Index

Consolidated Balance Sheets
Consolidated Statements of Loss and Comprehensive Loss
Consolidated Statements of Changes in Shareholders' Equity
Consolidated Statements of Cash Flows
Notes to the Consolidated Financial Statements

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
First Helium Inc.

Opinion

We have audited the accompanying consolidated financial statements of First Helium Inc. (the "Company"), which comprise the consolidated balance sheets as at March 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the balance sheets of the Company as at March 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

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 other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a net loss of $3.2 million during the year ended March 31, 2024 and, as of that date, the Company had negative working capital of $0.7 million. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on 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 the matters described below to be key audit matters to be communicated in our auditor's report.

<u>*Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")*</u>

As described in Note 5 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $11,440,301 as of March 31, 2024. As more fully described in Note 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity and expenditure budgets for future periods.
- Obtaining, on a test basis, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Critical accounting estimates and judgments – Oil & Gas Reserves:

As described in Notes 3 and 6 to the consolidated financial statements, the Company uses estimated proved and probable oil and gas reserves to assess for indicators of impairment for the Company's property, plant, and equipment ("PP&E") on a cash generating unit ("CGU") basis, and to determine the amount of depletion during the year.

The principal considerations for our determination that estimating oil and gas reserves is a key audit matter is that these reserves are significant in management's estimates and judgements related to reviewing for impairment indicators on PP&E and measuring annual depletion. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of oil and gas reserves.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Obtaining the engineering report on proven and probable oil & gas reserves from the Company's "qualified person" in compliance with National Instrument 51-101.
- Evaluating the competence, capabilities and objectivity of the independent third-party reserve evaluator engaged by the Company.
- Reviewing management's impairment assessment for internal and external indicators of impairment.
- Reviewing managements identification of CGU's and verifying the carrying amounts.
- Recalculating depletion and ending balances.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

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.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 Accounting Standards, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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 year ended 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 Daniel Nathan.

Davidson & Company LLP

Vancouver, Canada | Chartered Professional Accountants

July 29, 2024

First Helium Inc.
Consolidated Balance Sheets
Cdn$

As at		**March 31, 2024**		March 31, 2023
ASSETS				
Current assets				
Cash and cash equivalents	**$**	**157,787**	$	165,274
Accounts receivable (Note 9)		**119,601**		177,668
Prepaids and deposits (Note 8)		**307,292**		88,068
		584,680		431,010
Long-term deposit (Note 7)		**432,739**		366,594
Exploration and evaluation (Note 5)		**11,440,301**		11,234,779
Property, plant and equipment (Note 6)		**3,762,136**		5,033,742
	$	**16,219,856**	$	17,066,125
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities	**$**	**1,284,716**	$	1,402,716
Financial lease liability – current (Note 12)		**60,627**		80,359
		1,345,343		1,483,075
Financial lease liability (Note 12)		**-**		60,627
Asset retirement obligations (Note 7)		**1,240,236**		1,241,299
		2,585,579		2,785,001
SHAREHOLDERS' EQUITY				
Shareholders' capital (Note 8)		**21,350,450**		21,403,822
Share subscriptions advance (Note 8)		**2,417,800**		-
Contributed surplus (Note 8)		**2,107,736**		1,923,456
Deficit		**(12,241,709)**		(9,046,154)
		13,634,277		14,281,124
	$	**16,219,856**	$	17,066,125

Nature and continuance of operations (Note 1)
Subsequent event (Note 8 and 16)

See accompanying notes to the consolidated financial statements.

On behalf of the Board of Directors:

"Signed"	"Signed"
Edward Bereznicki	Todd Holmstrom
Director	Director

First Helium Inc.

