



Consolidated Financial Statements of

Total Helium Ltd.
(formerly Wintertide Ventures Inc.)

Years ended March 31, 2022 and 2021
(Expressed in Canadian dollars)

Independent Auditor's Report

To the Shareholders of Total Helium Ltd. (formerly Wintertide Ventures Inc.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Total Helium Ltd. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2022 and 2021, and the consolidated statements of net loss and comprehensive loss, changes in shareholders' equity (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, 2022 and 2021, 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.

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 29, 2022

Total Helium Ltd.
(formerly Wintertide Ventures Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	March 31, 2022	March 31, 2021
Assets		
Current assets		
Cash	\$ 6,712,467	\$ -
Amounts receivable	29,740	2,270
Prepaid expenses	309,600	-
	7,051,807	2,270
Exploration and evaluation assets (Note 6)	8,091,201	-
Total assets	\$ 15,143,008	\$ 2,270
Liabilities		
Current liabilities		
Amounts payable and accrued liabilities	\$ 528,600	\$ 495,118
Loan payable (Note 5)	-	15,000
	528,600	510,118
Unearned revenue (Note 8)	2,369,680	-
Total liabilities	2,898,280	510,118
Shareholders' equity (deficiency)		
Share capital (Note 9)	20,189,533	6,873,982
Equity reserve (Note 9)	5,909,642	2,632,071
Accumulated other comprehensive loss	(22,135)	-
Deficit	(13,832,312)	(10,013,901)
Total shareholders' equity (deficiency)	12,244,728	(507,848)
Total liabilities and shareholders' equity	\$ 15,143,008	\$ 2,270

Nature of operations and going concern (Note 1)

Subsequent events (Note 9(c))

Approved by the Board of Directors and authorized for issue on July 29, 2022:

"Gordon Keep"	Director
"Ian Telfer"	Director

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

Total Helium Ltd.

(formerly Wintertide Ventures Inc.)

Consolidated Statements of Net Loss and Comprehensive Loss

(Expressed in Canadian dollars)

	Years ended March 31,	
	2022	2021
Expenses		
Advisory and consulting (Note 5)	\$ 100,000	\$ -
Marketing and advertisement	273,708	-
Professional fees	301,883	42,280
Regulatory and transfer agent	123,310	4,071
Rent and office (Note 5)	29,555	-
Share-based compensation (Note 5 and 9(c))	3,365,557	-
	(4,194,013)	(46,351)
Gain on settlement of amounts payable (Note 7)	214,791	287,825
Foreign exchange loss	(23,758)	-
Interest income	13,956	-
Other income (Note 8)	170,613	-
	375,602	287,825
Net income (loss)	\$ (3,818,411)	\$ 241,474
Other comprehensive loss		
Foreign exchange translation	(22,135)	-
Net income (loss) and comprehensive income (loss)	\$ (3,840,546)	\$ 241,474
Basic and diluted income (loss) per share	\$ (0.09)	\$ 1.31
Weighted average number of common shares outstanding - basic and diluted	43,863,201	183,805

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

Total Helium Ltd.
(formerly Wintertide Ventures Inc.)
Consolidated Statements of Shareholders' Equity (Deficiency)
(Expressed in Canadian dollars)

	Share capital		Equity reserve	Accumulated other comprehensive loss	Deficit	Total shareholders' equity (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	-	-	-	-	241,474	241,474
Balance at March 31, 2021	183,805	6,873,982	2,632,071	-	(10,013,901)	(507,848)
Shares issued on amalgamation with 1313119 B.C. Ltd.	52,900,001	1,058,000	-	-	-	1,058,000
Shares issued on acquisition of 1319454 B.C. Ltd.	12,500,000	12,500,000	-	-	-	12,500,000
Share issue costs	-	(442,935)	-	-	-	(442,935)
Share-based compensation	-	-	3,365,557	-	-	3,365,557
Exercise of options	112,500	200,486	(87,986)	-	-	112,500
Net loss and comprehensive loss	-	-	-	(22,135)	(3,818,411)	(3,840,546)
Balance at March 31, 2022	65,696,306	\$ 20,189,533	\$ 5,909,642	\$ (22,135)	\$ (13,832,312)	\$ 12,244,728

