

Consolidated Financial Statements of

Altura Energy Corp.
(formerly Total Helium Ltd.)

Years ended March 31, 2025 and 2024
(In thousands of Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Altura Energy Corp. (formerly Total Helium Ltd.)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Altura Energy Corp. (formerly Total Helium Ltd.) (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2025 and 2024, and the consolidated statements of net loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of material 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, 2025 and 2024 and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting 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 consolidated financial statements, which indicates that the continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing, although there is risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there is the following key audit matter to communicate in our auditor's report.

Key audit matter:	How our audit addressed the key audit matter:
Assessment of impairment indicators, and subsequent impairment of, Property, plant and equipment	Our approach to addressing the matter included the following procedures, among others:
<i>Refer to note 3 – Significant accounting judgements, estimates and assumptions, note 4(d) – Accounting policy for Property, plant and equipment and note 6 Property,</i>	Evaluated the reasonableness of management's assessment of impairment indicators and subsequent impairment of Property, plant and equipment, which included the following:

Plant and Equipment

When indicators of impairment exist, management assesses whether there is an indication that the carrying value of property, plant and equipment may not be recoverable. Management applies significant judgement in assessing whether indicators of impairment exist that necessitate impairment testing. Internal and external factors, such as (i) a significant decline in the market value of the Company's share price; (ii) changes in helium prices; and (iii) changes in capital and operating costs, are evaluated by management in determining whether there are any indicators of impairment.

We considered this a key audit matter due to (i) the significance of the property, plant and equipment asset balance, (ii) the significant audit effort and subjectivity in applying audit procedures to assess the factors evaluated by management in its assessment of impairment indicators, and (iii) the estimation uncertainty related to the recoverable amount, which required significant management judgement.

- Assessed the Company's market capitalization in comparison to the Company's net assets, which may be an indication of impairment.
- Assessed the completeness of the factors that could be considered indicators of impairment, including consideration of evidence obtained in other areas of the audit.
- Confirmed that the Company's right to access the underlying leases had not expired.
- Evaluated the reasonableness of management's analysis of the recoverable amount.
- Obtained management's written representations regarding the Company's future plans for the assets.
- Assessed the reasonability of the Company's financial statement disclosure regarding their property, plant and equipment.

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 consolidated 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Company as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is James Roxburgh.

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, Canada
July 29, 2025

Altura Energy Corp.
(formerly Total Helium Ltd.)
Consolidated Statements of Financial Position
(In thousands of Canadian Dollars)

	Note	March 31, 2025	March 31, 2024
		\$	\$
Current Assets			
Cash		12	85
Amounts receivable		28	64
Prepaid expenses		8	19
		48	168
Long-term Assets			
Exploration and evaluation assets	5	-	15,206
Property, plant and equipment	6	253	1,191
		301	16,565
Current Liabilities			
Amounts payable and accrued liabilities		1,537	988
Line of credit	7	512	-
Decommissioning liability	9	604	102
Loan payable	8	475	475
		3,128	1,565
Long-term Liabilities			
Decommissioning liability	9	-	110
Line of credit	7	-	544
		-	654
		3,128	2,219
Shareholders' Equity			
Share capital	10	36,868	36,868
Equity reserve	10	8,890	8,890
Accumulated other comprehensive income		1,063	509
Deficit		(49,648)	(31,921)
		(2,827)	14,346
		301	16,565

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)
SUBSEQUENT EVENTS (Note 17)

Approved on behalf of the Board of Directors:

/s/ Gordon Keep

Director

/s/ Ian Telfer

Director

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

Altura Energy Corp.

(formerly Total Helium Ltd.)

Consolidated Statements of Net Loss and Comprehensive Loss

(In thousands of Canadian Dollars, except for per share amounts)

	Note	Years ended March 31,	
		2025	2024
		\$	\$
Revenue	12	166	306
Expenses			
Exploration expenses		66	119
Depletion	6	75	72
General and administration	11	281	2,336
Share-based compensation		-	1,400
		(422)	(3,927)
Other items			
Impairment of exploration and evaluation assets	5	(16,411)	(3,319)
Impairment of property, plant and equipment	6	(930)	-
Write off of amounts receivable		(31)	-
Foreign exchange loss		-	(4)
Interest income		1	27
Accretion	9	(11)	(10)
Interest expense	7, 8	(89)	(39)
Other income		-	61
		(17,471)	(3,284)
Net loss		(17,727)	(6,905)
Other comprehensive income			
Foreign exchange translation		554	34
Total comprehensive loss		(17,173)	(6,871)
Basic and diluted loss per share		(1.73)	(0.69)
Weighted average number of common shares outstanding - basic and diluted		10,239,354	9,938,244

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

Altura Energy Corp.
(formerly Total Helium Ltd.)