Consolidated Statements of Loss and Comprehensive Loss

Cdn$

	Year ended March 31, 2024	Year ended March 31, 2023
REVENUES		
Petroleum revenue (Note 10)	**1,130,809**	8,216,893
Royalties	**(186,961)**	(2,467,021)
	943,848	5,749,872
EXPENSES		
Operating expense	**505,094**	1,082,935
Transportation	**144,680**	724,726
Personnel	**828,238**	733,427
General and administrative	**211,660**	256,086
Investor relations and marketing	**504,093**	787,205
Professional fees	**181,633**	222,416
Software and office	**215,795**	207,113
Interest income	**(294)**	(80,091)
Share-based compensation (Note 8)	**184,397**	461,626
Depletion and amortization (Note 6 and 12)	**1,124,944**	4,022,000
Impairment (Note 6)	**-**	4,230,000
Loss on sale of asset (Note 6)	**199,520**	-
Accretion expense (Note 7)	**39,643**	35,337
	4,139,403	12,682,780
Net and comprehensive loss	**(3,195,555)**	(6,932,908)
Net loss per share - basic and diluted	**(0.04)**	(0.09)
Weighted average shares - basic and diluted	**87,059,353**	78,053,148

See accompanying notes to the consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity

	Shareholders' capital	**Contributed surplus**	**Deficit**	**Total Equity**
Balance at March 31, 2022	$ 17,411,527	1,457,981	(2,113,246)	$ 16,756,262
Exercise of warrants	1,621,824	(12,492)	-	1,609,332
Exercise of options	16,298	(7,548)	-	8,750
Issued from private placement, net	2,354,173	23,889	-	2,378,062
Share-based compensation	-	461,626	-	461,626
Net loss for the year	-	-	(6,932,908)	(6,932,908)
Balance at March 31, 2023	$ 21,403,822	1,923,456	(9,046,154)	14,281,124

	Shareholders' capital	**Share subscription advance**	**Contributed surplus**	**Deficit**	**Total Equity**
Balance at March 31, 2023	$ 21,403,822	-	1,923,456	(9,046,154)	14,281,124
Issued from private placement	-	2,417,800	-	-	2,417,800
Issuance costs	(53,372)				(53,372)
Share-based compensation	-	-	184,280	-	184,280
Net loss for the year	-	-	-	(3,195,555)	(3,195,555)
Balance at March 31, 2024	**$ 21,350,450**	**2,417,800**	**2,107,736**	**(12,241,709)**	**13,634,277**

See accompanying notes to the consolidated financial statements.

First Helium Inc.
Consolidated Statements of Cash Flows
Cdn$

	Year ended March 31, 2024	Year ended March 31, 2023
OPERATING ACTIVITIES		
Net loss	**(3,195,555)**	(6,932,908)
Items not involving cash:		
Share-based compensation	**184,280**	461,626
Depletion (Note 6)	**1,030,000**	4,022,000
Impairment (Note 6)	**-**	4,230,000
Amortization (Note 12)	**94,944**	7,416
Accretion expense (Note 7)	**39,643**	35,337
Loss on sale (Note 6)	**199,520**	-
	(1,647,168)	1,823,471
Changes in non-cash working capital (Note 14)	**(377,332)**	1,000,150
	(2,024,500)	2,823,621
FINANCING ACTIVITIES		
Share subscriptions in advance (Note 8)	**2,417,800**	2,442,131
Share issuance cost (Note 8)	**(53,372)**	(84,227)
Exercise of options and warrants (Note 8)	**-**	1,638,122
Lease payment (Note 12)	**(94,944)**	(34,923)
	2,269,484	3,961,103
INVESTING ACTIVITIES		
Expenditures on exploration & evaluation	**(205,522)**	(7,152,984)
Expenditures on property, plant & equipment	**(294,229)**	(4,254,255)
Disposition of equipment (Note 6)	**215,250**	-
Change in long-term deposit (Note 7)	**(66,145)**	(111,465)
Changes in non-cash working capital (Note 14)	**98,175**	(631,219)
	(252,471)	(12,149,923)
Change in cash and cash equivalents	**(7,487)**	(5,365,199)
Cash and cash equivalents, start of year	**165,274**	5,530,473
Cash and cash equivalents, end of year	**157,787**	165,274

See accompanying notes to the consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

First Helium Inc. ("First Helium" or the "Company") is a company focused on the exploration, development, and production of helium across western Canada. Petroleum and natural gas are produced as part of its operations. The Company was incorporated under the laws of the Province of British Columbia on May 10, 2016. On July 12, 2021, the Company began trading on the TSXV Exchange under the symbol HELI. Operations are conducted by First Helium's wholly-owned subsidiary, First Helium Alberta Inc. The address of the Company's corporate office 550 - 800 West Pender Street, Vancouver, British Columbia, V6C 2V6.