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

Total Helium Ltd.
(formerly Wintertide Ventures Inc.)
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Years ended March 31	
	2022	2021
Operating activities		
Net income (loss)	\$ (3,818,411)	\$ 241,474
Items not involving cash:		
Gain on settlement of amounts payable	(214,791)	(287,825)
Share-based compensation	3,365,557	-
Changes in non-cash working capital items:		
Amounts receivable	(27,470)	(2,270)
Prepaid expenses	(309,600)	-
Amounts payable and accrued liabilities	(260,293)	48,621
	(1,265,008)	-
Investing activities		
Exploration and evaluation assets	(6,422,210)	-
Unearned revenue received	1,187,120	-
	(5,235,090)	-
Financing activities		
Proceeds of shares issued, net of share issue costs	13,115,065	-
Proceeds from exercise of options	112,500	-
Loan payable	(15,000)	-
	13,212,565	-
Change in cash	6,712,467	-
Cash, beginning of year	-	-
Cash, end of year	\$ 6,712,467	\$ -
Supplemental cash flow information:		
Cash paid during the period for interest	\$ -	\$ -
Cash paid during the period for taxes	\$ -	\$ -
Exploration and evaluation assets accrued through amounts payable and accrued liabilities	\$ 486,431	\$ -

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

Total Helium Ltd.
(formerly Wintertide Ventures Inc.)
Notes to the Consolidated Financial Statements
For The Years Ended March 31, 2022 and 2021
(Expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Total Helium Ltd. (formerly Wintertide Ventures Inc.) (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 Company is currently listed on the TSX-V under the trading symbol “TOH”. The head office of the Company is located at Suite 3123, 595 Burrard Street, Vancouver, BC, Canada V7X 1J1. The registered and records office of the Company is 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. Effective September 30, 2021, the Company changed its name from Wintertide Ventures Inc. to Total Helium Ltd. As at the date of this report, the Company’s principal business activity is helium exploration, production and storage solutions.

On May 18, 2021, the Company completed a share consolidation of 250:1. These audited consolidated financial statements (the “financial statements”) reflect the share consolidation retroactively.

On July 7, 2021, the Company completed a financing 52,900,001 common shares for gross proceeds of \$1,058,000 and incurred share issue costs of \$13,135 (Note 9(b)).

On November 9, 2021, the Company completed the acquisition (the “Acquisition”) of all of the outstanding share capital of Brooks Range Corporation (“Brooks Range”) (Note 6). The Company acquired Brooks Range from Brooks Energy Company (the “Vendor”) in consideration for a one-time cash payment of US\$1,150,000. Upon completion of the Acquisition, the current business of Brooks Range has become the business of the Company.

Concurrent to the Acquisition, the Company completed a financing of 12,500,000 subscription receipts for gross proceeds of \$12,500,000 (Note 9(b)).

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 March 31, 2022, the Company had not generated any revenues from operations, and had working capital of \$ \$6,523,207 (March 31, 2021: deficiency of \$507,848) and deficit of \$13,832,312 (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 July 29, 2022.

Total Helium Ltd.
(formerly Wintertide Ventures Inc.)
Notes to the Consolidated Financial Statements
For The Years Ended March 31, 2022 and 2021
(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, 2022.

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 subsidiaries:

Name of Subsidiary	Ownership	Jurisdiction
Interior Gold Corp.	100%	Ontario, Canada (inactive)
1313119 B.C. Ltd.	100%	BC, Canada
1319454 B.C. Ltd.	100%	BC, Canada
Brooks Range Corporation	100%	Colorado, USA

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 judgments in applying the Company’s accounting policies are the assessment of the Company’s ability to continue as a going concern and the determination of the functional currency of the Company and its subsidiaries.