Consolidated Statements of Shareholders' Equity
(In thousands of Canadian Dollars, except for share amounts)

	Number of Shares	Share Capital	Equity reserve	Accumulated Other Comprehensive Income	Deficit	Total Shareholders' Equity
		\$	\$	\$	\$	\$
Balance, March 31, 2023	6,575,841	20,300	7,170	475	(25,016)	2,929
Shares issued for interest in Pinta South Project	1,081,081	5,405	-	-	-	5,405
Brokered private placement - special warrants	2,500,000	12,500	-	-	-	12,500
Shares issued for finders and success fees	82,432	412	-	-	-	412
Share issue costs	-	(1,749)	320	-	-	(1,429)
Share-based compensation	-	-	1,400	-	-	1,400
Other comprehensive income	-	-	-	34	-	34
Net loss	-	-	-	-	(6,905)	(6,905)
Balance, March 31, 2024	10,239,354	36,868	8,890	509	(31,921)	14,346
Balance, March 31, 2024	10,239,354	36,868	8,890	509	(31,921)	14,346
Other comprehensive income	-	-	-	554	-	554
Net loss	-	-	-	-	(17,727)	(17,727)
Balance, March 31, 2025	10,239,354	36,868	8,890	1,063	(49,648)	(2,827)

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

Altura Energy Corp.
(formerly Total Helium Ltd.)
Consolidated Statements of Cash Flows
(In thousands of Canadian Dollars)

	Note	Years ended March 31, 2025	2024
		\$	\$
Operating activities			
Net loss		(17,727)	(6,905)
Items not involving cash:			
Depletion	6	75	72
Accretion	9	11	10
Shares issued for success fee		-	162
Impairment of exploration and evaluation assets	5	16,411	3,319
Impairment of property, plant and equipment	6	930	-
Share-based compensation		-	1,400
Changes in non-cash working capital items:			
Amounts receivable		32	65
Prepaid expenses		11	53
Amounts payable and accrued liabilities		249	294
		(8)	(1,530)
Investing activities			
Property, plant and equipment		-	(1,263)
Exploration and evaluation assets	5	-	(12,180)
		-	(13,443)
Financing activities			
Proceeds of special warrants issued, net of share issue costs	10	-	11,321
Advances from loan payable		-	475
Advances from (repayment of) line of credit		(65)	544
		(65)	12,340
Effect of foreign exchange on cash		-	34
Change in cash		(73)	(2,599)
Cash, beginning		85	2,684
Cash, ending		12	85
Supplemental cash flow information:			
Exploration and evaluation assets accrued through amounts payable and accrued liabilities		912	654
Shares issued for finders and success fees		-	412
Shares issued for property acquisition		-	5,405

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

Altura Energy Corp.

(formerly Total Helium Ltd.)

Notes to the Consolidated Financial Statements

For the Years Ended March 31, 2025 and 2024

(In thousands of Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Altura Energy Corp. (formerly Total Helium Ltd.) (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 “ALTU”. 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. As at the date of this report, the Company’s principal business activity is helium exploration, production and storage solutions.

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, 2025, the Company had a working capital deficit of \$3,080 (March 31, 2024: working capital deficit of \$1,397) and a deficit of \$49,648 (March 31, 2024: \$31,921).

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.

These financial statements were approved and authorized for issuance by the Board of Directors on July 29, 2025.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

Basis of Measurement

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.

Altura Energy Corp.
(formerly Total Helium Ltd.)
Notes to the Consolidated Financial Statements
For the Years Ended March 31, 2025 and 2024
(In thousands of Canadian Dollars)

2. BASIS OF PRESENTATION (Continued)

Basis of Consolidation

These financial statements are presented in thousands of 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

Because a precise determination of many assets and liabilities is dependent upon future events, 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 the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant. Significant judgments and estimates made by management affecting the Company's financial statements include:

Deferred tax assets and liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development, and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future income tax provisions or recoveries could be affected. The measurement of deferred income tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities.

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

Share-based compensation

Compensation costs accrued for under the Company's Stock Option Plan are subject to the estimation of what the ultimate payout will be using the Black-Scholes pricing model which is based on significant assumptions such as the future volatility of the market price of the Company's shares and fair value assumption at date of grant.

Technical feasibility and commercial viability of exploration and evaluation assets

The determination of technical feasibility and commercial viability is generally based on the presence of proved and probable reserves and other factors, results in the transfer of assets from exploration and evaluation assets to helium assets. The estimate of proved and probable reserves is inherently complex and requires significant judgment. Thus, any material change to reserve estimates could affect the technical feasibility and commercial viability of the underlying assets.