The business of exploring for helium and petroleum and natural gas involves a high degree of risk and there can be no assurance that planned exploration and development programs will result in profitable helium operations. The continuance of the Company is dependent upon completion of the exploration and development properties, the discovery of economically recoverable reserves, and the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of the Company's assets.

These consolidated financial statements have been prepared on a going concern basis which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company earned $1.1 million in revenues during the year ended March 31, 2024 and incurred a net loss of $3.2 million. As at March 31, 2024, the Company has a negative working capital of $0.7 million (2023 – negative working capital of 1.0 million). Management will need additional debt or equity financing for its development activities. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability generate net cash from operating activities and/or raise additional financing to meet its ongoing operational requirements and to fund its exploration and development programs. These consolidated financial statements do not reflect the adjustments to the carrying values and classification of assets and liabilities should the Company were unable continue as a going concern. Such adjustments could be material.

Evolving Demand for Energy - Changing Regulation

Emission, carbon, and other regulations impacting climate and climate-related matters are dynamic and constantly evolving. With respect to environmental, social, and governance ("ESG") and climate reporting, the International Sustainability Standards Board has issued two IFRS Sustainability Disclosure Standards with the aim to develop sustainability disclosure standards that are globally consistent, comparable, and reliable. In addition, the Canadian Securities Administrators have issued a proposed National Instrument 51-107 Disclosure of Climate-related Matters. The cost and financial reporting impact of compliance with these standards, and others that may be developed or evolve over time, has not yet been quantified by the Company.

2. BASIS OF PRESENTATION

These consolidated financial statements have been prepared in accordance with the IFRS issued by the International Accounting Standard Board ("IASB").

A summary of the material accounting policies applied in the financial statements is presented in Note 3. These consolidated financial statements are presented in Canadian dollars, except when otherwise indicated. These consolidated financial statements include the accounts of First Helium together with its wholly-owned subsidiary, First Helium Alberta Inc. All intercompany balances and transactions have been eliminated on consolidation. The financial statements were approved by the Company's Board of Directors on July 26, 2024.

3. MATERIAL ACCOUNTING POLICIES

Revenue Recognition
Revenue associated with the sales of petroleum and natural gas is recognized when control of the product is transferred to the customer. The Company's commodity sales contracts represent a series of distinct transactions. Revenue is measured at the consideration specified in the contracts and represents amounts receivable for goods or services provided in the normal course of business. First Helium considers its performance obligations to be satisfied and control to be transferred when all the following conditions are satisfied:

- the Company has transferred title and physical possession of the goods to the buyer;
- the Company has transferred the significant risks and rewards of ownership of the goods to the buyer; and
- the Company has the present right to payment.

Transportation
Costs incurred by First Helium for the transportation of crude oil from wellhead to the point of where control transfers to the customer is recognized as the service is provided. These costs are considered transportation costs if they involve transporting saleable product. Transportation of emulsion or unprocessed gas are considered operating costs.

Joint arrangements
The Company conducts a portion of its activities jointly with others. These financial statements reflect only the Company's proportionate interest in such activities.

Exploration and evaluation ("E&E")
Costs incurred prior to obtaining the legal right to explore (pre-exploration costs) are expensed in the period in which they are incurred as E&E expense.

Costs incurred after the legal right to explore is obtained are initially capitalized by exploration area. Exploration and evaluation assets consist of the expenditures incurred in an area where technical feasibility and commercial viability of the reserves has not yet been determined. These costs include undeveloped land, costs of drilling exploratory wells, geological and geophysical costs and other directly attributable costs thereon and are capitalized on an area-by-area basis.

