be required for granting Options, which when added together with all of the Company's previously established and outstanding stock option plans or grants, could result at any time in the grant to Insiders, within a 12-month period, of a number of Options exceeding 10% of the issued Common Shares.

5.8 Annual Approval

The Plan must receive shareholder approval at the time the Plan is to be implemented and annually, at the Company's annual general meeting. Further, the Plan must be approved by the Exchange on an annual basis.

5.9 Blackout Periods

An Option will be automatically extended past the expiry date of an Option governed by the Plan if such expiry date falls within a period (a "**blackout period**") during which the Corporation prohibits Optionees from exercising their Options provided that the following requirements are satisfied:

- (a) The blackout period must be formally imposed by the Corporation pursuant to its internal trading policies. For greater certainty, in the absence of the Corporation formally imposing a blackout period, the expiry date of any Options will not be automatically extended in any circumstances.
- (b) The blackout period must expire upon the general disclosure of the undisclosed Material Information. The expiry date of the affected Options can be extended to no later than ten (10) business days after the expiry of the blackout period.
- (c) The automatic extension of an Optionee's Options will not be permitted where the Optionee or the Corporation is subject to a cease trade order (or similar order under securities Laws) in respect of the Corporation's securities.

ARTICLE 6 EXERCISE PROCEDURE

6.1 Exercise Procedure

An Option may be exercised from time to time, and shall be deemed to be validly exercised by the Optionee only upon the Optionee's delivery to the Corporation at its head office of:

- (a) a written notice of exercise addressed to the Corporate Secretary of the Corporation, specifying the number of Common Shares with respect to which the Option is being exercised;
- (b) a signed option agreement with respect to the Option being exercised;
- (c) a certified cheque or bank draft made payable to the Corporation for the aggregate exercise price for the number of Common Shares with respect to which the Option is being exercised, together with the amount necessary to satisfy any applicable tax withholding or remittance obligations under applicable Laws; and
- (d) documents containing such representations, warranties, agreements and undertakings, including such as to the Optionee's future dealings in such Common Shares, as counsel to the Corporation reasonably determines to be necessary or advisable in order to comply with or safeguard against the violation of the Laws of any jurisdiction;

and on the business day following, the Optionee shall be deemed to be a holder of record of the Common Shares with respect to which the Option is being exercised, and thereafter the Corporation shall, within a reasonable amount of time, cause certificates for such Common Shares to be issued and delivered to the Optionee.

**ARTICLE 7
AMENDMENT OF OPTIONS**

7.1 Consent to Amend

The Board may amend any Option with the consent of the affected Optionee and the Exchange, including any shareholder approval required by the Exchange. For greater certainty, Disinterested Shareholder Approval is required for any reduction in the exercise price of an Option if the Optionee is an Insider at the time of the proposed amendment.

7.2 Amendment Subject to Approval

If the amendment of an Option requires regulatory or shareholder approval, such amendment may be made prior to such approvals being given, but no such amended Options may be exercised unless and until such approvals are given.

**ARTICLE 8
MISCELLANEOUS**

8.1 No Rights as Shareholder

Nothing in this Plan or any Option shall confer upon an Optionee any rights as a shareholder of the Corporation with respect to any of the Common Shares underlying an Option unless and until such Optionee shall have become the holder of such Common Shares upon exercise of such Option in accordance with the terms of the Plan.

8.2 No Right to Employment

Nothing in this Plan or any Option shall confer upon an Optionee any right to continue in the employ of the Corporation or any Affiliate or affect in any way the right of the Corporation or any Affiliate to terminate the Optionee's employment, with or without cause, at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Affiliate to extend the employment of any Optionee beyond the time which the Optionee would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Affiliate, or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Affiliate.

8.3 Governing Law

This Plan, all option agreements, the grant and exercise of Options hereunder, and the sale, issue and delivery of Common Shares hereunder upon exercise of Options shall be, as applicable, governed by and construed in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable therein. The Courts of the Province of British Columbia shall have the exclusive jurisdiction to hear and decide any disputes or other matters arising herefrom.

Schedule B: Brooks Range Financial Statements

[See Attached]

Financial statements of

Brooks Range Corporation

Period from incorporation on February 17, 2021 to June 30, 2021

(Expressed in United States dollars)

Independent Auditor's Report

To the Director of Brooks Range Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Brooks Range Corporation, which comprise the statement of financial position as at June 30, 2021, and the statements of loss and comprehensive loss, changes in shareholder's equity and cash flows for the period from incorporation on February 17, 2021 to June 30, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Brooks Range Corporation as at June 30, 2021 and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Brooks Range Corporation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that Brooks Range Corporation has no source of revenue as at June 30, 2021 and is dependent upon the future receipt of equity financing to maintain its operations. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on Brooks Range Corporation's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Brooks Range Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Brooks Range Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Brooks Range Corporation financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Brooks Range Corporation's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Brooks Range Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Brooks Range Corporation to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.

A handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC
November 8, 2021

Brooks Range Corporation

Statement of Financial Position

(Expressed in United States dollars)

As at June 30, 2021

Assets

Cash	\$	1
Total assets	\$	1

Liabilities and shareholders' equity

Liabilities	\$	-
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Shareholder's equity

Share capital (Note 5)		1
Total equity		1
Total liabilities and shareholder's equity	\$	1

Nature and continuance of operations (Note 1)

Subsequent events (Note 1)

Approved by the Director and authorized for issue on November 8, 2021:

"Robert Price" Director

The accompanying notes are an integral part of these financial statements.

Brooks Range Corporation

Statement of Net Loss and Comprehensive Loss

(Expressed in United States dollars)

	From date of incorporation on February 17, 2021 to June 30, 2021
Expenses	\$ -
	-
Net loss and comprehensive loss	\$ -

The accompanying notes are an integral part of these financial statements.

Brooks Range Corporation

Statement of Changes in Shareholder's Equity

(Expressed in United States dollars)

	Share capital		Deficit	Total shareholder's equity
	Number	Amount		
Balance at February 17, 2021	-	\$ -	\$ -	\$ -
Incorporation shares issued	100	1	-	1
Net loss and comprehensive loss	-	-	-	-
Balance at June 30, 2021	100	\$ 1	\$ -	\$ 1

The accompanying notes are an integral part of these financial statements.

Brooks Range Corporation

Statement of Cash Flows

(Expressed in United States dollars)

From date of incorporation on
February 17, 2021 to June 30,
2021

Financing activity

Proceeds on issuance of common shares	\$	1
		1
Change in cash		1
Cash, beginning of period		-
Cash, end of period	\$	1

The accompanying notes are an integral part of these financial statements.

Brooks Range Corporation

Notes to the Financial Statements

Period from incorporation on February 17, 2021 to June 30, 2021

(Expressed in United States dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Brooks Range Corporation (the “Company” or “Brooks Range”) was incorporated under the laws of Colorado, United States on February 17, 2021. The Company’s principal office address is at 3400 Bayaud Avenue, Suite 300, Denver, Colorado 80209. The Company is a 100% subsidiary of Brooks Energy Company (“Brooks Energy”) and was established for the purposes of holding an interest in the Helisium Project and effect the Acquisition below.

The Company entered into a share purchase agreement, with Brooks Energy and Total Helium Ltd. (formerly Wintertide Ventures Inc.) (“Total Helium”) effective August 6, 2021, pursuant to which Total Helium will acquire all of the issued and outstanding shares of Brooks Range (the “Acquisition”). Through the Acquisition, Total Helium will indirectly acquire Brooks Range’s rights and interests in the Helisium Project. Total Helium will pay the Brooks Energy a one-time cash payment of US\$1,150,000 in consideration for all of the outstanding share capital of Brooks Range.

These financial statements have been prepared with the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and, accordingly, will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company will require further financing to operate and further develop its business. The Company’s ability to realize its assets and discharge its liabilities is dependent upon the Company obtaining the necessary financing and ultimately upon its ability to achieve profitable operations. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. Failure to arrange adequate financing on acceptable terms and/or achieve profitability may have an adverse effect on the financial position, results of operations, cash flows and prospects of the Company. These financial statements do not give effect to adjustments to assets or liabilities that would be necessary should the Company be unable to continue as a going-concern. These adjustments could be material.

These financial statements were approved and authorized for issuance by the Board of Directors on November 8, 2021.

2. BASIS OF PRESENTATION

(a) *Statement of compliance*

These financial statements as at June 30, 2021 and for the period from incorporation on February 17, 2021 to June 30, 2021, are prepared in accordance with International Financial Reporting Standings (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), and interpretations by the IFRS Interpretations Committee (previously the International Financial Reporting Interpretations Committee) (“IFRIC”).

(b) *Basis of measurement*

These financial statements have been prepared on a historical cost basis except for financial instruments classified as financial instruments at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) *Functional and presentation currency*

These financial statements are presented in United States dollars, which is the Company’s functional and presentation currency.

Brooks Range Corporation

Notes to the Financial Statements

Period from incorporation on February 17, 2021 to June 30, 2021

(Expressed in United States dollars)

2. BASIS OF PRESENTATION (Continued)

(d) *Significant accounting judgments and estimates*

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

Critical Judgments

The preparation of these financial statements requires the Company to make judgments regarding the going concern of the Company as discussed in Note 1.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Financial instruments*

Financial Assets

Financial assets are classified and measured at: amortized cost; fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Derivatives embedded in contracts where the host is a financial asset in the scope of the standard are never separated. Instead, the hybrid financial instrument as a whole is assessed for classification.

Financial Liabilities

Financial liabilities are initially recognized on the date they are originated and are derecognized when the contractual obligations are discharged or canceled or expire. These financial liabilities are recognized initially at fair value and subsequently are measured at amortized costs using the effective interest method, when materially different from the initial amount. Fair value is determined based on the present value of future cash flows, discounted at the market rate of interest. The Company's financial liabilities which consist of amounts payable are recorded at amortized cost.

There were no financial instruments as at June 30, 2021.

(b) *Cash*

Cash includes cash on deposit.

(c) *Share Capital*

Common shares are classified as shareholder's equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from shareholder's equity, net of any tax effects.

Brooks Range Corporation

Notes to the Financial Statements

Period from incorporation on February 17, 2021 to June 30, 2021

(Expressed in United States dollars)

4. FINANCIAL INSTRUMENTS

Financial Risk Management and Fair Value Measurement

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's financial instruments consist of cash. Cash is held at carrying value which approximates fair value due to the short-term nature of these instruments.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company is exposed to credit risk on cash. The Company reduces its credit risk on cash by maintaining its bank account with a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of its cash.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. At June 30, 2021, the Company had working capital of \$1. Management has concluded that the Company will require additional funding to continue operations for the next twelve months (Note 1).

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign currency and price risk.

a) Interest Rate Risk

The Company is nominally exposed to interest rate risk. The Company's cash earns interest at variable rates. The Company's future earned interest is exposed to short-term rate fluctuations. Interest rate exposure is considered to be insignificant.

b) Foreign Currency Risk

The Company is not exposed to currency risk as all transactions are denominated in Canadian dollars.

c) Price Risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

Fair value

IFRS establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Brooks Range Corporation

Notes to the Financial Statements

Period from incorporation on February 17, 2021 to June 30, 2021

(Expressed in United States dollars)

4. FINANCIAL INSTRUMENTS (Continued)

Fair Value(continued)

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments are classified and subsequently measured as follows:

Account	Classification
Cash	Amortized cost

5. EQUITY

(a) Authorized

Unlimited common shares without par value.

(b) Issued and outstanding common shares

As at June 30, 2021, there were 100 common shares issued and outstanding from incorporation.

6. RELATED PARTY TRANSACTIONS

Key management personnel includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the period from incorporation on February 17, 2021 to June 30, 2021, there were no related party transactions, and no payments made to key management personnel.

7. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for its shareholder and benefits for other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions, business opportunity and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or return capital to its shareholder. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. During the period from incorporation on February 17, 2021 to June 30, 2021, there has been no change in the Company's management of capital policies. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt or acquire or dispose of assets. Refer to Note 1 for additional details of the Company's ability to continue as a going concern.