Impairment indicators

At the end of each reporting period, the Company reviews the exploration prospects for external or internal circumstances that indicate the exploration prospects may be impaired. This assessment includes many changing factors, including reserves, project economics, expected capital expenditures and production costs, access to infrastructure, obtaining and the timing of receiving required regulatory approvals, and potential infrastructure construction and expansions. Furthermore, the transfer of E&E assets to PP&E is based on management's judgement of technical feasibility and commercial viability.

Decommissioning liabilities

The provision for site restoration and abandonment for the Company's PP&E and E&E assets is based on estimated inflation and discount rates, current legal and regulatory requirements, technology, cost of services, and expected plans for remediation expenditures. Actual costs and timing of cash outflows can differ from estimates because of changes in laws and regulations, public expectations, and market conditions, all of which could be influenced by the rate at which global energy markets transition to a lower carbon-based economy. Additionally, further discovery, analysis of site conditions, and changes in technology could also cause estimates to differ from actual costs.

Altura Energy Corp.
(formerly Total Helium Ltd.)
Notes to the Consolidated Financial Statements
For the Years Ended March 31, 2025 and 2024
(In thousands of Canadian Dollars)

4. MATERIAL ACCOUNTING POLICIES

a) Exploration and Evaluation Assets

All costs directly associated with helium reserves are initially capitalized. Exploration and evaluation costs are those expenditures for an area where technical feasibility and commercial viability has not yet been determined. These costs include costs to acquire acreage and exploration rights, geological and geophysical costs, asset retirement costs, exploration and evaluation drilling, sampling and appraisals. Costs incurred prior to acquiring the legal rights to explore an area are charged directly to net loss as exploration expense.

When an area is determined to be technically feasible and commercially viable and a mining permit is granted, the accumulated costs are transferred to property, plant and equipment. When an area is determined not to be technically feasible and commercially viable or the Company decides not to continue with its activity, the unrecoverable costs are charged to net loss as an impairment.

Ownership in exploration and evaluation 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 exploration and evaluation properties and, to the best of its knowledge, ownership of its interests are in good standing.

b) Financial Instruments

Financial instruments are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are not offset unless the Company has the current legal right to offset and intends to settle on a net basis or settle the asset and liability simultaneously.

The Company characterizes its fair value measurements into a three-level hierarchy depending on the degree to which the inputs are observable, as follows:

- Level 1 inputs are quoted prices in active markets for identical assets and liabilities;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly; and,
- Level 3 inputs are unobservable inputs for the asset or liability.

Classification and measurement of financial assets

The initial classification of a financial asset depends upon the Company's business model for managing its financial assets and the contractual terms of the cash flows. There are three measurement categories into which the Company classified its financial assets;

Amortized Cost: Includes assets that are 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 represent solely payments of principal and interest. Financial instruments under this classification include cash;

Fair Value through Other Comprehensive Income ("FVOCI"): Includes assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets, where its contractual terms give rise on specified dates to cash flows that represent solely payments of principal and interest; or,

Fair Value Through Profit or Loss ("FVTPL"): Includes assets that do not meet the criteria for amortized cost or FVOCI and are measured at fair value through profit or loss.

Altura Energy Corp.
(formerly Total Helium Ltd.)
Notes to the Consolidated Financial Statements
For the Years Ended March 31, 2025 and 2024
(In thousands of Canadian Dollars)

4. MATERIAL ACCOUNTING POLICIES (Continued)

At initial recognition, the Company measures a financial asset at its fair value and, in the case of a financial asset not at FVTPL, including transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are recorded as an expense in the consolidated statements of loss and comprehensive loss.

Financial assets are reclassified subsequent to their initial recognition only if the business model for managing those financial assets changes. The affected financial assets will be reclassified on the first day of the first reporting period following the change in the business model. A financial asset is derecognized when the rights to receive cash flows from the asset have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses ("ECLs") on its financial assets measured at amortized cost. Due to the nature of its financial assets, the Company measures loss allowances at an amount equal to expected lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the related financial asset. The Company does not have any financial assets that contain a financing component.

Classification and measurement of financial liabilities

A financial liability is initially classified as measured at amortized cost or FVTPL. A financial liability is classified as measured at FVTPL if it is held-for-trading, a derivative, or designated as FVTPL on initial recognition. The classification of a financial liability is irrevocable.

The Company's financial liabilities consist primarily of accounts payable and accrued liabilities, loan payable, and line of credit and are classified as measured at amortized cost.

Financial liabilities at FVTPL are measured at fair value with changes in fair value, along with any interest expense, recognized in the consolidated statement of income (loss) and comprehensive income (loss). Other financial liabilities are initially measured at fair value less directly attributable transaction costs and are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the consolidated statement of income (loss) and comprehensive income (loss). Any gain or loss on derecognition is also recognized in the consolidated statement of income (loss) and comprehensive income (loss).

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.