Exploration and evaluation assets are assessed for indicators of impairment at each reporting date, or any time facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The impairment of exploration and evaluation assets, and any eventual reversal thereof, is recognized in the statement of profit or loss. The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when proved or probable reserves are determined to exist.

Property, plant and equipment ("PP&E")
Items of property, plant and equipment, which include resource development and production assets, are measured at cost less accumulated depletion and depreciation and accumulated impairment losses. PP&E are capitalized on an area-by-area basis and include costs associated with the development of petroleum and natural gas properties as well as corporate assets. Gains and losses on the dispositions of PP&E are determined by comparing the sale proceeds with the carrying amount of the asset and are recognized in earnings.

Depletion and depreciation
PP&E relating to the development of petroleum and natural gas properties are componentized into groups of assets ("areas") with similar useful lives for the depletion calculation. The net carrying value is depleted using the unit-of-production method, calculated as the ratio of production in the year compared to the related proved and probable reserves, taking into account estimated future development costs necessary to bring those reserves into production. These estimates are reviewed by Company reserves engineers at least annually.

Depreciation of corporate assets is calculated on a straight-line basis over the useful lives of the assets. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Impairment
The Company's PP&E is grouped into cash generating units ("CGUs" or "areas") for purposes of impairment testing. CGUs or areas are groups of assets that generate cash inflows independently of other assets held by the Company. Geological formation, product type, geography and internal management are key factors considered when grouping the Company's oil and gas assets into areas.

The carrying amount of PP&E is reviewed for impairment indicators at each reporting date, or any time when changes in circumstances indicate that the carrying amounts may not be recoverable. The recoverable amount is the greater of the area's fair value less cost to sell and the value-in-use. Fair value less costs to sell is the estimated amount for which the asset could be sold in an arm's length transaction. Value-in-use is estimated using the discounted present value of the Company's proved plus probable reserves. Discounted future net cash flows are based on forecasted commodity prices and costs over the expected economic life of reserves and discounted using market-based rates.

An impairment expense is recognized for the amount by which the carrying amount exceeds the recoverable amount. Impairment expense is reversed when there has been a subsequent increase in the recoverable amount, but only to the extent of what the carrying amount would have been had no impairment been recognized.

Asset retirement obligations

The Company recognizes a provision for future obligations associated with the retirement of petroleum and natural gas properties. The provision is recorded in the period in which it is incurred, with a corresponding increase in the carrying amount of the related asset. The estimated future costs are discounted using a risk-free interest rate. The capitalized costs are depleted along with the related property, plant and equipment. The liability amount is increased each period due to the passage of time and the amount of accretion is expensed in the period. Periodic revision to the liability's specific discount rate, estimated timing of cash flows, or the original estimated undiscounted cost can result in an increase or decrease to asset retirement obligation and the related asset in PP&E. Actual expenditures incurred are recorded against the accumulated obligation.

Income taxes

The Company follows the liability method for accounting for income taxes, where deferred income taxes are recorded for the effect of any temporary difference between the accounting and income tax basis of an asset or liability, using the substantively enacted income tax rates expected to apply when the assets are realized, or liabilities are settled. Deferred income tax balances are adjusted to reflect changes in income tax rates that are substantively enacted with the adjustment recognized in earnings in the period that the change occurs except when it relates to items charged or credited directly to equity, in which case the deferred income tax effect is recorded in equity.

Share capital

The Company's common shares are classified as equity. Transaction costs directly attributable to the issuance of common shares are recognized as a deduction from equity, net of any income taxes.

Financial instruments

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as "financial assets at fair value", as either fair value through profit or loss ("FVPL") or fair value through other comprehensive income ("FVOCI"), and "financial assets at amortized costs", as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company's business model and the contractual terms of the cash flows. All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Trade receivables or debt securities issued are initially recognized when they are originated. All other financial asset and financial liabilities are recognized when the Company becomes a part to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value. Financial liabilities are measured at amortized cost or FVOCI. A financial liability is classified as FVPL if it is classified as held for trading, it is a derivative, or it is designated as such on initial recognition.