8. COVID-19 UNCERTAINTY

To the date of this report, the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility. Governments and

Brooks Range Corporation

Notes to the Financial Statements

Period from incorporation on February 17, 2021 to June 30, 2021

(Expressed in United States dollars)

8. COVID-19 UNCERTAINTY(Continued)

central banks have responded with monetary and fiscal interventions to stabilize economic conditions. As at the date of this report, the Company has not been significantly impacted by the spread of COVID-19.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

Schedule C: Carve-out Brooks Energy Financial Statements

[See Attached]

BROOKS ENERGY COMPANY

CARVE-OUT FINANCIAL STATEMENTS

For the years ended June 30, 2021 and 2020

(Expressed in United States dollars)

Independent Auditor's Report

To the Director of
Brooks Energy Company

Opinion

We have audited the accompanying carve-out financial statements of Brooks Energy Company (the "Carve-Out Project"), which comprise the carve-out statements of financial position as at June 30, 2021 and 2020, and the carve-out statements of loss and comprehensive loss, equity and cash flows for the years then ended, and notes to the carve-out financial statements, including a summary of significant accounting policies.

In our opinion, these carve-out financial statements present fairly, in all material respects, the financial position of the Carve-Out Project as at June 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Carve-Out Financial Statements section of our report. We are independent of the Carve-Out Project in accordance with the ethical requirements that are relevant to our audit of the carve-out financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the basis of preparation of the carve-out financial statements, as described in Note 2 to the carve-out financial statements. As the Carve-out Project has not operated as a separate entity, these carve-out financial statements are, therefore, not necessarily indicative of results that would have occurred if the Carve-out Project had been a separate standalone entity during the years presented. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Carve-Out Financial Statements

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out financial statements, management is responsible for assessing the Carve-Out Project's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Carve-Out Project or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Carve-Out Project's financial reporting process.

Auditor's Responsibilities for the Audit of the Carve-Out Financial Statements

Our objectives are to obtain reasonable assurance about whether the carve-out financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these carve-out financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the carve-out financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Carve-Out Project's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Carve-Out Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the carve-out financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Carve Out Project to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Carve-Out Project to express an opinion on the carve-out financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.

A handwritten signature in black ink that reads "De Visser Gray LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

Vancouver, BC
November 8, 2021

Brooks Energy Company Carve-Out
Carve-Out Statements of Financial Position
(Expressed in United States dollars)

	As at June 30,	
	2021	2020
ASSETS		
Non-current assets		
Exploration and evaluation assets (note 4)	\$ 1,598,483	\$ 342,988
Total assets	<u>\$ 1,598,483</u>	<u>\$ 342,988</u>
LIABILITIES & EQUITY		
Non-current liabilities		
Deferred revenue (note 5)	\$ 950,000	\$ -
Total liabilities	<u>950,000</u>	<u>-</u>
Commitments and contingencies (note 5)		
Equity		
Contributed surplus (note 9)	868,712	382,793
Accumulated deficit	(220,229)	(39,805)
Total equity	<u>648,483</u>	<u>342,988</u>
Total liabilities and equity	<u>\$ 1,598,483</u>	<u>\$ 342,988</u>
Nature and continuance of operations (note 1)		
Subsequent events (note 10)		

Approved by the Board of Directors on November 8, 2021:

“Robert Price”
Director

The accompanying notes are an integral part of these carve-out financial statements

Brooks Energy Company Carve-Out
Carve-Out Statements of Loss and Comprehensive Loss
(Expressed in United States dollars)

	For the Years Ended June 30,	
	2021	2020
Expenses		
Salaries and employee	\$ 98,602	\$ 33,382
General and administrative	81,822	6,423
	<u>(180,424)</u>	<u>(39,805)</u>
Loss and comprehensive loss	<u>\$ (180,424)</u>	<u>\$ (39,805)</u>

The accompanying notes are an integral part of these carve-out financial statements

Brooks Energy Company Carve-Out

Carve-Out Statements of Equity

(Expressed in United States dollars)

	Contributed surplus	Deficit	Total
	\$	\$	\$
Balance, June 30, 2019	-	-	-
Contributed capital by Brooks Energy Company	382,793	-	382,793
Loss for the year	-	(39,805)	(39,805)
Balance, June 30, 2020	382,793	(39,805)	342,988
Contributed capital by Brooks Energy Company	429,624	-	429,624
Loss for the year	-	(180,424)	(180,424)
Balance, June 30, 2021	812,417	(220,229)	592,188

The accompanying notes are an integral part of these carve-out financial statements

Brooks Energy Company Carve-Out
Carve-Out Statements of Cash Flows
(Expressed in United States dollars)

	For the Years Ended June 30,	
	2021	2020
Cash provided by (used in)		
Operating activities:		
Net loss	\$ (180,424)	\$ (39,805)
Net cash used in operating activities	<u>(180,424)</u>	<u>(39,805)</u>
Investing activities		
Exploration and evaluation assets	<u>(1,255,495)</u>	<u>(342,988)</u>
Net cash used in investing activities	<u>(1,255,495)</u>	<u>(342,988)</u>
Financing activities		
Contributed capital	485,919	382,793
Deferred Revenue	<u>950,000</u>	<u>-</u>
Net cash provided by financing activities	<u>1,435,919</u>	<u>382,793</u>
Increase in cash	<u>-</u>	<u>-</u>
Cash, beginning of year	-	-
Cash, end of year	<u>-</u>	<u>-</u>

The accompanying notes are an integral part of these carve-out financial statements

Brooks Energy Company Carve-Out

Notes to the Carve-Out Financial Statements

For the years ended June 30, 2021 and 2020

(Expressed in United States dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Brooks Energy Company (the “Company” or “Brooks Energy”) focuses on primary helium production from its helium leases and permits in Kansas and Colorado in the United States. The Company was incorporated under the laws of Oklahoma, United States on February 24, 1992. The Company’s principle office address is 50 S. Steele St., Suite 600, Denver, Colorado 80209.

The Company is in the process of exploring its helium properties and has not yet determined whether these properties contain deposits that are economically recoverable. As the Company does not yet have cash flow from operations, it must rely on equity financing to fund operations. To date the Company’s primary source of funding has been the issuance of equity securities for cash, through private placements.

These carve-out financial statements are comprised of exploration and evaluation assets and a Helium Purchase Agreement (described in Notes 4 and 5, respectively) (“the Carve-Out Elements”).

The Company has historically raised operating capital from the sale of equity and will continue to do so. The Company’s continuing operations and underlying value and recoverability of the amounts shown for exploration and evaluation assets are entirely dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its helium property interests and on future profitable production or proceeds from the disposition of the helium property interests. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. These financial statements do not give effect to adjustments to assets or liabilities that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

The carve-out financial statements of the Company have been prepared in accordance with the International Financial Reporting Standard (“IFRS”) issued by the International Accounting Standard Board (“IASB”) and interpretations from the IFRS Interpretations Committee (“IFRIC”).

The policies applied in these carve-out financial statements are based on IFRS issued as at November 8, 2021, the date the Board of Directors of the Company approved these carve-out financial statements.

2. BASIS OF PREPARATION (Continued)

Basis of measurement

These carve-out financial statements have been prepared from the books and records of Brooks Energy Company and purport to represent the historical results of operations, financial position, and cash flows of the specified assets and liabilities as if they had existed as a separate standalone entity for the periods presented under the management of the Company.

The following basis of preparation for the carve-out financial statements has been applied:

- All assets and liabilities directly related to Exploration Assets (Note 4) and a Helium Purchase Agreement (Note 5) have been attributed herein. These statements do not include assets and liabilities of the Company not related to these items.
- Expenses directly related to the Carve-Out Elements have been attributed herein.
- During all periods presented herein, services and support functions are performed related to the Carve-Out Elements. These overhead and administration expenses have been allocated to these activities based on its proportionate share of total payroll expense.

Management believes the assumptions and allocations underlying the carve-out financial statements are reasonable and appropriate under the circumstances. The expenses and cost allocations have been determined on a basis considered by the management of the Company to be a reasonable reflection of the utilization of services provided to or the benefit received by the underlying assets and liabilities in the periods presented. However, the historical results of operations, financial position and cash flows of the Carve-Out Elements may not be indicative of what they would actually have been had the business been carried out as a separate stand-alone entity, nor are they indicative of what the results of operations, financial position and cash flows may be in the future.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these statements.

Judgments and estimates

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances and which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Judgments and estimates (Continued)

Significant areas requiring the use of estimates relate to the determination of impairment of exploration and evaluation properties and any related provisions for their future abandonment and reclamation. Significant areas where management's judgment is applied include the assessment of possible impairment factors in respect to exploration and evaluation assets and the allocation of general and administrative expenses as outlined in Note 2. Actual past and future results could differ as a result of imprecision relating to these estimates and judgments.

The determination of the composition of the Company itself, in respect to financial statement reporting, is subject to considerable judgment inclusive of the arbitrarily chosen inception date of June 30, 2021. Under this approach, any otherwise-applicable assets and liabilities in previous years, but not at and subsequent to that date, are explicitly excluded from presentation herein.

Exploration and evaluation assets

Pre-exploration costs

Pre-exploration costs are expensed in the period in which they are incurred, and any costs incurred in relation to these Carve-Out Elements were born by Brooks Energy Company and not a part of these carve-out financial statements.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, all costs related to the acquisition, exploration, evaluation and recording of the properties are capitalized by property. These direct expenditures include such costs as materials used, surveying costs, drilling costs, lease costs, payments made to contractor and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general and administrative overhead costs, are expensed in the year in which they occur.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs are written off to profit or loss in excess of estimated recoveries.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource have been determined, the property is considered to be under development and is classified as oil and gas wells under construction. Exploration and evaluation assets are also tested for impairment before assets are transferred to development properties.

Brooks Energy Company Carve-Out

Notes to the Carve-Out Financial Statements

For the years ended June 30, 2021 and 2020

(Expressed in United States dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation assets (Continued)

The Company has evaluated title to all of its properties and believes, to the best of its knowledge, that evidence of title is adequate and acceptable given the current stage of exploration.

Management's capitalization of exploration costs and assumptions regarding the future recoverability of such costs are subject to significant measurement uncertainty. Management's assessment of recoverability is based on, among other things, the Company's estimate of current helium reserves and resources, which are supported by geological estimates, estimated metal prices, and the procurement of all necessary regulatory permits and approvals. These assumptions and estimates could change in the future and this could materially affect the carrying value and the ultimate recoverability of the amounts recorded for exploration and evaluation assets.

Income Taxes

The Brooks Energy Company Carve-Out is not a legal entity and accordingly has not filed income tax returns. After the incorporation of Brooks Range Corporation (a wholly owned subsidiary of the Company), and the execution of the transaction (see Note 10), the final tax basis of assets and liabilities will be established. It is expected that the Company will then use the balance sheet method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry-forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that is no longer probable that the related tax benefit will be realized.

As the tax basis of the Carve-Out's assets and liabilities was not applicable at June 30, 2021 nor yet determined subsequently, the calculation of any deferred tax liabilities herein is not yet possible but will continue to be considered on a go-forward basis.

4. EXPLORATION AND EVALUATION ASSETS

	As at June 30,	
	2021	2020
Exploration and evaluation assets		
Lease costs	\$ 882,903	\$ 178,639
Contractor and consulting costs	415,378	126,303
Payroll costs	243,907	38,046
Total exploration and evaluation assets	<u>\$ 1,542,188</u>	<u>\$ 342,988</u>

4. EXPLORATION AND EVALUATION ASSETS (Continued)

The Company holds helium leases over land in Kansas and Colorado in the United States. These leases were acquired in 2019 through 2021, have primary lease terms of 3 to 5 years, were paid up for the lease term, and expire in 2021 through 2026. Most of the leases have renewal clauses for the same period as the primary lease term and are renewable with payment equal to the initial payment amount. If the Company does not renew these leases and no drilling activity by the Company has taken place on the leased properties, the leases terminate, and rights revert back to the property owner or in the case of the farmout agreement to the farmor. Some of the leases have minimum amounts to be paid once drilling has occurred on any of the leases including if a well is unsuccessful and well is shut-in. These payments range from \$1 to \$5 per acre of un-producing land. The Company currently has no annual lease expenditure commitments but will once drilling activities begin.

Approximately half of the lease acreage is covered by a certain farmout agreement. This agreement was entered into in July of 2020 and terminates on June 30, 2022. The agreement requires certain activities take place during certain time periods in order to benefit from all the provisions in the lease. Once drilling takes place on property covered by the agreement or certain wells are reopened, certain other provisions become active for either financial benefits or transfer of ownership of some of the mineral rights to the Company. If no drilling activities take place on any of the properties by March 31, 2023, then the agreement terminates, and all rights revert back to the farmor.