Altura Energy Corp.
(formerly Total Helium Ltd.)
Notes to the Consolidated Financial Statements
For the Years Ended March 31, 2025 and 2024
(In thousands of Canadian Dollars)

4. MATERIAL ACCOUNTING POLICIES (Continued)

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.

d) Property, Plant and Equipment

All costs directly associated with the development of helium reserves are capitalized on an area by area basis. Development costs include expenditures for areas where technical feasibility and commercial viability has been determined. These costs include proved property acquisitions, development drilling, completion, gathering lines and infrastructure, decommissioning costs and transfers of exploration and evaluation assets.

Costs accumulated within each area are depleted based on each well's estimated useful life based on proved reserves using estimated future prices and costs. Costs subject to depletion include estimated future costs to be incurred in developing proved and probable reserves but do not include exploration in progress costs which will be evaluated for impairment once proved.

For property dispositions, a gain or loss is recognized in net earnings. Exchanges of properties are measured at fair value, unless the transaction lacks commercial substance or fair value cannot be reliably measured. Where the exchange is measured at fair value, a gain or loss is recognized in net earnings.

e) Decommissioning Obligations

The Company's activities give rise to dismantling, decommissioning and site disturbance remediation activities. Provision is made for the estimated cost of site restoration and capitalized in the relevant asset category unless it arises from the normal course of production activities, in which case it is recognized in profit or loss. Decommissioning obligations are measured at the present value of management's best estimate of expenditure required to settle the present obligation at the statement of financial position date.

Subsequent to the initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as finance costs, whereas increases/decreases due to changes in the estimated future cash flows are capitalized. Actual costs incurred upon settlement of the asset retirement obligations are charged against the provision to the extent the provision was established.

f) 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.

g) 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.

Altura Energy Corp.
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Notes to the Consolidated Financial Statements
For the Years Ended March 31, 2025 and 2024
(In thousands of Canadian Dollars)

4. MATERIAL ACCOUNTING POLICIES (Continued)

h) Joint Operations

Joint control is defined as the contractually agreed sharing of control over an economic activity, and exists only when the strategic, financial, and operating decisions essential to the relevant activities require the unanimous consent of the parties sharing control. When the Company enters into agreements that provide for specific percentage interests in exploration properties, a portion of the Company's exploration activities is conducted jointly with others, without establishment of a corporation, partnership, or other entity.

Under IFRS 11 "Joint Arrangements", this type of joint control of exploration assets and joint exploration and/or development activities is considered as a joint operation, which is defined as a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. In these financial statements, the Company recognizes the following in relation to its interests in joint operations:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output of the joint operation; and
- its expenses, including its share of any expenses incurred jointly

i) 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.

j) 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 the period end rate. Gains and losses on translation are included in accumulated other comprehensive loss in shareholders' equity.

k) 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. MATERIAL ACCOUNTING POLICIES (Continued)

l) Impairment of non-financial assets

Exploration and evaluation assets ("E&E assets") are assessed for impairment at the area level and are reviewed at each reporting date for indicators of potential impairment, or in the case of previously impaired E&E assets, reversal of impairment. An impairment charge on E&E assets is recognized if the carrying value of the E&E assets exceeds the recoverable amount. Impairment of E&E assets is recognized in net income as impairment of E&E.

If there is an indicator that a previously recognized impairment charge may no longer exist or may have decreased, the recoverable amount of the relevant E&E asset is calculated and compared against the carrying amount. An impairment charge is reversed to the extent that the asset's recoverable amount does not exceed the carrying amount. A reversal of impairment of E&E assets is recognized in net income as reversal of impairment.

During the year ended March 31, 2025, the Company impaired the Pinta South Project in the state of Arizona (Note 5) in the amount of \$16,411 (2024: \$3,319).

5. EXPLORATION AND EVALUATION ASSETS

E&E assets consist of the Company's projects that have yet to be established as technically feasible and commercially viable.

The following tables summarize the capitalized costs associated with the Company's E&E assets:

	Pinta South Project	Total
	\$	\$
Acquisition Costs		
Balance, March 31, 2023	-	-
Additions	15,206	15,206
Balance, March 31, 2024	15,206	15,206
Foreign exchange	579	579
Impairment	(15,785)	(15,785)
Balance, March 31, 2025	-	-
Exploration Costs		
Balance, March 31, 2023	-	-
Additions	3,319	3,319
Impairment	(3,319)	(3,319)
Balance, March 31, 2024	-	-
Additions	258	258
Increase in decommissioning liability	368	368
Impairment	(626)	(626)
Balance, March 31, 2025	-	-
Carrying Value		
Balance, March 31, 2023	-	-
Balance, March 31, 2024	15,206	15,206
Balance, March 31, 2025	-	-

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5. EXPLORATION AND EVALUATION ASSETS (Continued)

Pinta South Project

On May 1, 2023, the Company completed the acquisition of a 50% interest in the Pinta South Helium Project in Arizona. The Company has acquired an interest in existing helium production as well as a working interest in a large-scale helium exploration and production program in the Holbrook Basin (the "Pinta South Project"). The purchase and sale agreement was entered into between Brooks Range Corporation, a wholly-owned subsidiary of the Company, Pinta South Operating Company, LLC, Butler Minerals, LLC and Mid America Exploration LLC.