(a) Amortized cost

Accounts receivable and accounts payable and accrued liabilities are measured at amortized cost. These financial instruments are initially measured at fair value and subsequently are recorded at amortized cost using the effective interest method.

(b) Impairment of financial assets

Impairment of financial assets is determined by measuring the assets' expected credit loss ("ECL"). Accounts receivable are due within one year and are not considered to have a significant financing component and a lifetime ECL is measured at the date the accounts receivable is initially recognized.

Related parties

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. Parties are also considered to be related if they are subject to common control. 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.

Reclassification

Certain prior period financial information has been reclassified to conform with the current year presentation, with no impact on net assets, and net and comprehensive loss.

New accounting standards

The Company adopted the amendments to IAS1 – *Presentation of Financial Statements*, which became effective for annual reporting periods beginning on or after January 1, 2023. In this amendment, the IASB has refined its definition of 'material' and issued amendments on the application of materiality to the disclosure of accounting policies. These amendments have not had a significant impact on the Company's disclosures of accounting policies or the presentation of the financial statements.

4. SIGNIFICANT JUDGEMENTS AND MANAGEMENT UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses for the period. The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities are discussed below.

Recoverability of asset carrying values

Judgements are required to assess when impairment indicators exist and impairment testing is required. In determining the recoverable amount of assets, in the absence of quoted market prices, impairment tests are based on estimates of reserves, production rates, future oil and natural gas prices, future costs, discount rates, market value of land and other relevant assumptions.

The recoverable amount of a CGU or an area is estimated using the following information:

- The net present value of the before tax cash flows from proved plus probable reserves in each CGU, as estimated by the Company's independent reserves evaluator.

Key estimates used in determining cash flows from the Company's reserves include:

- Reserves - Assumptions that are valid at the time of reserve estimation may change significantly when new information becomes available. Changes in forward price estimates, production costs, required capital expenditures, the estimate of oil and gas in place, or recovery rates may change the estimated amount and value of the reserves.
- Crude oil and natural gas prices - Forward price estimates are used in the discounted cash flow model. These prices are adjusted for quality differentials, heat content and distance to market. Commodity prices can fluctuate for a variety of reasons including supply and demand fundamentals, inventory levels, exchange rates, weather, economic factors, geopolitical factors and in the longer term shifting needs of carbon based energy in response to climate change.
- Discount rate - The discount rate used to calculate the net present value of cash flows is based on estimates of an industry peer group weighted average cost of capital as appropriate for each area being tested. Changes in the general economic environment could result in significant changes to this estimate.

The application of the Company's accounting policy for exploration and evaluation assets requires management to make certain judgements as to future events and circumstances as to whether economic quantities of reserves have been found in assessing if technical feasibility and commercial reserves have been achieved.

Reserve estimates

Property, plant and equipment relating to the development of petroleum and natural gas properties are depleted using the unit-of-production method based on estimated proved and probable reserves determined using estimated future prices and costs. By their nature, these estimates of reserves, including geoscientific interpretation, production forecasts, future commodity prices and costs, and related future cash flows are subject to measurement uncertainty. The impact of changes in these factors on the financial statements of future periods could be material.

Abandonment costs

The provision for abandonment and reclamation is based on current legal and constructive requirements, technology, price levels and expected plans for remediation. Actual costs and cash outflows can differ from estimates because of changes in laws and regulations, public expectations, market conditions, discovery and analysis of site conditions and changes in technology.

Fair values

The estimated fair values of options and warrants calculated using the Black-Scholes model are based on significant assumptions such as volatility and expected term.

(All amounts in Canadian dollars unless otherwise indicated)

Taxes
Tax interpretations, regulations and legislation are subject to change and as such, income taxes are subject to measurement uncertainty. Deferred tax assets are recognized when it is considered probable that deductible temporary differences will be recovered in future periods, which requires management judgement. Income tax filings are subject to audits and re-assessments and changes in facts, circumstances and interpretations of the regulations and legislation may result in a material increase or decrease in the Company's income tax assets and liabilities.