5. COMMITMENTS AND CONTINGENCIES

On March 1, 2021, the Company entered into a Helium Purchase Agreement (the "Agreement"). Under the agreement, the Company received \$950,000 in return for future discounts on extracted and delivered helium. The Company will receive an additional payment of \$950,000 upon the first well drilled by the Company. As of June 30, 2021, the Company has accounted for the initial payment as deferred revenue in the carve-out statement of financial position.

Upon receipt of the second advance, the first 47,500 Mscf of dedicated helium produced and delivered by the Company under this agreement shall be sold at a discount of \$42/Mscf from the current market price. The helium will be delivered at this discounted rate until the entirety of the funds advanced have been recovered, plus an agreed-upon return of 5% is obtained, is recouped for a total of \$1,995,000. Should the Company not be able to supply the agreed-upon amount of helium, they are not under any obligation to repay the funds received from this agreement and they would be recognized as revenue.

As part of this agreement, the Company will perform analysis of geological data in connection with the identification of underground storage sites for helium gas, and design and engineering services in connection with a helium storage facility, a gas processing plant, and associated equipment to the extent commercially desirable. In exchange for these services, the Company will receive \$15,000 payable in equal monthly payments over 24 months. These payments will commence on the first day of the month following the month in which the drilling obligations are undertaken by the Company, as defined in the agreement.

Brooks Energy Company Carve-Out
Notes to the Carve-Out Financial Statements
For the years ended June 30, 2021 and 2020
(Expressed in United States dollars)

6. RELATED PARTY

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the years ended June 30, 2020 and 2019, the Company's sole owner contributed his salary back to the Company as a capital contribution. The amounts contributed during the years ended June 30, 2020 and 2019 was \$30,000 and \$21,835, respectively.

7. FINANCIAL INSTRUMENTS

Financial Risk Management and Fair Value Measurement

Management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has no material financial instruments.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks.

Credit Risk

Credit risk arises from the potential for non-performance by counterparties of contractual financial obligations. The Company is exposed to credit risk on cash. The Company reduces its credit risk on cash by maintaining its bank account with a large international financial institution. The maximum exposure to credit risk is equal to the carrying value of its cash.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. At June 30, 2021, the Company had no working capital. Management has concluded that the Company will require additional funding to continue operations for the next twelve months (Note 1).

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign currency and price risk.

7. FINANCIAL INSTRUMENTS (Continued)

Market Risk (Continued)

a) Interest Rate Risk

The Company is nominally exposed to interest rate risk. The Company's cash earns interest at variable rates. The Company's future earned interest is exposed to short-term rate fluctuations. Interest rate exposure is considered to be insignificant.

b) Foreign Currency Risk

The Company is not exposed to currency risk as all transactions are denominated in Canadian dollars.

c) Price Risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

8. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions, business opportunity and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or return capital to its shareholders. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. There was no change in the Company's management of capital policies during the year ended June 30, 2021.

9. CONTRIBUTED SURPLUS

Contributions from the Company for the Carve-Out Elements are presented as part of equity.

Brooks Energy Company Carve-Out
Notes to the Carve-Out Financial Statements
For the years ended June 30, 2021 and 2020
(Expressed in United States dollars)

10. SUBSEQUENT EVENTS

The Company entered into a share purchase agreement with Brooks Range Corporation (“Brooks Range”), a wholly-owned subsidiary of the Company and Total Helium Ltd. (formerly Wintertide Ventures Inc.) (“Total Helium”) effective August 6, 2021, pursuant to which Total Helium will acquire all of the issued and outstanding shares of Brooks Range (the “Acquisition”). Through the Acquisition, Total Helium will indirectly acquire Brooks Range’s rights and interests in the Helisium Project, which comprises the Carve-Out Elements. Total Helium will pay the Company a one-time cash payment of US\$1,150,000 in consideration for all of the outstanding share capital of Brooks Range.

Schedule D: Total Financial Statements

[See Attached]

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)

Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian Dollars)

Independent Auditor's Report

To the Shareholders of Wintertide Ventures Inc. (formerly Santa Fe Metals Corporation)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Wintertide Ventures Inc. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company has no source of revenue, has a working capital deficiency of \$507,848 as at March 31, 2021 and has an accumulated deficit of \$10,013,901 as at March 31, 2021. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist which may cast significant doubt as to the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis", but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is G. Cameron Dong.



CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada
July 22, 2021

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

	March 31, 2021	March 31, 2020
	\$	\$
Assets		
Current assets		
GST Receivable	2,270	-
	<u>2,270</u>	<u>-</u>
Liabilities		
Current liabilities		
Accounts payables and accrued liabilities (note 5)	495,118	711,789
Loans payable (note 5)	15,000	37,533
	<u>510,118</u>	<u>749,322</u>
Shareholders' Equity (Deficiency)		
Share capital (note 6)	6,873,982	6,873,982
Reserves	2,632,071	2,632,071
Deficit	(10,013,901)	(10,255,375)
	<u>(507,848)</u>	<u>(749,322)</u>
	<u>2,270</u>	<u>-</u>

Nature of operations and going concern (note 1)

Subsequent events (note 10)

Approved by the Board of Directors:

"Gordon Friesen" Director

"Scott Davis" Director

The accompanying notes are an integral part of these consolidated financial statements.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Consolidated Statements of Income and Comprehensive Income

(Expressed in Canadian dollars)

	Year ended March 31, 2021	Year ended March 31, 2020
	\$	\$
Expenses		
Accounting and audit	27,840	12,000
Legal	14,440	-
Transfer agent and filing fees	4,071	-
	46,351	-
Other items		
Gain on extinguishment of accounts payable	(287,825)	-
Net income (loss) and comprehensive income (loss) for the year	241,474	(12,000)
Basic and diluted income (loss) per share	1.31	(0.07)
Weighted average number of shares outstanding	183,805	183,805

The accompanying notes are an integral part of these consolidated financial statements.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Consolidated Statements of Cash Flows

For the Years Ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

	2021	2020
	\$	\$
Cash flows from operating activities		
Net income (loss) for the year	241,474	(12,000)
Items not affected by cash:		
Gain on extinguishment of accounts payable	(287,825)	-
Changes in non-cash working capital:		
GST receivable	(2,270)	-
Accounts payable and accrued liabilities	48,621	12,000
Change in cash	-	-
Cash – beginning	-	-
Cash – end	-	-

The accompanying notes are an integral part of these consolidated financial statements.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Consolidated Statement of Changes in Shareholders' Deficiency

(Expressed in Canadian dollars)

	<u>Common Shares</u>		Reserves	Deficiency	Shareholders' Deficiency
	Number	Amount			
		\$	\$	\$	\$
Balance, March 31, 2019	183,805	6,873,982	2,632,071	(10,243,375)	(737,322)
Net loss for the year	-	-	-	(12,000)	(12,000)
Balance, March 31, 2020	183,805	6,873,982	2,632,071	(10,255,375)	(749,322)
Net income for the year	-	-	-	241,474	241,474
Balance, March 31, 2021	183,805	6,873,982	2,632,071	(10,013,901)	(507,848)

The accompanying notes are an integral part of these consolidated financial statements.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

1. Nature of operations and going concern

Wintertide Ventures Inc. (formerly Santa Fe Metals Corporation) (“Wintertide” or “the Company”) was incorporated on April 27, 2006 under the Business Corporations Act of British Columbia and its shares were listed on the TSX Venture Exchange (“TSX-V”) on March 6, 2008. The head office, principal address and records office of the Company are located at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, BC, Canada, V6C 3E8.

On July 8, 2016, trading in the shares of the Company was suspended by the TSX-V for having failed to maintain the services of a transfer agent. On October 18, 2016, the Company's listing was transferred to NEX, the Company's tier classification changed from Tier 2 to NEX, the Filing and Service Office changed from Vancouver to NEX and the trading symbol for the Company changed from SFM to SFM.H. On December 14, 2018, the Company's securities were delisted from NEX for failure to pay the NEX Listing Maintenance Fee. On April 15, 2021, the British Columbia Securities Commission revoked their cease trade order issued against the Company.

Subsequent to March 31, 2021, the Company completed a share consolidation of 250:1. These consolidated financial statements reflect the share consolidation retroactively.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2021, the Company has not generated any revenues from operations, and has a working capital deficiency of \$507,848 and deficit of \$10,013,901.

The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management believes that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Company's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Company's operations. The extent of the impact of this outbreak and related containment measures on the Company's operations cannot be reliably estimated at the date of these consolidated financial statements.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

2. Basis of presentation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The significant accounting policies applied in these financial statements are based on the IFRS issued and effective as of March 31, 2021.

The Board of Directors approved the consolidated financial statements on July 22, 2021.

These consolidated financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These consolidated financial statements are presented in Canadian Dollars, which is also the Company’s functional currency, unless otherwise indicated.

These consolidated financial statements include the accounts of the Company and its subsidiary:

Name of Subsidiary	Ownership	Jurisdiction
Interior Gold Corp.	100%	Ontario, Canada (inactive)

Subsequent to March 31, 2021, the Company formed a wholly-owned subsidiary, 1313119 B.C. Ltd. for the purpose of the Transaction (note 10).

Subsidiaries are entities over which the Company has control. Control is defined as where the Company is exposed to, or has rights to, variable returns from its involvement in the investee and has the ability to affect those returns through power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date that control is obtained up to the effective date of disposal or loss of control. All significant intercompany balances, transactions, revenues and expenses have been eliminated upon consolidation.

3. Significant accounting judgements, estimates and assumptions

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

3. Significant accounting judgements, estimates and assumptions (continued)

a) Significant judgments

The preparation of the consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's accounting policies is the assessment of the Company's ability to continue as a going concern.

b) Significant estimates and assumptions

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income/loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

4. Significant accounting policies

a) Exploration and Evaluation Assets

The Company is in the exploration stage with respect to its activities and accordingly follows the practice of capitalizing all costs relating to the acquisition, exploration and evaluation of its mining rights and crediting all revenues received against the cost of the related interests. At such time as commercial production commences, these costs will be depleted on a units-of-production method based on proven and probable reserves. The carrying values related to abandoned interests are charged to net loss at the time of any abandonment.

Exploration and evaluation expenditures include acquisition costs of rights to explore; topographical, geological, geochemical and geophysical studies; exploratory drilling; trenching and sampling; and activities involved in evaluating the technical feasibility and commercial viability of extracting mineral resources. This includes the costs incurred in determining the most appropriate mining/processing methods and developing feasibility studies.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

4. Significant accounting policies (continued)

a) Exploration and Evaluation Assets (continued)

Management reviews the carrying amount of exploration and evaluation assets for impairment when facts or circumstances suggest that the carrying amount is not recoverable. This review is generally made with reference to the timing of exploration work, work programs proposed, exploration results achieved by the Company and by others in the related area of interest, and an assessment of the likely results to be achieved from performance of further exploration.

When the results of this review indicate that indicators of impairment exist, the Company estimates the recoverable amount of the deferred exploration costs and related mining rights by reference to the potential for success of further exploration activity and/or the likely proceeds to be received from sale or assignment of the rights. When the carrying amount of exploration and evaluation assets are estimated to exceed their recoverable amounts, an impairment loss is recorded in the statement of comprehensive loss. If conditions that gave rise to the impairment no longer exist, a reversal of impairment may be recognized in a subsequent period, with the carrying amount of the exploration and evaluation asset increased to the revised estimate of recoverable amount to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had an impairment loss not been previously recognized. A reversal of an impairment loss is recognized in net loss in the period the reversal occurs.

Ownership in mineral properties involves certain inherent risks due to the difficulties of determining and obtaining clear title to claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristics of many mineral properties. The Company has investigated ownership of its mineral properties and, to the best of its knowledge, ownership of its interests are in good standing.

b) Financial Instruments

The Company recognizes financial assets and liabilities on the statement of financial position when it becomes a party to the contractual provisions of the instrument.