Pursuant to the terms of the transaction, the Company acquired a 20% interest in 2 producing wells and a 50% interest in eight additional existing wells for a total purchase price of US\$12,000 (\$16,469) (the "Acquisition Cost"). Under the terms of the purchase and sale agreement, and subsequent amendments, the purchase price was satisfied through a one-time cash payment of US\$8,000 and the issuance of 1,081,081 common shares of the Company at a deemed price of \$5.00. In connection with completion of the transaction, the Company has arranged to contribute funding in the amount of US\$2,000 towards a capital development program for the Pinta South Project.

As of March 31, 2025, the Company has contributed funding of US\$1,979 towards the capital development program for the Pinta South Project.

On September 22, 2023, one of the 25% working interest owners and project operator in the Pinta South Project agreed to "carry" the Company in the drilling of the next five wells in the Pinta South Project area. The carry excludes completion work and the construction of pipeline to transport gas from a successful well to a processing plant.

Other than as amended by this special concession to drill the five carry wells, all other terms of the joint operating agreement will remain the same.

During the year ended March 31, 2025, the Company impaired the Pinta South Project in the amount of \$16,411 (2024 - \$3,319) as the Company is evaluating the future of this project based on past results, the market value of the Company having declined below the value of the property, and future expenditures on the property being neither budgeted nor planned at this time.

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6. PROPERTY, PLANT AND EQUIPMENT

The following tables summarize the capitalized costs associated with the Company's PP&E assets:

	Helium Producing Assets	Total
	\$	\$
Cost		
Balance, March 31, 2023	-	-
Additions	1,263	1,263
Balance, March 31, 2024	1,263	1,263
Foreign exchange	75	75
Impairment	(930)	(930)
Balance, March 31, 2025	408	408
Depletion		
Balance, March 31, 2023	-	-
Additions	72	72
Balance, March 31, 2024	72	72
Additions	75	75
Foreign exchange	8	8
Balance, March 31, 2025	155	155
Carrying Value		
Balance, March 31, 2023	-	-
Balance, March 31, 2024	1,191	1,191
Balance, March 31, 2025	253	253

During the year ended March 31, 2024, the Company allocated \$1,263 of the Acquisition Cost to PP&E based on the net present value of future cash flows from two producing helium wells.

During the year ended March 31, 2025, the Company impaired the PP&E in the amount of \$930 due to a reduction in the price of helium.

7. LINE OF CREDIT

On September 21, 2023, the Company entered into a business loan agreement for a maximum amount of US\$500. The line of credit bears interest at US prime plus 1%, and matures on September 21, 2025.

As at March 31, 2025, the Company had drawn \$512 (US\$356) on this line of credit (March 31, 2024: \$544).

The line of credit is guaranteed by a shareholder of the Company and secured by the assets of the Company. The Company is required to maintain standard affirmative covenants associated with the line of credit. As at March 31, 2025, the Company is in compliance with the loan covenants.

As at March 31, 2025, the lender has paused any further advances from the line of credit.

8. LOAN PAYABLE

On December 5, 2023, a spouse of a director advanced \$475 to the Company. The loan is unsecured, bears interest at 8% per annum, with no specific repayment terms. As at March 31, 2025, the Company has accrued interest of \$50 (March 31, 2024: \$12).

See Subsequent Events – Note 17.

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9. DECOMMISSIONING LIABILITY

The Company has obligations to abandon and remediate the impact from drilling and production activities on certain of its wells. The Company calculated the present value of these decommissioning liability using a credit adjusted risk-free rate of 10%, as at March 31, 2025 (March 31, 2024 – 10%). The Company's credit spread is determined using the Company's implied cost of borrowing at the end of the reporting period.

The Company has estimated current decommissioning expenditures due immediately based on current cost estimates, net of salvage value of \$604 (March 31, 2024 - \$102).

As at March 31, 2024, the Company had estimated long-term decommissioning expenditures based on current cost estimates, net of a salvage value of \$110. These cost estimates were inflated to reflect the amounts expected to be incurred at the estimated time of abandonment after five (5) years, using an inflation rate of 3%.

The Company incurred \$11 (2024: \$10) in accretion costs related to the long-term decommissioning liability.

10. SHARE CAPITAL

(a) Authorized

Unlimited common and preferred shares without par value.