5. EXPLORATION AND EVALUATION ("E&E") ASSETS

Cdn$	Worsley Helium	Southern AB	Total
Balance, March 31, 2022	6,332,492	1,093,996	7,426,488
Transfer to property, plant & equipment	(2,930,915)	-	(2,930,915)
Additions	6,520,050	219,156	6,739,206
Balance, March 31, 2023	9,921,627	1,313,152	11,234,779
Additions	205,522	-	205,522
Balance, March 31, 2024	**10,127,149**	**1,313,152**	**11,440,301**

E&E assets of $11.4 million consist of the Company's undeveloped land and exploration projects that have yet to be established as technically feasible and commercially viable.

In fiscal 2024, the Company opted not to acquire certain lands within the Seismic Review and Option Agreement entered into in fiscal 2022 with a large land holder in southern Alberta. The agreement has lapsed in fiscal 2024. In order to continue exploration of these lands, the Company will need to raise additional financing and agree on new terms with the counterparty. Management intends to pursue further exploration in this area, and expects to be successful in these endeavours, but there is no guarantee of a successful outcome.

6. PROPERTY, PLANT & EQUIPMENT ("PP&E")

Cdn$	Worsley AB	Corporate	Total
Balance, March 31, 2022	5,659,835	-	5,659,835
Additions	4,668,033	-	4,668,033
Transfer from E&E assets	2,930,915	-	2,930,915
Change in asset retirement obligations	296,993	-	296,993
Addition of right to use asset	-	168,494	168,494
Balance, March 31, 2023	13,555,776	168,494	13,724,270
Additions	294,229	-	294,229
Disposal of equipment	(414,770)	-	(414,770)
Change in asset retirement obligations	(40,706)	-	(40,706)
Balance, March 31, 2024	**13,394,529**	168,494	**13,563,023**

Accumulated depletion and depreciation	Worsley AB	Corporate	Total
Balance, March 31, 2022	(438,528)	-	(438,528)
Depletion and depreciation	(3,990,352)	-	(3,990,352)
Amortization of right to use asset	-	(31,648)	(31,648)
Impairment	(4,230,000)	-	(4,230,000)
Balance, March 31, 2023	(8,658,880)	(31,648)	(8,690,528)
Depletion and depreciation	(1,030,000)	-	(1,030,000)
Amortization of right to use asset	-	(80,359)	(80,359)
Balance, March 31, 2024	**(9,688,880)**	**(112,007)**	**(9,800,887)**

Net carrying amount			
Balance, March 31, 2023	4,896,896	136,846	5,033,742
Balance, March 31, 2024	**3,705,649**	**56,487**	**3,762,136**

The calculation of depletion and depreciation expense for the year ended March 31, included estimated future development costs of $2.7 million (March 31, 2023 - $2.7 million) associated with proved and probable reserves in the core development area.

(All amounts in Canadian dollars unless otherwise indicated)

In the year ended March 31, 2024, the Company disposed of a portion of its tangible equipment in the Worsley field for net proceeds of $0.2 million, the equipment had a recorded value of $0.4 million, with a loss on sale of $0.2 million recorded in the consolidated income statement.

Impairment

The Company identified three cash generating units as of March 31, 2024 and 2023, based on the lowest level at which properties generate cash inflows while applying judgment to consider factors such as shared infrastructure, geographic proximity, similar exposures to market risk and materiality, and petroleum type. The Company's CGUs at March 31, 2024 were geographically labelled Worsley Oil, Worsley Helium, and Southern Alberta. For the year ended March 31, 2024, Worsley Helium and Southern Alberta are in exploration phase and the Company has determined that there were no indicators of impairment and the area Worsley Oil did not have indicators of impairment.