At initial recognition, financial assets are measured at fair value and classified as subsequently measured at amortized cost, fair value through other comprehensive income (“FVTOCI”) or fair value through profit or loss (“FVTPL”). At initial recognition, financial liabilities are measured at fair value and classified as, subject to certain exceptions, subsequently measured at amortized cost. For financial assets and financial liabilities not at FVTPL, fair value is adjusted for transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

4. Significant accounting policies (continued)

b) Financial Instruments (continued)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity investments that are not held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

The Company classifies its financial instruments as follows:

Financial Instrument	IFRS 9 Classification
Accounts payable and accrued liabilities	Amortized cost
Loans payable	Amortized cost

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

4. Significant accounting policies (continued)

b) Financial Instruments (continued)

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost the Company applies the expected credit loss impairment model.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

4. Significant accounting policies (continued)

c) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation estimated at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

d) Income Taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date applicable to the period of expected realization or settlement. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

e) Share Capital

Common shares issued for non-monetary consideration are recorded at their fair market value based upon the date of share issuance. Costs incurred to issue common shares are deducted from share capital.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

4. Significant accounting policies (continued)

f) Income / Loss Per Share

The Company presents basic and diluted income / loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

g) Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

5. Related party transactions

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at March 31, 2021, there was \$34,533 (2020 - \$69,066) of accounts payable and \$15,000 (2020 - \$37,533) of loans payable owing to the Company's former President and CEO. These amounts are non-interest bearing with no stated terms of payment. During the year ended March 31, 2021, \$34,533 of the accounts payable and \$22,533 of the loans payable was assigned to an arm's-length third party.

As at March 31, 2021, there was \$Nil (2020 - \$326,351) owing to the Company's former CFO. These amounts were non-interest bearing with no stated terms of payment. During the year ended March 31, 2021, the balance payable was settled for \$40,000.

As at March 31, 2021, there was \$3,397 (2020 - \$Nil) owing to a director of the Company for expense reimbursements. These amounts were non-interest bearing with no stated terms of payment.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

6. Share capital

Authorized

- Unlimited number of common shares without par value
- Unlimited number of preferred shares without par value

There were no share issuances during the years ended March 31, 2021 and 2020.

No warrants were outstanding as at or during the years ended March 31, 2021 and 2020.

Transactions and the number of options outstanding are summarized as follows:

	Number of options	Weighted average exercise price
Balance, March 31, 2019	10,936	\$ 20.00
Expired	(10,936)	20.00
Balance, March 31, 2020 and 2021	-	\$ -

7. Capital disclosure and management

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the year.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

8. Financial instruments and risk management

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. Currently, the Company has no deposited cash with a bank.

(b) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accounts payable and accrued liabilities are due within the current operating year.

(c) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances (currently no cash balance). Surplus cash, if any, is placed on call with financial institutions.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

9. Income taxes

The following table reconciles the expected income taxes expense (recovery) at Canadian statutory income tax rates to the amounts recognized in the statements of comprehensive loss for the years ended March 31, 2021 and 2020:

	March 31, 2021	March 31, 2020
Income (loss) before income taxes	\$ 241,474	\$ (12,000)
Statutory tax rate	27.00%	27.00%
Expected income tax expense (recovery)	64,585	(3,240)
Effect of non-capital loss carryforwards	(64,585)	-
Unrecognized tax benefits arising from temporary differences	-	3,240
Total deferred income tax recovery	\$ -	\$ -

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax values. Deferred tax assets at March 31, 2021 and 2020 are comprised of the following:

	March 31, 2021	March 31, 2020
Non-capital loss carryforwards	\$ 1,063,820	\$ 1,123,816
Capital loss carryforwards	1,091,374	-
Exploration and evaluation assets	185,793	233,500
Capital assets	30,801	4,701
Net deferred income tax assets	\$ 2,371,788	\$ 1,362,017
Tax benefits not recognized	(2,371,788)	(1,362,017)
Total net deferred income tax assets	\$ -	\$ -

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

	March 31, 2021	March 31, 2020
Non-capital loss carryforwards	\$ 3,940,075	\$ 4,162,282
Capital loss carryforwards	4,042,127	-
Exploration and evaluation assets	688,121	864,815
Capital assets	114,077	17,412
	\$ 8,784,400	\$ 5,044,509

The Company has non-capital losses for Canadian tax purposes of approximately \$3,940,075 that are available for deduction against future income and that begin to expire in 2029.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Notes to the Consolidated Financial Statements

For the years ended March 31, 2021 and 2020

(Expressed in Canadian dollars)

10. Subsequent events

Subsequent to March 31, 2021, the following events occurred:

- On May 18, 2021, the Company completed a share consolidation of 250:1. These consolidated financial statements reflect the share consolidation retroactively.
- In June 2021, the Company settled outstanding debt included in accounts payable as at March 31, 2021, resulting in a gain on extinguishment of accounts payable of \$214,791.
- On June 21, 2021, the Company entered into a letter of intent with Brooks Energy Company for the acquisition of the Helisium Project, which broadly consists of approximately 86,000 acres of oil and gas leases and certain helium pre-purchase payments (the “Acquisition”) for payment of US\$1,150,000. Closing of the Acquisition is subject to a number of conditions including due diligence, negotiation of a definitive agreement, accuracy of each parties’ representations and warranties, absence of material adverse changes receipt of all required regulatory, shareholder and third-party consents, completion of a concurrent financing of not less than \$5,000,000 and satisfaction of other customary closing conditions. The Acquisition cannot close until the aforementioned conditions are satisfied and required approvals are obtained.
- On July 7, 2021, the Company completed the acquisition (the “Transaction”) of 1306696 B.C. Ltd. (“Fundco”), a private British Columbia company. In accordance with the terms of the Transaction, Fundco has amalgamated with a wholly-owned subsidiary of the Company, 1313119 B.C. Ltd. (“Subco”) pursuant to the terms of an amalgamation agreement among the Company, Fundco and Subco.

Fundco had previously raised an aggregate of \$1,058,000 through the issuance of 52,900,001 shares.

In connection with the Transaction, the Company issued one common share for each outstanding share of Fundco, such that the former shareholders of Fundco collectively became the majority shareholders of the Company.

Condensed Interim Consolidated Financial Statements of

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)

Three months ended June 30, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)
(Unaudited)

	June 30, 2021	March 31, 2021
Assets		
Current assets		
Amounts receivable	\$ 4,688	\$ 2,270
Total assets	\$ 4,688	\$ 2,270
Liabilities		
Current liabilities		
Amounts payable and accrued liabilities	\$ 347,285	\$ 495,118
Loan payable (Note 5)	15,000	15,000
	362,285	510,118
Shareholders' deficiency		
Share capital (Note 7)	6,873,982	6,873,982
Equity reserve (Note 7)	2,632,071	2,632,071
Deficit	(9,863,650)	(10,013,901)
Total shareholders' deficiency	(357,597)	(507,848)
Total liabilities and shareholders' deficiency	\$ 4,688	\$ 2,270

Nature of operations and going concern (Note 1)
Subsequent events (Note 5, 10)

Approved by the Board of Directors and authorized for issue on August 23, 2021:

"Gordon Friesen"	Director
"Scott Davis"	Director

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)

Condensed Interim Consolidated Statements of Net Income and Comprehensive
Income

(Expressed in Canadian dollars)

(Unaudited)

	Three months ended June 30,	
	2021	2020
Expenses		
Advisory and consulting	\$ 10,000	\$ -
Professional fees	46,106	-
Regulatory and transfer agent	8,434	-
	(64,540)	-
Gain on settlement of amounts payable (Note 6)	214,791	-
	214,791	-
Net income and comprehensive income	\$ 150,251	\$ -
Basic and diluted income per share	\$ 0.82	\$ -
Weighted average number of common shares outstanding - basic and diluted	183,805	183,805

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Wintertide Ventures Inc.

(formerly Santa Fe Metals Corporation)

Condensed Interim Consolidated Statements of Shareholders' Deficiency

(Expressed in Canadian dollars)

(Unaudited)

	Share capital		Equity reserve	Deficit	Total shareholders' deficiency
	Number	Amount			
Balance at March 31, 2020	183,805	\$ 6,873,982	\$ 2,632,071	\$ (10,255,375)	\$ (749,322)
Net income and comprehensive income	-	-	-	-	-
Balance at June 30, 2020	183,805	6,873,982	2,632,071	(10,255,375)	(749,322)
Net income and comprehensive income	-	-	-	241,474	241,474
Balance at March 31, 2021	183,805	6,873,982	2,632,071	(10,013,901)	(507,848)
Net income and comprehensive income	-	-	-	150,251	150,251
Balance at June 30, 2021	183,805	\$ 6,873,982	\$ 2,632,071	\$ (9,863,650)	\$ (357,597)

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended June 30,	
	2021	2020
Operating activities		
Net income	\$ 150,251	\$ -
Changes in non-cash working capital items:		
Amounts receivable	(2,418)	-
Amounts payable and accrued liabilities	(147,833)	-
	-	-
Change in cash	-	-
Cash, beginning of period	-	-
Cash, end of period	\$ -	\$ -

The accompanying notes are an integral part of these unaudited condensed interim consolidated financial statements.

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Notes to the Condensed Interim Consolidated Financial Statements
For The Three Months Ended June 30, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated on April 27, 2006 under the Business Corporations Act of British Columbia and its shares were listed on the TSX Venture Exchange ("TSX-V") on March 6, 2008. The head office, principal address and records office of the Company are located at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, BC, Canada, V6C 3E8. Effective February 16, 2021, the Company changed its name from Santa Fe Metals Corporation to Wintertide Ventures Inc.

On July 8, 2016, trading in the shares of the Company was suspended by the TSX-V for having failed to maintain the services of a transfer agent. On October 18, 2016, the Company's listing was transferred to NEX, the Company's tier classification changed from Tier 2 to NEX, the Filing and Service Office changed from Vancouver to NEX and the trading symbol for the Company changed from SFM to SFM.H. On December 14, 2018, the Company's securities were delisted from NEX for failure to pay the NEX Listing Maintenance Fee. On April 15, 2021, the British Columbia Securities Commission revoked their cease trade order issued against the Company.

On May 18, 2021, the Company completed a share consolidation of 250:1. These unaudited condensed interim consolidated financial statements (the "financial statements") reflect the share consolidation retroactively.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at June 30, 2021, the Company had not generated any revenues from operations, and had a working capital deficiency of \$357,597 (March 31, 2021: \$507,848) and deficit of \$9,863,650 (March 31, 2021: \$10,013,901).

The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management believes that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position. The financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Company's environment and in the global markets, possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Company's operations. The extent of the impact of this outbreak and related containment measures on the Company's operations cannot be reliably estimated at the date of these financial statements.

These financial statements were approved and authorized for issuance by the Board of Directors on August 23, 2021.

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Notes to the Condensed Interim Consolidated Financial Statements
For The Three Months Ended June 30, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

2. BASIS OF PRESENTATION

The Company prepares its annual financial statements in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretation Committee. These financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting and follow the same accounting policies and methods of application as the Company's most recent annual financial statements. Accordingly, they should be read in conjunction with the Company's most recent annual financial statements.

These financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements are presented in Canadian Dollars, which is also the Company's functional currency, unless otherwise indicated.

These financial statements include the accounts of the Company and its subsidiary:

Name of Subsidiary	Ownership	Jurisdiction
Interior Gold Corp.	100%	Ontario, Canada (inactive)
1313119 B.C.	100%	BC, Canada

Subsidiaries are entities over which the Company has control. Control is defined as where the Company is exposed to, or has rights to, variable returns from its involvement in the investee and has the ability to affect those returns through power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date that control is obtained up to the effective date of disposal or loss of control. All significant intercompany balances, transactions, revenues and expenses have been eliminated upon consolidation.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Significant judgments

The preparation of the financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgment in applying the Company's accounting policies is the assessment of the Company's ability to continue as a going concern.

Significant estimates and assumptions

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income/loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Notes to the Condensed Interim Consolidated Financial Statements
For The Three Months Ended June 30, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these financial statements are the same as those applied by the Company for the year ended March 31, 2021.

5. RELATED PARTY TRANSACTIONS

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

As at June 30, 2021, there was \$34,533 (March 31, 2021: \$34,533) of amounts payable and \$15,000 (March 31, 2021: \$15,000) of loans payable owing to the Company's former President and CEO. These amounts are non-interest bearing with no stated terms of repayment. Subsequent to June 30, 2021, all amounts owing to this individual were settled.

There was no key management personnel compensation during the three months ended June 30, 2021 and 2020.

6. AMOUNTS PAYABLE

In June 2021, the Company settled outstanding debt included in amounts payable as at March 31, 2021, resulting in a gain on settlement of amounts payable of \$214,791 in the statement of net income and comprehensive income.