(b) Issued and outstanding common shares

On May 12, 2025, the Company completed a consolidation of its common shares on the basis of one new common share for every ten outstanding common shares, resulting in the Company having 10,239,354 common shares issued and outstanding. All common share, share option, warrant and compensation option amounts reported in the consolidated financial statements have been updated to reflect the consolidation.

No shares were issued during the year ended March 31, 2025

Shares issued during the year ended March 31, 2024

On May 1, 2023, in connection with the Pinta South Project acquisition (Note 5), the Company completed a brokered private placement. The Company issued a total of 2,500,000 special warrants at a price of \$5.00 per special warrant for gross proceeds of \$12,500.

Each special warrant was automatically exercised into one unit. Each unit consists of one (1) common share of the Company and one (1) common share purchase warrant. Each warrant shall entitle the holder thereof to purchase one common share at an exercise price of \$7.50 at any time up to May 1, 2025.

In consideration for their services, the agent received a cash commission of \$750, a corporate finance fee of 50,000 common shares in the Company and 150,000 compensation special warrants. Each compensation special warrant was automatically exercised into one (1) compensation option (a "Compensation Option"). Each compensation option will entitle the holder to purchase one unit at a price of \$5.00 per unit. A unit consists of one (1) common share of the Company and one (1) common share purchase warrant. Each warrant shall entitle the holder thereof to purchase one common share at an exercise price of \$7.50 at any time up to May 1, 2025.

The Company issued 32,432 common shares of the Company at a deemed price of \$5.00 per common share as a fee to a service provider controlled by a director of the Company, who assisted by providing administration services in connection with the transaction. The amount is recorded as part of general and administrative expenses in the Statement of Loss in the period.

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10. SHARE CAPITAL (Continued)

(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 \$0.50 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.

No share options were issued during the year ended March 31, 2025

Share options issued during the year ended March 31, 2024

On July 26, 2023, the Company granted 423,000 stock options to directors, officers, and consultants of the Company pursuant to the Company's stock option plan, of which 398,000 are exercisable at a price of \$5.00 until July 26, 2033 and vest at specific dates over a 12-month period from the date of grant. The remaining 25,000 stock options relate to an investor relations consultant. The options are exercisable until July 26, 2028 and vest in four equal tranches on a quarterly basis over a 12-month period. Using the Black-Scholes valuation model, the grant date fair value was \$1,394, or \$3.33 per option. The following weighted average assumptions were used for the valuation of the share options: risk-free interest rate of 3.53%, expected life of 10 years, annualized volatility of 75% and dividend rate of 0.00%. During the year ended March 31, 2024, \$1,394 of share-based compensation was recognized in connection with the grant and vesting of stock options in the period. The full amount of expense was recognized related to accelerated vesting provisions (IFRS 2) due to the cancellation of stock options on October 23, 2023.

On March 31, 2024, 112,500 stock options with a weighted average exercise price of 8.88 expired unexercised.

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10. SHARE CAPITAL (Continued)

A summary of changes in share options is presented below:

	Number of options	Weighted average exercise price \$
Balance, March 31, 2023	538,290	10.60
Granted	423,000	5.00
Expired	(112,500)	12.20
Cancelled	(423,000)	5.00
Balance, March 31, 2024	425,790	10.00
Cancelled	(188,790)	10.30
Balance, March 31, 2025	237,000	10.00

The following table summarizes information about the share options outstanding and exercisable at March 31, 2025:

Outstanding and exercisable	Exercise price \$	Expiry date
237,000	10.00	November 8, 2031
237,000		

(d) Warrants

The following table summarizes information about the warrants outstanding and exercisable at March 31, 2025:

Outstanding and exercisable	Weighted average exercise price \$	Expiry date	Weighted average remaining contractual life (years)
1,250,000	20.00	November 8, 2026	1.6
2,500,000	7.50	May 1, 2025	0.1
3,750,000	11.70		

Subsequent to year end, the 2,500,000 warrants exercisable at \$7.50, and set to expire on May 1, 2025, were re-priced to \$0.25 and their expiry date was extended until May 1, 2028.

A summary of changes in warrants is presented below:

	Warrants outstanding	Weighted average exercise price \$
Balance, March 31, 2023	1,250,000	20.00
Issued	2,500,000	7.50
Balance, March 31, 2024 and March 31, 2025	3,750,000	11.70

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10. SHARE CAPITAL (Continued)

(e) Compensation options

150,000 compensation special warrants related to the May 1, 2023 brokered private placement were automatically exercised into one (1) compensation option (a "Compensation Option"). Each compensation option will entitle the holder to purchase one unit at a price of \$5.00 per unit. A unit consists of one (1) common share of the Company and one (1) common share purchase warrant. Each warrant entitled the holder thereof to purchase one common share at an exercise price of \$7.50 at any time up to May 1, 2025.