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.

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3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Continued)

Significant estimates and assumptions (Continued)

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.

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.

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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
Cash	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Loans payable	Amortized cost

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(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.

c) 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.

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Income Taxes (Continued)

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.

d) 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.

e) 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.

f) 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.

g) Foreign Exchange

The Company's functional and reporting currency is the Canadian dollar. The functional currency of the Company's wholly-owned subsidiary, Brooks Range is the United States dollar. Transactions denominated in other currencies are translated into their Canadian dollar equivalents at exchange rates prevailing at the transaction date. Carrying values of monetary assets and liabilities denominated in foreign currencies are adjusted at the date of the statement of financial position to reflect exchange rates prevailing at that date. Non-monetary assets and liabilities are translated at historical exchange rates. Gains and losses on translation are included in accumulated other comprehensive loss in shareholders' equity.

h) Share-based Payments

The Company's share option plan allows Company employees, directors, officers, consultants and charitable organizations to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in equity reserve.

Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Impairment

The Company's share option plan allows Company employees, directors, officers, consultants and charitable organizations to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in equity reserve.

At each financial position reporting date, the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An asset's recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

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.

The Company's transactions below include related party transactions not disclosed elsewhere in these financial statements and are in the normal course of business and all amounts due to related parties are non-interest bearing and payable on demand.

- a) Included in amounts payable and accrued liabilities was \$16,134 (March 31, 2021: \$37,930) due to officers, directors and former officers and directors of the Company.
- b) There was no loan payable owing to the Company's former President and CEO (March 31, 2021: \$15,000).
- c) Remuneration of directors and key management of the Company was as follows:

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5. RELATED PARTY TRANSACTIONS (Continued)

	Year ended March 31,	
	2022	2021
Consulting and management fees	\$ 194,785	\$ -
Administration success fee for financings	135,580	-
Administration success fee for acquisition of Brooks Range	28,640	-
Rent	10,000	-
Share-based compensation	2,253,154	-
	\$ 2,622,159	\$ -

6. EXPLORATION AND EVALUATION ASSETS

The following tables summarize the capitalized costs associated with the Company's exploration and evaluation assets:

	Helisium Project	Total
Acquisition costs:		
Balance, March 31, 2020 and 2021	\$ -	\$ -
Additions (see below)	3,031,156	3,031,156
Balance, March 31, 2022	3,031,156	3,031,156
Exploration costs:		
Balance, March 31, 2020 and 2021	-	-
Contract labor	630,140	630,140
Drilling	2,956,366	2,956,366
Engineering	528,895	528,895
Equipment	102,888	102,888
General and administrative	108,901	108,901
Lease costs	421,433	421,433
Professional services	49,464	49,464
Salaries and benefits	261,959	261,959
Balance, March 31, 2022	5,060,046	5,060,046
Total costs:		
Balance, March 31, 2022	\$ 8,091,202	\$ 8,091,202

Helisium Project

On November 9, 2021, the Company completed the Acquisition. The Company acquired Brooks Range from the Vendor in consideration for a one-time cash payment of \$1,433,590 (US\$1,150,000) and paid an administration success fee of \$28,640 (US\$23,000).

Brooks Range is a privately-held Colorado corporation which controls the rights to the Helisium Project, consisting of approximately 86,000 acres of oil and gas leases (subject to 12.5% underlying royalty) in the States of Kansas and Colorado, a farmout agreement and certain helium pre-purchase payments.

The Acquisition constitutes a related party transaction on the basis that Robert B. Price, the founder, Chief Executive Officer ("CEO") and controlling shareholder of the Vendor is also the CEO of the Company.

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6. EXPLORATION AND EVALUATION ASSETS (Continued)

Helisium Project (Continued)

At the date of acquisition, The Company determined that Brooks Range did not constitute a business as defined under IFRS 3, Business Combinations, and the Acquisition was accounted for as an asset acquisition. The following table summarizes the allocation of the purchase price to the fair value of the assets acquired and liabilities assumed at the date of acquisition.