7. EQUITY

(a) Authorized

Unlimited common shares without par value.
Unlimited preferred shares without par value.

(b) Issued and outstanding common shares

There were no share issuances during the three months ended June 30, 2021 and 2020.

(c) Share options

The Company has approved an incentive share option plan which provides that the Board of Directors of the Company may from time to time, in its discretion and in accordance with the TSX-V requirements, grant to directors, officers, employees, charitable organizations and technical consultants of the Company, non-transferable share options to purchase common shares, provided that the number of common shares reserved for issuance in any twelve month period will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant at a price not less than the closing price of the Company's shares on the last trading day before the grant of such options less any discount, if applicable, but in any event not less than \$0.05 per share. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee insider in any twelve month period will not exceed 10% of the issued and outstanding common shares and the number of common shares reserved for issuance to any one employee or consultant will not exceed 2% of the issued and outstanding common shares. Share options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities, or for a "reasonable period" after the optionee ceases to serve in such capacity, as determined by the Board of Directors.

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Notes to the Condensed Interim Consolidated Financial Statements
For The Three Months Ended June 30, 2021 and 2020
(Expressed in Canadian dollars)
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7. EQUITY (Continued)

(c) Share options (Continued)

There were no share options outstanding and exercisable as at June 30, 2021 and 2020.

(d) Warrants

There were no warrants outstanding and exercisable as at June 30, 2021 and 2020.

8. MANAGEMENT OF CAPITAL

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company considers the items included in equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions, business opportunity and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or return capital to its shareholders. The Company is not subject to externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. During the three months ended June 30, 2021, there has been no change in the Company's management of capital policies. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt or acquire or dispose of assets. Refer to Note 1 for additional details of the Company's ability to continue as a going concern.

9. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. Currently, the Company has no deposited cash with a bank.

(b) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Amounts payable and accrued liabilities are due within the current operating year.

Wintertide Ventures Inc.
(formerly Santa Fe Metals Corporation)
Notes to the Condensed Interim Consolidated Financial Statements
For The Three Months Ended June 30, 2021 and 2020
(Expressed in Canadian dollars)
(Unaudited)

9. FINANCIAL INSTRUMENTS (Continued)

(c) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

(d) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances (currently no cash balance). Surplus cash, if any, is placed on call with financial institutions.

10. SUBSEQUENT EVENTS

Subsequent to June 30, 2021, the following events occurred:

- On July 7, 2021, the Company completed the acquisition of 1306696 B.C. Ltd. ("Fundco"), a private British Columbia company (the "Transaction"). In accordance with the terms of the Transaction, Fundco has amalgamated with a wholly-owned subsidiary of the Company, 1313119 B.C. Ltd. ("Subco") pursuant to the terms of an amalgamation agreement among the Company, Fundco and Subco.

Fundco had previously raised an aggregate of \$1,058,000 through the issuance of 52,900,001 common shares.

In connection with the Transaction, the Company issued one common share for each outstanding share of Fundco, such that the former shareholders of Fundco collectively became the majority shareholders of the Company.

- The Company entered into a share purchase agreement, with Brooks Energy Company ("Brooks Energy") and Brooks Range Corporation ("Brooks Range"), a wholly-owned subsidiary of Brooks Energy, effective August 6, 2021, pursuant to which the Company will acquire all of the issued and outstanding shares of Brooks Range (the "Acquisition"). Through the Acquisition, the Company will indirectly acquire Brooks Range's rights and interests in the Helisium Project. The Company will pay Brooks Energy a one-time cash payment of US\$1,150,000 in consideration for all of the outstanding share capital of Brooks Range.

Concurrent Financing

Concurrently with, and as a condition to completion of the Acquisition, the Company intends to complete a non-brokered private placement (the "Financing") of not less than 5,000,000 subscription receipts (each, a "Subscription Receipt") at a price of \$1.00 per Subscription Receipt, for aggregate gross proceeds of not less than \$5,000,000.

Upon satisfaction of the escrow conditions, immediately prior to completion of the Acquisition, each Subscription Receipt will automatically convert into one common share of Wintertide. Finder's fees may be payable to arm's length parties who introduce subscribers to the Financing.

Closing of the Acquisition and the Financing is subject to a number of conditions. The Acquisition and the Financing cannot close until the conditions are satisfied and required approvals are obtained.

**TOTAL HELIUM LTD.
(FORMERLY WINTERTIDE VENTURES INC.)**

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

JUNE 30, 2021

Prepared by Management
(Presented in Canadian dollars)

TOTAL HELIUM LTD. (FORMERLY WINTERTIDE VENTURES INC.)

Unaudited Pro Forma Consolidated Statements of Financial Position

As at June 30, 2021

CAD\$

	Total Helium Ltd. (formerly Wintertide Ventures Inc.) June 30, 2021 (Unaudited)	Brooks Range Corporation June 30, 2021 (Audited)	Brooks Energy Company Carve-Out June 30, 2021 (Audited)	Note 3	Pro Forma Adjustments	Consolidated
Assets						
Current assets						
Cash	\$ -	\$ 1	\$ -	a	1,044,865	\$ 11,621,851
				b	12,500,000	
				c	(490,000)	
				d	(1,433,015)	
Amounts receivable	4,688	-	-		-	4,688
Total current assets	4,688	1	-		11,621,850	11,626,539
Exploration and evaluation assets	-	-	1,981,160	d	(548,146)	1,433,014
Total assets	\$ 4,688	\$ 1	\$ 1,981,160		\$ 11,073,704	\$ 13,059,553
Liabilities						
Current liabilities						
Amounts payable and accrued liabilities	347,285	-	-		-	347,285
Loans payable	15,000	-	-		-	15,000
Total current liabilities	362,285	-	-		-	362,285
Deferred revenue	-	-	1,177,430	d	(1,177,430)	-
Total liabilities	\$ 362,285	\$ -	\$ 1,177,430		\$ (1,177,430)	\$ 362,285
Equity						
Share capital	6,873,982	1	-	a	1,058,000	19,928,847
				a	(13,135)	
				b	12,500,000	
				c	(490,000)	
				d	(1)	
Equity reserve	2,632,071	-	1,076,682	e	3,804,708	6,436,779
				d	(1,076,682)	
Deficit	(9,863,650)	-	(272,952)	e	(3,804,708)	(13,668,358)
				d	272,952	
Total equity	\$ (357,597)	\$ 1	\$ 803,730		\$ 12,251,134	\$ 12,697,268
Total liabilities and equity	\$ 4,688	\$ 1	\$ 1,981,160		\$ 11,073,704	\$ 13,059,553

TOTAL HELIUM LTD. (FORMERLY WINTERTIDE VENTURES INC.)

Unaudited Pro Forma Consolidated Statements of Loss and Comprehensive Loss

For the Three Months ended June 30, 2021

CAD\$

	Total Helium Ltd. (formerly Wintertide Ventures Inc.) Three months ended June 30, 2021 (Unaudited)	Brooks Range Corporation Three months ended June 30, 2021 (Audited)	Brooks Energy Company Carve-Out Three months ended June 30, 2021 (Unaudited)	Note 3	Pro Forma Adjustments	Consolidated
Expenses						
Advisory and consulting	\$ 10,000	\$ -	\$ -		\$ -	\$ 10,000
General and administrative	-	-	41,100		-	41,100
Professional fees	46,106	-	-		-	46,106
Regulatory and transfer agent	8,434	-	-		-	8,434
Salaries and employee	-	-	38,152		-	38,152
Share-based compensation	-	-	-	e	3,804,708	3,804,708
	(64,540)	-	(79,252)		(3,804,708)	(3,948,500)
Gain on settlement of amounts payable	214,791	-	-		-	214,791
Net income (loss) and comprehensive income (loss)	\$ 150,251	\$ -	\$ (79,252)		\$ (3,804,708)	\$ (3,733,709)
Pro forma - basic and diluted loss per share:					\$	(20.31)
Weighted average common shares outstanding - basic and diluted:						183,805

TOTAL HELIUM LTD. (FORMERLY WINTERTIDE VENTURES INC.)

Unaudited Pro Forma Consolidated Statements of Loss and Comprehensive Loss

For the Year ended March 31, 2021

CAD\$

	Total Helium Ltd. (formerly Wintertide Ventures Inc.) March 31, 2021 (Audited)	Brooks Range Corporation June 30, 2021 (Audited)	Brooks Energy Company Carve-Out June 30, 2021 (Audited)	Note 3	Pro Forma Adjustments	Consolidated
Expenses						
General and administrative	\$ -	\$ -	\$ 122,207		\$ -	\$ 122,207
Professional fees	42,280	-	-		-	42,280
Regulatory and transfer agent	4,071	-	-		-	4,071
Salaries and employee	-	-	101,410		-	101,410
Share-based compensation	-	-	-	e	3,804,708	3,804,708
	(46,351)	-	(223,617)		(3,804,708)	(4,074,676)
Gain on settlement of amounts payable	287,825	-	-		-	287,825
Net income (loss) and comprehensive income (loss)	\$ 241,474	\$ -	\$ (223,617)		\$ (3,804,708)	\$ (3,786,851)
Pro forma - basic and diluted loss per share:					\$	(20.60)
Weighted average common shares outstanding - basic and diluted:						183,805

TOTAL HELIUM LTD. (FORMERLY WINTERTIDE VENTURES INC.)

Notes to the Unaudited Pro Forma Consolidated Financial Statements

As at June 30, 2021

CAD\$

1. BASIS OF PRESENTATION

The accompanying unaudited pro forma consolidated financial statements of Total Helium Ltd. (formerly Wintertide Ventures Inc.) ("**Total Helium**" or the "**Company**") have been prepared by management in accordance with International Financial Reporting Standards ("**IFRS**") under the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation.

These unaudited pro forma consolidated financial statements are derived from information from the financial statements of Total Helium, Brooks Range Corporation ("**Brooks Range**"), and the carve-out financial statements ("**Carve-Out**") of Brooks Energy Company ("**Brooks Energy**") using the same accounting policies as described in Total Helium's audited financial statements for the year ended March 31, 2021 and Brooks Range's audited financial statements from the date of incorporation on February 17, 2021 to June 30, 2021, together with other information available to the Company. The unaudited pro forma consolidated financial statements have been compiled from the information derived from and should be read in conjunction with:

- the unaudited interim financial statements of Total Helium for the three months ended June 30, 2021 and June 30, 2020, together with the notes thereto;
- the audited financial statements of Total Helium for the years ended March 31, 2021 and March 31, 2020, together with the notes thereto and auditors report thereon;
- the audited consolidated annual financial statements of Brooks Range for the period from incorporation February 17, 2021 to June 30, 2021;
- the unaudited interim carve-out financial statements of Brooks Energy for the nine months ended March 31, 2021 and March 31, 2020; and
- the audited carve-out financial statements of Brooks Energy for the years ended June 30, 2021 and June 30, 2020.

The unaudited pro forma consolidated financial statements have been prepared for inclusion in the Listing Application of Total Helium dated November 8, 2021, whereby Total Helium will acquire Brooks Range (the "**Transaction**"). The Transaction is considered, from an accounting perspective, to be an asset acquisition with Total Helium acquiring the net assets of Brooks Range.

The unaudited pro forma consolidated financial statements have been prepared for illustrative purposes only and may not be indicative of the combined entities' financial position and results of operations that would have occurred if the acquisition had been in effect at the dates indicated or of results which may be obtained in the future.

The unaudited pro forma consolidated financial statements include all adjustments necessary for the fair presentation, in all material respects, of the transactions described in Note 3 in accordance with IFRS applied on a basis consistent with Total Helium's and Brooks Range's accounting policies.

As at June 30, 2021, the functional and presentation currency of Total Helium was the Canadian dollar and the functional and presentation currency of Carve-Out was the United States dollar. These unaudited pro forma consolidated financial statements have been presented in the Canadian dollar. An exchange rate of US\$1.0000 = CAD\$1.2394 has been used to translate the historical balance sheet of Carve-Out at June 30, 2021 to Canadian dollars. Exchange rates of US\$1.0000 = CAD\$1.2282 and US\$1.0000 = CAD\$1.2394 have been used to translate the historical income statements of Carve-Out for the three months ended June 30, 2021 and the year ended June 30, 2021, respectively.