As at March 31, 2025, there are 150,000 compensation options outstanding exercisable at \$5.00 (March 31, 2024: 150,000).

On May 1, 2025, the 150,000 compensation options expired unexercised.

11. 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, except for the loan payable, are non-interest bearing and payable on demand.

- a) Included in amounts payable and accrued liabilities at March 31, 2025 was \$219 (March 31, 2024: \$81) due to officers, directors and former officers and directors of the Company.
- b) Remuneration of directors and key management of the Company was as follows:

	Year ended, March 31, 2025	Year ended, March 31, 2024
	\$	\$
Consulting and management fees	120	452
Rent	12	12
Share-based compensation	-	965
	132	1,429

See Note 8 – Loan Payable

See Subsequent Events – Note 17

12. REVENUE

For the years ended March 31, 2025 and 2024, the Company's revenue resulted from helium and methane gas sales from the Pinta South Project.

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13. 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 and the business line of credit 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 increase its debt. As a part of its loan commitments, the Company is required to obtain authorization from the lender prior to obtaining further advances on its line of credit (Note 7). As at March 31, 2025, the lender has paused any further loan advances. The Company is not subject to any other externally imposed capital requirements.

Management reviews its capital management approach on an ongoing basis. During the year ended March 31, 2025, there has been no change in the Company's management of capital policies, except for the line of credit described in Note 7 and loan payable described in Note 8. Future activities are expected to be financed through 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.

14. FINANCIAL INSTRUMENTS

Financial Risk Management

Cash, amounts receivable (excluding sales taxes), amounts payable and accrued liabilities, loan payable and the line of credit are held at amortized cost which approximates fair value due to the short-term nature of these instruments.

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

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 (i.e. as prices) or indirectly (i.e. derived from prices), and;

Level 3 – Inputs that are not based on observable market data.

Financial Instrument Risk Exposure

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:

Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash and amounts receivables.

To minimize the credit risk related to cash, the Company places these instruments with a top tier banks in Canada and the United States.

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14. FINANCIAL INSTRUMENTS (Continued)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective when managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company uses cash to settle its financial obligations as they fall due. The ability to do this relies on the Company collecting its accounts receivables in a timely manner and maintaining sufficient cash on hand through bank loan financing and issuance of shares.

The Company is exposed to liquidity risk on its loan payable, and its business line of credit agreement to the extent that its line of credit is based on US prime rates of interest. The Company is exposed to liquidity risk on its business line of credit, as it runs the risk of defaulting on its loan covenants.

Currency Risk

The Company is exposed to foreign currency risk because the Company's US subsidiary operations incur operating expenses in US dollars. Therefore, a decrease in the value of the CAD relative to the USD increases the value of expenses in USD terms incurred by the Company's US operations, which increases expenses and decreases the cash flow available to fund operations.

As at March 31, 2025, the Company had cash of \$7, accounts receivable of \$26, amounts payable and accrued liabilities of \$1,104, decommissioning liability of \$604, and a line of credit of \$512 which were denominated in US dollars related to its US subsidiary.

Sensitivity Analysis

The Company's borrowing under the existing line of credit are at variable rates of interest and expose the Company to interest rate risk. The Company has completed a sensitivity analysis to estimate the impact on comprehensive income which a change in interest rates at and during the year ended March 31, 2025 would have had on the Company. The result of this sensitivity analysis indicates that a 0.5% increase (decrease) in the prime interest rates would not have a material impact.

The Company has completed a sensitivity analysis to estimate the impact on comprehensive earnings which a change in foreign exchange rates as at and during the year ended March 31, 2025 would have had on the Company. The result of this sensitivity analysis indicates that a 10% increase (decrease) in the average value of the US dollar relative to the Canadian dollar during the period would have resulted in an increase (decrease) in net loss of approximately \$59.

15. SEGMENTED INFORMATION

As at March 31, 2025, the Company primarily operates in one reportable operating segment, being helium exploration and development in the USA.

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16. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	Year ended, March 31, 2025	Year ended, March 31, 2024
	\$	\$
Loss for the year	(17,727)	(6,905)
Expected income tax (recovery)	(4,063)	(1,615)
Change in statutory, foreign tax, foreign exchange rate and other	648	(289)
Permanent differences	79	1,907
Share issue costs	-	(116)
Change in unrecognized deductible temporary differences	3,336	113
	-	-

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	Year ended, March 31, 2025	Year ended, March 31, 2024
	\$	\$
Deferred tax assets (liabilities)		
Exploration and evaluation assets	3,840	333
Property and equipment and capital assets	251	40
Share issue costs	100	147
Allowable capital assets	-	546
Non-capital losses available for future use	2,492	2,281
	6,683	3,347
Unrecognized deferred tax assets	(6,683)	(3,347)
	-	-

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16. INCOME TAXES (Continued)

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	Year ended, March 31, 2025	Year ended, March 31, 2024
	\$	\$
Temporary Differences		
Exploration and evaluation assets	18,092	2,934
Property and equipment and capital assets	1,169	166
Share issue costs	370	545
Allowable capital assets	-	2,021
Non-capital losses available for future periods	9,733	8,929
Canada	7,462	6,766
USA	2,271	2,163

The Company has non-capital losses for Canadian tax purposes of approximately \$7,462 that are available for deduction against future income and that expire between 2029 and 2045. The Company has net-operating losses for USA tax purposes of approximately \$2,271 that can be carried forward indefinitely.