Consideration	Amount	
Cash (US\$ 1,150,000)	\$	1,433,590
Administration success fee (US\$ 23,000)		28,640
	\$	<u>1,462,230</u>
Net assets of Brooks Range as at November 9, 2021		
Exploration and evaluation assets	\$	3,031,156
Amounts payable		(386,366)
Unearned revenue		<u>(1,182,560)</u>
Net assets acquired	\$	<u>1,462,230</u>

7. 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 loss and comprehensive loss.

8. UNEARNED REVENUE

As at March 31, 2022, the Company recorded \$2,369,680 (March 31, 2021: \$nil) in deferred revenue in return for future discounts on extracted and delivered helium. Pursuant to the agreement for the sale and purchase of helium gas mixture dated March 1, 2021 between the Company and Linde Inc., the Company will deliver helium to Linde Inc. at a discounted price until the entirety of the funds advanced have been recovered, plus an agreed upon return of 5%. As part of this agreement, the Company will receive USD \$15,000 per month for 24 months for consulting fees for the various services. During the year ended March 31, 2022, the Company received \$170,613 (2021: \$nil) for these consulting fees.

9. EQUITY

(a) Authorized

Unlimited common shares without par value.
Unlimited preferred shares without par value.

(b) Issued and outstanding common shares

On November 9, 2021, following completion of the Acquisition, the Company issued 12,500,000 units (each, a "Unit") and acquired all of the outstanding share capital of 1319454 B.C. Ltd. ("Fundco 2") for gross proceeds of \$12,500,000, following the conversion of 12,500,000 subscription receipts previously issued by Fundco 2. Each Unit consists of one common share of the Company and one share purchase warrant of the Company (each, a "Warrant"). Each Warrant is exercisable to acquire one additional common share of the Company at a price of \$2.00 until November 8, 2026, subject to certain acceleration provisions. The Company incurred share issue costs of \$429,800; \$304,800 of which are finders' fees.

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9. EQUITY (Continued)

(b) Issued and outstanding common shares (Continued)

On July 7, 2021, the Company completed the acquisition of 1306696 B.C. Ltd. ("Fundco 1"), a private British Columbia company (the "Fundco 1 Transaction"). Pursuant to the Fundco 1 Transaction, Fundco 1 amalgamated with 1313119 B.C. Ltd. ("Subco"), a wholly-owned subsidiary of the Company. 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 Transaction, the Company issued 52,900,001 common shares for gross proceeds of \$1,058,000 and incurred share issue costs of \$13,135.

On May 18, 2021, the Company completed a share consolidation of 250:1.

There were no share issuances during the year ended March 31, 2021.

(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.

On November 8, 2021, following completion of the Acquisition, the Company granted 4,895,000 share options to certain directors, officers and consultants of the Company. The options are exercisable at a price of \$1.00 per share until November 8, 2031. One-half of the options vest immediately, with a further one-quarter vesting after six months and the balance vesting after twelve months. Using the Black-Scholes valuation model, the grant date fair value was \$3,828,373, or \$0.78 per option. The following weighted average assumptions were used for the valuation of the share options: risk-free interest rate of 1.55%, expected life of 10 years, annualized volatility of 75% and dividend rate of 0.00%. During the year ended March 31, 2022, \$3,021,694 of share-based compensation was recognized in connection with the grant and vesting of options in the year.

On November 10, 2021, the Company granted 750,000 share options to a public relations firm pursuant to a public relations agreement. The options are exercisable at a price of \$1.08 per share until November 10, 2026. The options will vest on a quarterly basis over a twelve month period in blocks of 25%. Using the Black-Scholes valuation model, the grant date fair value was \$447,313, or \$0.60 per option. The following weighted average assumptions were used for the valuation of the share options: risk-free interest rate of 1.36%, expected life of 5 years, annualized volatility of 75% and dividend rate of 0.00%. During the year ended March 31, 2022, \$343,862 of share-based compensation was recognized in connection with the grant and vesting of options in the year.