2. PROPOSED TRANSACTION

Total Helium and Brooks Range have entered into a share purchase agreement (the “**Agreement**”), in connection with the Transaction, pursuant to which Total Helium will acquire from Brooks Energy, all of the issued and outstanding shares of Brooks Range in consideration for US\$1,150,000. Brooks Range holds the rights to certain helium leases located in Kansas, U.S.A, and Colorado, U.S.A. Previously, the rights to these leases were held by Brooks Energy, and were assigned to Brooks Range to facilitate the Transaction. Prior to the Transaction, Brooks Energy carried on the business now controlled by Brooks Range.

As Brooks Range did not have processes capable of generating outputs, Brooks Range did not meet the definition of a business in accordance with IFRS 3 Business Combinations, and as a result the Transaction has been accounted for as an asset acquisition. The value of the consideration paid after allocation to the other net assets acquired, was allocated to exploration and evaluation costs in the statement of financial position.

In connection with the Transaction, Total Helium completed a subscription receipt financing for gross proceeds of \$12,500,000 by issuing 12,500,000 subscription receipts (the “**Subscription Receipt**”) at a price of \$1.00 per Subscription Receipt. Upon closing of the Transaction, each Subscription Receipt will, for no additional consideration, automatically be converted into one common share of Total Helium (each, a “**Company Share**”) and one share purchase warrant (each, a “**Subscription Receipt Warrant**”). Each Subscription Receipt Warrant entitles the holder thereof to purchase one additional Company Share at an exercise price of \$2.00 per share for a period of sixty months.

3. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS

These pro forma consolidated financial statements give effect to the completion of the proposed transaction contemplated by the Agreement and concurrent financing as if they had occurred on June 30, 2021 in respect of the pro forma consolidated statements of financial position as at June 30, 2021; and on April 1, 2020 and April 1, 2021 with respect to the pro forma consolidated statements of loss and comprehensive loss for the year ended March 31, 2021 and three months ended June 30, 2021 respectively. The three month period for Brooks Range included in the unaudited pro forma consolidated statement of loss and comprehensive loss for the three month period ended June 30, 2021 was extrapolated using Brooks Range’s period from date of incorporation on February 17, 2021 to June 30, 2021, to provide a three month period.

a. Fundco 1 financing and amalgamation

On July 7, 2021, the Company completed the acquisition of 1306696 B.C. Ltd. (“**Fundco 1**”), a private British Columbia company (the “**Fundco 1 Amalgamation**”). In accordance with the terms of the Fundco 1 Amalgamation, Fundco 1 has amalgamated with a wholly-owned subsidiary of the Company, 1313119 B.C. Ltd.

Fundco 1 had previously raised an aggregate of \$1,058,000 through the issuance of 52,900,001 common shares. In connection with the Fundco 1 Amalgamation, the Company issued one common share for each outstanding share of Fundco 1, such that the former shareholders of Fundco 1 collectively became the majority shareholders of the Company.

3. PRO FORMA ASSUMPTIONS AND ADJUSTMENTS (CONTINUED)

In connection with the Fundco 1 Amalgamation, there are cash share issue costs of \$13,135. This was recorded as share issue costs as an offset to share capital.

b. Subscription receipt financing

In connection with the Transaction, Total Helium completed a private placement of \$12,500,000 from the issuance of 12,500,000 Subscription Receipts, each of which will be converted to one Company Share and one Subscription Receipt Warrant on completion of the Transaction. See Note 2.

c. Transaction costs

In connection with the Subscription Receipt financing and Transaction, there are cash transaction costs of \$490,000, which includes \$330,000 of cash finder's fee. This was recorded as share issue costs as an offset to share capital.

d. Cash paid pursuant to Share Purchase Agreement

Pursuant to the Agreement, Total Helium will acquire from Brooks Energy, all of the issued and outstanding shares of Brooks Range in consideration for \$1,433,015 (US\$1,150,000), based on the Bank of Canada closing exchange rate of US\$1.0000 = CAD\$1.2461 as at October 12, 2021. The historical balance sheet of Carve-Out at June 30, 2021 has been eliminated to reflect the net result of the Agreement, being the acquisition of all of the issued and outstanding shares of Brooks Range. See Note 2.

e. Stock option grant

Pursuant to the Transaction, 4,895,000 incentive stock options, exercisable at a price of \$1.00 until November 8, 2031, will be granted to directors, officers and consultants of the Company. One-half or 2,447,500 stock options will vest immediately upon grant, 1,223,750 stock options will vest after six months from grant date and the remaining 1,223,750 stock options will vest after twelve months from grant date. The fair value of the options granted as at grant date was approximately \$3,804,708 or \$0.78 per option and was recorded as a reserve from share-based compensation. The fair value was based on an application of the Black-Scholes option pricing model using the following assumptions: Share price on grant date - \$1; expected life 10 years; risk free interest rate - 1.12%; volatility - 75%; dividend yield - 0% and forfeiture - 0%.

TOTAL HELIUM LTD. (FORMERLY WINTERTIDE VENTURES INC.)

Notes to the Unaudited Pro Forma Consolidated Financial Statements

As at June 30, 2021

CAD\$

4. PRO FORMA SHARE CAPITAL

	Note 3	Shares	Share capital
Share capital, Total Helium as at June 30, 2021		183,805	\$ 6,873,982
Fundco 1 amalgamation	<i>a</i>	52,900,001	1,058,000
Fundco 1 amalgamation - share issue costs	<i>a</i>	-	(13,135)
Subscription receipt financing	<i>b</i>	12,500,000	12,500,000
Estimated costs of the transaction	<i>c</i>	-	(490,000)
Pro forma share capital		65,583,806	\$ 19,928,847

Pro forma Warrants	Weighted average exercise price	Expiry date
12,500,000	\$ 2.00	Five years from date of issue at closing of the Financing

Pro forma Options	Weighted average exercise price	Expiry date
4,895,000	\$ 1.00	Ten years from date of grant

Schedule E: Audit Committee Charter

Purpose

The overall purpose of the Audit Committee (the "Committee") of the Total Helium Ltd. (the "Company") 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. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

Composition, Procedures and Organization

1. The Committee shall consist of at least three members of the Board of Directors (the "Board").
2. At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level 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.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the 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 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 Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

- (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
 - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
8. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

Roles and Responsibilities

1. The overall duties and responsibilities of the 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 quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's internal and 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 Committee as they relate to the external auditors shall be as follows:
 - (a) to 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) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - (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) the non-audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
3. The duties and responsibilities of the 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 on the financial integrity of the Company, including those relating to internal auditing, 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 changes which the 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 internal audit staff or by the external auditors have been implemented.
4. The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - (i) the annual report to Shareholders;
 - (ii) the annual information form, if required;
 - (iii) annual and interim 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,and report to the Board with respect thereto;
 - (c) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;

- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Company's consolidated financial statements;
- (f) review the minutes of any audit committee meeting of subsidiary companies;
- (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

5. The Committee shall have the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee; and
- (c) to communicate directly with the internal and external auditors.

Schedule F: Resources Report

[See Attached]

Our ref: 213124

Suite 600
555 4th Avenue SW
Calgary AB
T2P 3E7
T +1 403 265 7226

Date: 1 September 2021

Wintertide Ventures Inc.
Suite 3123, 595 Burrard Street
Vancouver, British Columbia V7X 1J1

Subject: Resources Audit – Helisium Project, Kansas

At your request, RPS Energy Canada Ltd. (“RPS”) have assessed the Reserves management processes and practices of Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company (the “Company”), and the resulting estimates as of June 1, 2021 (“effective date”) set forth in the accompanying tables with respect to:

- i. the Contingent Resources of the Company,
- ii. changes in such Resources during the period indicated,
- iii. the future net revenue from such Resources, and
- iv. the present value of such future net revenue.

Our assessment included such tests and procedures as we considered necessary under the circumstances to render our opinion. To the best of our knowledge, 100% of the Resources of the Company are located within the Helisium Project, north of the Hugoton Gas Field in the state of Kansas, USA (Figure 1). The Helisium Project (the “Project”) is a de-watering gas play focused on the Chase and Council Grove formations of the North Hugoton area, specifically the re-development of the Bradshaw and Byerly fields and certain surrounding and analogous acreage.

Wintertide Ventures Inc. (“Wintertide”), Brooks Energy Company, and Brooks Range Corporation (“Brooks Range”) have entered into a share purchase transaction pursuant to which Wintertide proposes to acquire all of the outstanding securities of Brooks Range, thereby acquiring indirect ownership of the Project.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development but are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources are further categorized according to the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by their economic status. Contingencies may include economic, environmental, social and political factors, regulatory matters, a lack of markets, and a prolonged timetable for development. Contingent Resources have a Chance of Development that is less than certain. There is no certainty that it will be commercially viable to produce any portion of the resources.

The specific contingency which prevents the classification of the Company resources as reserves is a technical contingency – or a technical issue that must be resolved to allow the commercial application of a recovery process technology to a specific reservoir. While there is confirmed production of natural gas, NGL’s, and helium (recovered as a by-product from the natural gas) from the subject reservoirs within the Project Area, there has not been a deliberate development of a commercial operation that has focused on de-watering the target formations on a large scale in order to recover hydrocarbons and helium.

Geology

Glenn Timson, Sr. Consulting Geologist working for the Company, presented the regional geology and Project details to RPS in both an extended presentation session and in a written report. The Project area sits in an area to the north and west of the prolific Hugoton Gas Field where the main dolomite reservoirs of the Hugoton field grade into continental redbed clastic facies. The trapping mechanism is largely hydrodynamic, with an element of stratigraphic control. The dynamic aquifer system feeding down from the front range of the Rocky Mountains opposes the buoyancy of gas molecules that are migrating up-dip out of the deeper basin centers. The Project area is stratigraphically controlled by the pinch out of the overlying Wellington Salt which provides the confining cap rock beyond which the gas saturation disperses to minuscule levels. As such, the Project sits in a broad “transition zone” where gas and water coexist in the reservoir at concentrations such that gas can be produced with the assistance of artificial lift to move the significant volumes of water, as has been demonstrated at several wells within the Project Area. The methane from the deep basin centers is complemented by low but commercially significant helium saturation (molar concentrations ranging from 0.6% to 1.0%) and a schematic of the overall system is shown as Figure 2. RPS has reviewed the play model and reservoir parameter assumptions used to calculate potential in-place gas volumes and finds them to be reasonable. It is the opinion of RPS the geological interpretation and play representation is reasonable.

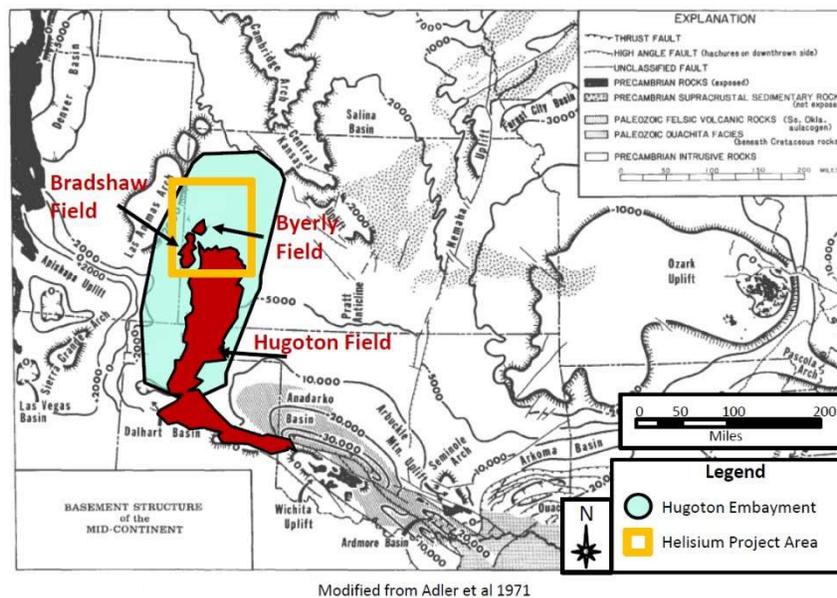


Figure 1: Helisium Project Location

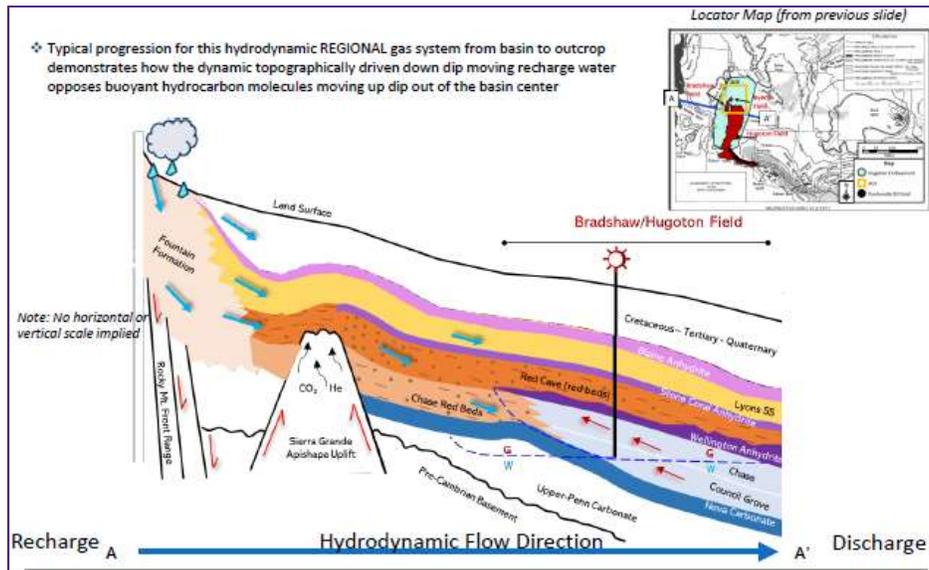


Figure 2: Regional Schematic of the Main Elements of the Helisium Project Play (extracted from Glenn Timson Presentation)