17. SUBSEQUENT EVENTS

- a) On April 7, 2025, Brooks Range Corporation, a wholly-owned subsidiary of the Company, entered into a letter of intent with Pinta South Operating Company, LLC, Butler Minerals I, LLC, Desert Eagle Operating, LLC and Mid America Exploration LLC (collectively, the "Vendors"), which provides for the acquisition (the "Transaction") of a working interest in certain oil and gas leases, and associated pooling and unitization agreements, equipment and fixtures and surface leases and permits, in the Holbrook Basin (the "Pinta South Assets"). The Pinta South Assets will form part of the Company's existing Pinta South Project, and in consideration the Company will assume responsibility for reclamation of the locations of existing wells and the Vendors will forgive approximately US\$600 of joint interest payments currently owing by the Company in connection with development of the Pinta South Project. The Letter of Intent does not bind the parties to complete the Transaction. Completion of a Transaction is subject to a number of conditions, including the satisfactory completion of due diligence, the negotiation of definitive documentation and completion of customary closing deliverables.
- b) On June 11, 2025, the Company closed two debt settlement agreements as follows:
 - The Company issued 5,266,830 common shares at a deemed price of \$0.10 per common share to settle the outstanding Loan Payable totaling \$527 (see Note 8).
 - The Company issued 1,500,000 common shares at a deemed price of \$0.10 per common share to a company controlled by a director to settle outstanding payables of \$231 owing for accounting, auditing and corporate governance services rendered over the past twenty months. The outstanding debt was settled for \$150 and the remaining amount owing was written off by the Company.
- c) On June 11, 2025, the Company closed a brokered private placement offering of 19,855,000 units of the Company at a price of \$0.10 per unit for gross proceeds to the Company of \$1,985. Each unit consisted of one (1) common share of the Company and one (1) common share purchase warrant. Each warrant entitles the holder thereof to purchase one (1) additional common share at an exercise price of \$0.25 at any time on or before June 11, 2030. In the event that the closing price of the common shares on the TSX Venture Exchange is equal to or greater than \$0.75 for a period of twenty consecutive trading days, the Company may, within five trading days following the acceleration event, upon issuing a news release, accelerate the expiry date of the warrants to the date that is not less than 30 days following the date of such news release.

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17. SUBSEQUENT EVENTS (Continued)

In connection with the offering, the agent received a cash commission of \$139 and 1,389,850 compensation options, and a corporate finance fee of \$100, paid 25% in cash and 75% in the form of units of the Company, having the same terms and conditions as the units issued above.

Concurrent with the closing of the offering, the Company made a partial repayment of US\$150 against its Line of Credit (Note 7) from the proceeds of the offering. This leaves the loan facility with an outstanding balance of US\$206 owing, which the Company will pay in monthly payments of US\$10 beginning on September 21, 2025.

The Company and the agent entered into a strategic advisory services agreement, as amended, pursuant to which the agent provides the Company with certain strategic advisory services. Pursuant to the terms of the advisory agreement, the Company issued 1,500,000 units of the Company at a deemed price of \$0.15 per unit to the agent for certain strategic advisory services rendered to the Company to date at a deemed value of \$225. Each unit is comprised of one (1) common share and one (1) common share purchase warrant. Each warrant entitles the holder thereof to purchase one (1) additional common share at an exercise price of \$0.25 at any time on or before April 11, 2030, subject to the acceleration.

- d) On July 7, 2025, the Company granted 2,400,000 performance warrants to officers and directors of the Company. The performance warrants will become exercisable upon the following milestones of the market price of the Company: \$0.35, \$0.75, \$1.00 and \$1.50. Each performance warrant entitles the holder thereof to purchase one common share at an exercise price of \$0.30 at any time up to July 7, 2030.
- e) On July 7, 2025, the Company granted 2,700,000 stock options to officers and directors of the Company. Each stock option entitles the holder thereof to purchase one common share at an exercise price of \$0.30 at any time up to July 7, 2030. The stock options vest in three equal tranches, with one-third vesting on the grant date, and the remaining vesting 6 and 12 months after the grant date.