During the year ended March 31, 2022, 112,500 stock options were exercised for proceeds of \$112,500.

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9. EQUITY (Continued)

(c) Share options (Continued)

A summary of changes in stock options is presented below:

	Number of options	Weighted average exercise price
Balance, March 31, 2020 and 2021	-	\$ -
Granted	5,645,000	1.01
Exercised	(112,500)	1.00
Balance, March 31, 2022	5,532,500	\$ 1.01

The following table summarizes information about the stock options outstanding and exercisable at March 31, 2022:

Outstanding	Outstanding and exercisable	Exercise price	Expiry date
750,000	187,500	\$ 1.08	November 10, 2026
4,782,500	2,335,000	1.00	November 8, 2031
5,532,500	2,522,500		

Subsequent to March 31, 2022, in April 2022, the Company granted 350,000 stock options to a consultant of the Company pursuant to the Company's stock option plan. The options are exercisable at a price of \$1.70 until April 20, 2032. One-half of the options vest immediately, with a further one-quarter vesting after six months and the balance vesting after twelve months.

Subsequent to March 31, 2022, 62,100 stock options were exercised for proceeds of \$62,100; and 87,500 stock options that were exercisable at a price of \$1.00 per were cancelled.

(d) Warrants

A summary of changes in warrants is presented below:

	Warrants outstanding	Weighted average exercise price
Balance, March 31, 2020 and 2021	-	\$ -
Issued (Note 9(b))	12,500,000	2.00
Balance, March 31, 2022	12,500,000	\$ 2.00

The following table summarizes information about the warrants outstanding and exercisable at March 31, 2022:

Outstanding and exercisable	Weighted average exercise price	Expiry date
12,500,000	\$ 2.00	November 8, 2026

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10. 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 year ended March 31, 2022, there has been no change in the Company's management of capital policies. 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. Refer to Note 1 for additional details of the Company's ability to continue as a going concern.

11. 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.

(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.

(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.

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11. FINANCIAL INSTRUMENTS (Continued)

(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. Surplus cash, if any, is placed on call with financial institutions.

12. SEGMENTED INFORMATION

As at March 31, 2022, the Company primarily operates in one reportable operating segment, being helium exploration in the USA.

13. 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, 2022 and 2021:

	2022	2021
Income (Loss) for the year	\$ (3,818,411)	\$ 241,474
Expected income tax (recovery)	\$ (1,031,000)	\$ 64,585
Change in statutory, foreign tax, foreign exchange rates and other	538,000	-
Permanent differences	909,000	-
Share issue cost	(120,000)	-
Change in unrecognized deductible temporary differences	(296,000)	-
Effect of non-capital loss carryforwards	-	(64,585)
Total income tax expense (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, 2022 and 2021 are comprised of the following:

	2022	2021
Deferred tax assets (liabilities)		
Exploration and evaluation assets	\$ 183,000	\$ 185,793
Property and equipment and capital assets	31,000	30,801
Share issue costs	96,000	-
Allowable capital losses	546,000	1,091,374
Non-capital losses available for future period	1,220,000	1,063,820
	2,076,000	2,371,788
Unrecognized deferred tax assets	(2,076,000)	(2,371,788)
Net deferred tax assets	\$ -	\$ -

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13. INCOME TAXES (Continued)

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

	2022	2021
Temporary Differences		
Exploration and evaluation assets	\$ 677,000	\$ 688,121
Property and equipment	114,000	114,077
Share issue costs	354,000	-
Allowable capital losses	2,021,000	4,042,127
Non-capital losses available for future periods	4,482,000	3,940,075

The Company has non-capital losses for Canadian tax purposes of approximately \$4,652,000 that are available for deduction against future income and that begin to expire in 2029.