Engineering

Mike Ratway, a Sr. Consulting Petroleum Engineer and Qualified Reserves Evaluator working for the Company, has completed an extensive internal reserves evaluation. RPS was provided with ranges of reservoir parameters for reservoir thickness, porosity, water saturation, pressure, temperature, gas expansion factor, and helium concentration. RPS reviewed this data and proposed some slight modifications to the parameters in order model log-normal distributions, and further suggested that Monte Carlo simulation be utilized to aggregate the individual distributions in order to produce statistically correct estimates for both in-place and recoverable volumes. The changes suggested by RPS have been incorporated into the Company calculations and utilized to generate low (P90), best estimate (P50), and high (P10) Petroleum Initially in-Place estimates.

Mike Ratway also provided RPS with the input parameters and results generated from Prosper™ and MBAL™ models which are based on two key wells that have produced within the Project Area. These models have been used to generate type curves for the proposed development of the Resources for each of the P90, P50, and P10 cases for both the Chase and Council Grove formations. RPS has reviewed and tested the input data and type curve modelling results and, after conversations with the Company to verify some of the inputs and assumptions, we have concluded that each of these interpretations and forecasts are reasonable and are suitable for the estimation of Contingent Resources as presented by the Company.

Economics

Type curve economics have been completed for each of the P90, P50, and P10 Contingent Resource development cases utilizing the production type curves generated by Mike Ratway, two different lease types owned by the Company (direct ownership and a farm-in), operating costs based on averages from area operators, and capital cost estimates built by both third party engineering contractors and Company internal staff. Natural gas (mostly methane) prices have been based on Henry Hub price, less a \$0.19/Mcf offset. NGL (ethane, propane, butane, and pentanes+) prices are based on Mont Belvieu sales point

prices with no offset. Product prices for both gas and NGL's are based on information provided to the Company by Scout Energy Management ("Scout"), who operates the Jayhawk Gas Plant where the Company is planning to process their initial volumes of gas. Helium (recovered as a by-product) prices are based on a Helium Purchase Agreement that has been signed between the Company and Linde Inc. Economic calculations have been completed within an Excel model built by Baran Yildiran, Qualitative Analyst employed by the Company. RPS has audited the model inputs, all calculations with the model, and the model results, and have concluded that the type curve economic calculations are reasonable as presented.

Development Plan

The Company is actively pursuing leases for mineral rights within the Project area. Total prospective acreage within the Project area is estimated at 1.65 million acres. Total Company leases as of the effective date, with a current average working interest of ~91.4%, are shown in Table 1. The Company has also provided RPS with a map showing the location of all leases which has been excluded from this report to avoid public disclosure and preserve confidentiality.

Table 1		
Brooks Energy Operated Land Summary		
Acres	Gross	Net
Leased Land	52,059	43,902
Scout Farm-in	42,960	42,960
Total	95,019	86,862

The Company is currently in the planning stages of an initial work program that will include drilling four (4) wells, proposed for September (1 well), October (1 well), and November 2021 (2 wells) in the Project. Total cost of the initial four (4) well work program is estimated to be ~\$1.5 million. Costs for the initial work program are allocated to drilling (\$788 thousand), completion and testing (\$320 thousand), facilities (\$138 thousand), and contingencies (\$285 thousand). The economic evaluation also includes \$20 thousand per well for abandonment, scheduled to occur at the end of the life of each well.

After completion of the initial work program, four (4) wells are proposed in each of December 2021 and January 2022, followed by a two month appraisal, testing, and monitoring period. Afterwards, the Company plans to begin drilling five (5) wells per month beginning in April, 2022 and continuing until the current inventory of locations is exhausted – a total of 132 locations. The Company also plans to drill one water disposal well for every ten (10) producers in order to dispose of the produced water from the Project. Economics for the development plan have been constructed based on the type well economics discussed herein, taking into consideration the appropriate land agreements and proposed drilling schedule. All production from the Project is forecast to be processed either through the Scout operated Jayhawk Gas Plant or the Ladder Creek LLC operated Ladder Creek Gas Plant for dehydration and recovery of hydrocarbon liquids (methane, ethane, propane, butane, and pentanes+), with the remaining gas (the "Helium Gas Mixture", as defined in the Linde Helium Purchase Agreement) contracted to be sent to the Linde refinery for recovery of helium.

RPS has audited the Company development plan and consolidated economics and finds them to be reasonable, as summarized in Tables 2 and 3. Detailed economic runs are shown in Figures 3, 4, and 5 for the P90, P50, and P10 development plans, respectively. Due to the advanced stage of planning, lease acquisition, purchase agreement(s), and project scheduling, RPS is satisfied that all contingent resources can be sub-classified as Development Pending.

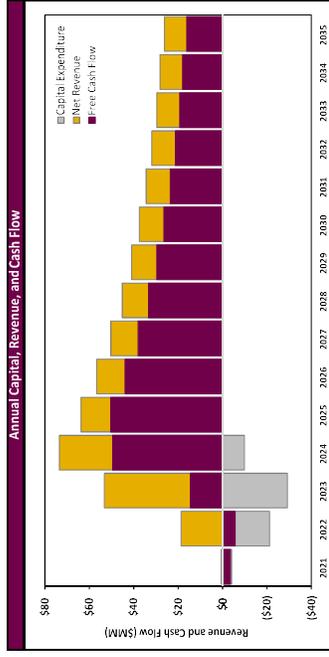
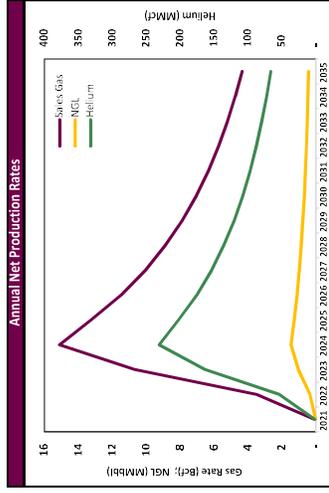
Table 2 Contingent Resource Summary			
	Low (P90)	Best (P50)	High (P10)
Petroleum Initially in Place (Bscf)	371.9	867.3	1,536.6
Project Maturity Sub-Class: Development Pending			
Gross Recoverable Gas (Bscf)	269.4	447.6	731.1
Gross Recoverable Liquids (MMbbl)	13.9	23.1	37.8
WI Recoverable Sales Gas (Bscf)	82.9	161.5	262.8
WI Recoverable Liquids (MMbbl)	8.0	15.6	25.3

Table 3 Development Plan Future Net Revenue (\$MM)				
Discount Rate	Low (P90)	Best (P50)	High (P10)	
0%	\$ 74.5	\$ 498.3	\$ 1,203.7	
5%	\$ 34.6	\$ 313.8	\$ 886.6	
10%	\$ 13.5	\$ 217.4	\$ 690.5	
15%	\$ 1.5	\$ 160.1	\$ 558.5	
20%	\$ (5.6)	\$ 123.0	\$ 464.1	

Brooks Energy - Helium Prospect

Effective: June 1, 2021

Project Summary	
Production Metrics (Net)	
Production Wells	132
Sales Gas Produced (Bcf)	162
NGLs Produced (MMbbl)	15.6
Helium Produced (MMcf)	2,469
Financial Metrics	
Net Revenue (\$MM)	\$913
EBITDA (\$MM)	\$565
EBITDA (%)	62%
Capex (\$MM)	\$498
EBITDA less Capex (\$MM)	\$498
EBITDA less Capex (%)	55%
Discounted Future Net Revenue	
Undiscounted (\$MM)	\$498.3
NPV5 (\$MM)	\$313.8
NPV10 (\$MM)	\$217.4
NPV15 (\$MM)	\$160.1
NPV20 (\$MM)	\$123.0



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Item.	Total
New Wells																	
Production	8	44	60	20	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	1	4	6	2	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	9	48	66	22	-												
Total Net Production Volume																	
Sales Gas (MMcf)	93	3,508	10,667	15,118	13,247	11,486	10,043	8,865	7,883	7,067	6,331	5,726	5,204	4,745	4,340	4,340	47,240
NGLs (MMbbl)	9	388	1,027	1,455	1,275	1,106	967	853	759	678	609	551	501	457	418	418	4,548
Helium (MMcf)	1	54	163	231	202	176	153	135	120	108	97	88	80	73	66	66	722
Net Revenue																	
Sales Gas	\$281	\$9,002	\$25,579	\$36,139	\$31,899	\$27,810	\$24,457	\$21,737	\$19,649	\$17,957	\$16,416	\$15,184	\$14,137	\$13,831	\$12,651	\$12,651	\$137,705
NGLs	\$243	\$7,469	\$19,581	\$24,223	\$19,285	\$17,260	\$15,091	\$13,322	\$11,845	\$10,590	\$9,514	\$8,605	\$7,820	\$7,130	\$6,521	\$6,521	\$70,986
Helium	\$303	\$11,617	\$35,974	\$51,361	\$46,437	\$41,079	\$36,642	\$33,000	\$29,935	\$27,302	\$25,023	\$23,089	\$21,406	\$19,912	\$18,581	\$18,581	\$244,598
Gas Processing Fee	(\$53)	(\$2,004)	(\$6,085)	(\$8,595)	(\$7,542)	(\$6,539)	(\$5,718)	(\$5,047)	(\$4,488)	(\$4,012)	(\$3,605)	(\$3,260)	(\$2,963)	(\$2,701)	(\$2,471)	(\$2,471)	(\$26,973)
Gathering and Transportation	(\$123)	(\$4,640)	(\$14,092)	(\$19,004)	(\$17,465)	(\$15,144)	(\$13,241)	(\$11,689)	(\$10,393)	(\$9,291)	(\$8,348)	(\$7,550)	(\$6,861)	(\$6,256)	(\$5,727)	(\$5,727)	(\$62,463)
Refining and Processing/Sale	(\$28)	(\$886)	(\$2,431)	(\$3,322)	(\$2,887)	(\$2,517)	(\$2,213)	(\$1,967)	(\$1,778)	(\$1,625)	(\$1,485)	(\$1,374)	(\$1,279)	(\$1,251)	(\$1,145)	(\$1,145)	(\$13,181)
NGL Processing	(\$24)	(\$795)	(\$1,961)	(\$2,277)	(\$1,785)	(\$1,562)	(\$1,366)	(\$1,205)	(\$1,072)	(\$958)	(\$861)	(\$779)	(\$709)	(\$645)	(\$590)	(\$590)	(\$6,419)
He Processing	(\$30)	(\$1,143)	(\$3,417)	(\$4,717)	(\$4,203)	(\$3,718)	(\$3,316)	(\$2,986)	(\$2,709)	(\$2,470)	(\$2,264)	(\$2,089)	(\$1,937)	(\$1,801)	(\$1,681)	(\$1,681)	(\$22,756)
Total	\$569	\$18,679	\$53,249	\$73,499	\$63,779	\$56,669	\$50,337	\$45,163	\$40,989	\$37,491	\$34,391	\$31,827	\$29,616	\$28,218	\$26,144	\$26,144	\$322,869
Royalty Expenses																	
Severance tax	-\$2	-\$1,079	-\$3,019	-\$4,055	-\$3,473	-\$3,065	-\$2,710	-\$2,421	-\$2,185	-\$1,987	-\$1,812	-\$1,667	-\$1,542	-\$1,454	-\$1,343	-\$1,343	-\$16,113
AdDED Value tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	(\$2)	(\$1,079)	(\$3,019)	(\$4,055)	(\$3,473)	(\$3,065)	(\$2,710)	(\$2,421)	(\$2,185)	(\$1,987)	(\$1,812)	(\$1,667)	(\$1,542)	(\$1,454)	(\$1,343)	(\$1,343)	(\$16,113)
Operating Expenses																	
Production Wells	(\$35)	(\$1,396)	(\$4,493)	(\$6,918)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$7,005)	(\$54,733)
Disposal Wells	\$0	(\$73)	(\$240)	(\$380)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$390)	(\$8,580)
Variable Water Disposal	(\$3)	(\$101)	(\$324)	(\$491)	(\$464)	(\$423)	(\$388)	(\$358)	(\$332)	(\$309)	(\$289)	(\$271)	(\$256)	(\$241)	(\$228)	(\$228)	(\$3,186)
Electricity	(\$13)	(\$506)	(\$1,567)	(\$2,282)	(\$2,102)	(\$1,916)	(\$1,757)	(\$1,622)	(\$1,508)	(\$1,402)	(\$1,310)	(\$1,240)	(\$1,158)	(\$1,093)	(\$1,033)	(\$1,033)	(\$14,371)
Total	(\$51)	(\$2,075)	(\$6,624)	(\$10,071)	(\$9,960)	(\$9,734)	(\$9,540)	(\$9,376)	(\$9,233)	(\$9,106)	(\$8,994)	(\$8,896)	(\$8,729)	(\$8,656)	(\$8,570)	(\$8,570)	(\$100,724)
Capital Expenditures																	
Land Acquisition Costs	(\$77)	(\$256)	(\$384)	(\$192)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$909)
Well Costs																	
Drilling	(\$1,842)	(\$9,734)	(\$13,419)	(\$4,473)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$29,468)
Completion Cost	(\$763)	(\$4,010)	(\$5,535)	(\$1,845)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$12,153)
Facilities	(\$318)	(\$1,686)	(\$2,322)	(\$774)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,100)
Contingency	(\$656)	(\$3,479)	(\$4,791)	(\$1,597)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,522)
Plugging and Abandonment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	(\$3,579)	(\$18,509)	(\$26,066)	(\$8,689)	\$0	(\$59,720)											
Infrastructure Costs																	
Pipeline	(\$357)	(\$1,963)	(\$2,677)	(\$892)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$5,890)
Total	(\$357)	(\$1,963)	(\$2,677)	(\$892)	\$0	(\$5,890)											
Total Capex	(\$4,012)	(\$21,128)	(\$29,128)	(\$9,773)	\$0	(\$66,519)											
Free Cash Flow	(\$3,526)	(\$5,603)	(\$14,478)	(\$49,600)	(\$50,345)	(\$43,870)	(\$38,087)	(\$33,367)	(\$29,571)	(\$26,398)	(\$23,585)	(\$21,263)	(\$19,265)	(\$18,035)	(\$16,146)	(\$16,146)	\$123,409
Cumulative Free Cash Flow	(\$5,526)	(\$9,129)	(\$5,349)	(\$4,948)	(\$105,294)	(\$149,164)	(\$187,250)	(\$220,617)	(\$250,189)	(\$276,587)	(\$300,172)	(\$321,435)	(\$340,700)	(\$358,736)	(\$374,881)	(\$374,881)	\$498,290

Figure 4: Development Plan Economics – P50 Case

RPS is independent with respect to the Company as provided in the standards pertaining to the estimating and auditing of oil and gas Reserves information included in the Canadian Oil and Gas Evaluation Handbook (COGEH) and the Petroleum Resource Management System (PRMS), set out by the Society of Petroleum Evaluation Engineers (SPEE) and the Association of Professional Engineers and Geoscientists of Alberta (APEGA). It should be understood that our audit does not constitute a complete Reserves and/or Resources study of the oil and gas properties of the Company. In the conduct of our examinations we have not independently verified the accuracy and completeness of all the information and data furnished by the Company with respect to ownership interests, oil and gas production, historical costs of operation and development, product prices, agreements relating to current and future operations, and sales of either hydrocarbon or helium production. We have, however, specifically identified to you the information and data upon which we relied so that you can subject it to procedures you consider necessary. Furthermore, if in the course of our examination something came to our attention that brought into question the validity or sufficiency of any of the information or data, we did not rely on that information or data until we had satisfactorily resolved our questions or independently verified it. All data provided to RPS by the Company and its representatives has been verified to be accurate and correct, to the best of their knowledge, as confirmed by the Representation Letter attached to this report.

Please be advised that, based upon the foregoing, it is our opinion the above-described estimates of your company's Contingent Resource information are, in the aggregate, reasonable and according to generally accepted oil and gas engineering and evaluation principles set out in COGEH, SPEE, PRMS and APEGA.

This report is solely for the information of the Company and Wintertide for the information and assistance of its independent public accountants in connection with their review of, and report upon, the financial statements of the Company and Wintertide, or disclosure to regulatory bodies for public disclosure purposes. This report should not be used, circulated, or quoted for any other purpose without the express written consent of the undersigned, except as required by law.

All dollar amounts included in our report are US dollars.

Yours sincerely,
for RPS Energy Canada Ltd



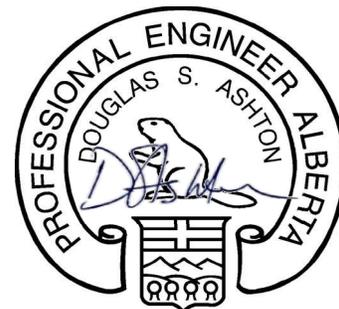
Doug Ashton, P.Eng.
Technical Director – Engineering
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+1 403 385 4225

PERMIT TO PRACTICE RPS ENERGY CANADA LTD.	
RM SIGNATURE:	<u>D Ashton</u>
RM APEGA ID #:	<u>53958</u>
DATE:	<u>1 SEPT 21</u>
PERMIT NUMBER: P004348 The Association of Professional Engineers and Geoscientists of Alberta (APEGA)	

CERTIFICATE OF QUALIFICATION DOUGLAS ASHTON

I, Douglas S. Ashton, a Professional Engineer at RPS Energy Canada Ltd., and author of a property audit (the "Audit") dated 1 September 2021 prepared for Wintertide Ventures Inc. ("Wintertide"), do hereby certify that:

- I am a Petroleum Engineer employed by RPS Energy Canada Ltd., which Company did prepare a Contingent Resource Audit of the Helisium Project assets of Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company, as at June 1, 2021.
- I attended the University of Calgary and that I graduated with a Bachelor of Science Degree in Chemical Engineering in 1992; that I am a registered Professional Engineer in the Province of Alberta (APEGA); and that I have in excess of 30 years' experience in Petroleum Engineering relating to Canadian and international oil and gas properties.
- I and my employer are independent of Wintertide and Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company and our remuneration is not related in any way to Wintertide, or Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company financing or capital funding activities.
- I have not, directly or indirectly, received an interest, and I do not expect to receive an interest, direct or indirect, in Wintertide or Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company, or any associate or affiliate of the company.
- The audit was prepared based upon information supplied by Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company, as well as other public data sources.
- As of the date of this certificate, I am not aware of any material change since the effective date of the Audit and, to the best of my knowledge, information and belief the sections of this report for which I am responsible contain all scientific information that is required to be disclosed to make this report not misleading.



1 September 2021

INDEPENDENT PETROLEUM CONSULTANT'S CONSENT AND WAIVER OF LIABILITY

The undersigned firm of Independent Petroleum Consultants of Calgary, Alberta, Canada knows that it is named as having prepared an independent report of the contingent resources data of the Helisium Project Assets operated by Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company with an effective date of June 1, 2021, and it hereby gives consent to the use of its name and to the said report.

In the course of the audit Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company, provided RPS Energy personnel with basic information which included petroleum and licensing agreements, geologic and production information, cost estimates, contractual terms, studies made by other parties, economic evaluation spreadsheets and discussions of future plans. Any other engineering or economic data required to conduct the audit upon which the original and addendum reports are based, was obtained from public literature, and from RPS non-confidential client files. The extent and character of ownership and accuracy of all factual data supplied for this audit, from all sources, has been accepted as represented. RPS reserves the right to review all calculations referred to or included in the said reports and, if considered necessary, to revise the estimates in light of erroneous data supplied or information existing but not made available at the effective date, which becomes known subsequent to the effective date of the reports.

There is considerable uncertainty in attempting to interpret and extrapolate field and well data and no guarantee can be given, or is implied, that the projections made in this report will be achieved. The report and production potential estimates represent the consultant's best efforts to predict field performance within the scope, time frame and budget agreed with the client. Moreover, the material presented is based on data provided by Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company. RPS cannot be held responsible for decisions that are made based on this data or reports. The use of this material and reports is, therefore, at the user's own discretion and risk. The reports are presented in its entirety and may not be made available or used without the complete content of the reports without the consent of RPS. RPS liability shall be limited to the correction of any computational errors contained herein.



RPS Energy Canada Ltd.

BROOKS RANGE CORPORATION

50 South Steele Street, Suite 600

Denver, Colorado 80209

720-263-1020

24 August 2021

RPS Energy Canada Ltd.
Suite 600, 555 — 4th Avenue SW.
Calgary, Alberta,
Canada T2P 3E7,

Attention: Douglas S. Ashton, P.Eng.

Letter of Representation for Reserves Audit of Project Helisium

Dear Sirs

Regarding the independent audit of our Company's oil and gas reserves as of June 1, 2021 (the effective date), we herein confirm to the best of our knowledge and belief as of the effective date of the reserves audit, and as applicable, as of today, the following representations and information made available to you during the conduct of the audit:

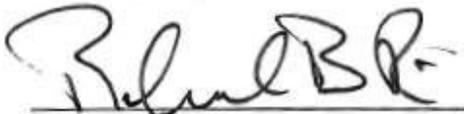
- 1 We (Brooks Range Corporation, a wholly owned subsidiary of Brooks Energy Company) have made available to you (RPS Energy Canada Ltd.) certain records, information, and data relating to the audited properties that we confirm is, with the exception of immaterial items, complete and accurate as of the effective date of the Reserves audit, including the following:
 - accounting, financial, tax, and contractual data;
 - asset ownership and related encumbrance information;
 - details concerning product marketing, transportation, and processing arrangements
 - all technical information including geological, engineering, and production and test data;
 - estimates of future abandonment, decommissioning, and reclamation costs.
- 2 We confirm that all financial and accounting information provided to you is, to the best of our knowledge, both on an individual entity basis and in total, entirely consistent with that reported by our Company for public disclosure and audit purposes.
- 3 We confirm that our Company has satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which accurate and current ownership information has been provided.
- 4 With respect to all information provided to you regarding product marketing, transportation, and processing arrangements, we confirm that we have disclosed to you all anticipated changes, terminations, and additions to these arrangements that could reasonably be expected to have a material effect of our Company's reserves and future net revenues.
- 5 With the possible exception of items of an immaterial nature, we confirm the following as of the effective date of the audit:
 - For all operated properties that you have audited, no changes have occurred are reasonably expected to occur to the operating conditions or methods that have been

used by our Company over the past twelve (12) months, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.

- All regulatory approvals, permits, and licenses required to allow continuity of future operations and production from the audited properties are in place and, except as disclosed to you, there are no directives, orders penalties, or regulatory rulings in effect or expected to come into effect relating to the audited properties.
- Except as disclosed to you, the producing trend and status of each audited well or entity in effect throughout the three-month period preceding the effective date of the audit are consistent with those that existed for the same well or entity immediately prior to this three-month period.
- Except as disclosed to you, we have no plans or intentions related to the ownership, development or operation of the audited properties that could reasonably be expected to materially affect the production levels or recover of Reserves from the audited properties.
- If material changes of an adverse nature occur in the Company's operating performance subsequent to effective date, and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of Reserves information.

Between the effective date of the report and the date of this letter, nothing has come to our attention that has materially affected or could materially affect our reserves and the economic value of these reserved that has not been disclosed to you.

Yours very truly,



Robert B. Price
President