As at March 31, 2023, indicators of impairment were identified as a result of the reduction in its oil reserves.. An impairment test was carried out at March 31, 2023 on its Worsley Oil CGU. Recoverable value was estimated based on value in use from proved and probable oil reserves. It was determined that the estimated recoverable value of $3.6 million of the Worsley Oil CGU was below its carrying value of $7.8 million. The before tax discount rates applied in the calculation as at March 31, 2023 were 20 percent.

The following table outlines forecasted oil and gas commodity prices and exchange rates used in the impairment test at March 31, 2023. The forecasted oil and gas commodity prices are consistent with those used by the Corporation's external reserve evaluators and are a significant assumption in assessing the recoverable amount.

	Oil		Natural gas	Natural Gas Liquids				
Year	Canadian Light Sweet 40API	Western Canadian Select Hardisty	AECO Gas Price	Edmonton Propane	Edmonton Butane	Edmonton Pentanes	Inflation rate(2)	Exchange rate (3)
	Cdn$/bbl	Cdn$/bbl	Cdn$/mmbtu	Cdn$/bbl	Cdn$/bbl	Cdn$/bbl	%/yr	US$/Cdn$
2023	106.67	90.67	3.20	110.67	52.57	36.37	2.0	0.7500
2024	104.40	92.26	3.83	108.39	54.19	38.99	2.0	0.7800
2025	99.16	86.77	4.13	103.23	51.61	39.42	2.0	0.7800
2026	101.14	88.51	4.21	105.29	52.65	40.21	2.0	0.7800
2027	103.16	90.28	4.30	107.40	53.70	41.01	2.0	0.7800
2028	105.23	92.09	4.38	109.54	54.77	41.83	2.0	0.7800
2029	107.33	93.93	4.47	111.73	55.87	42.67	2.0	0.7800
2030	109.48	95.81	4.56	113.97	56.98	43.52	2.0	0.7800
2031	111.67	97.72	4.65	116.25	58.12	44.39	2.0	0.7800
2032	113.90	99.68	4.74	118.57	59.29	45.28	2.0	0.7800
2033	116.18	101.67	4.84	120.95	60.47	46.19	2.0	0.7800
Escalation rate of 2.0% thereafter								

The results of the Corporation's impairment tests are sensitive to changes in any of the key significant assumptions including forecasted oil and gas commodity prices, forecasted production, forecasted operating costs, royalty costs and future development costs which impact the estimate of cash flows from proved and probable oil and gas reserves, in addition to the discount rate, of which changes could decrease or increase the estimated recoverable amounts of CGUs and result in additional impairment charges or in the recovery of previously recorded impairment charges.

7. ASSET RETIREMENT OBLIGATIONS

	March 31, 2024	March 31, 2023
Balance, beginning of year	**1,241,299**	908,969
Liabilities incurred	**-**	128,268
Liabilities acquired	**-**	258,200
Change in estimates	**(40,706)**	(89,475)
Accretion expense	**39,643**	35,337
Balance, end of year	**1,240,236**	1,241,299
Expected to be incurred within one year	**-**	-
Expected to be incurred beyond one year	**1,240,236**	1,241,299

(All amounts in Canadian dollars unless otherwise indicated)

Abandonments are expected to occur between 2026 and 2045 and related costs will be funded mainly from the Company's cash provided by operating activities. The undiscounted amount required to settle the asset retirement obligations at March 31, 2024 is estimated to be $1.2 million (as at March 31, 2023 – $1.2 million). The liability for the expected cash flows, as reflected in the consolidated financial statements, has been inflated at 3.0% and discounted using a risk-free rate of 3.4% (March 31, 2023 – 3.0% and 2.9% respectively).

A long-term deposit is held with the Alberta Energy Regulator of $0.4 million (March 31, 2023 - $0.4 million), with interest received recorded in the consolidated income statement.

8. SHAREHOLDERS' EQUITY

Share capital

Authorized capital consists of an unlimited number of common shares ("common shares") with no par value.

As at March 31, 2024, there were 1,432,787 (March 31, 2023 – 6,667,606) common shares with 144,777 (March 31, 2023 ‑ 434,329) attached warrants held in escrow. These shares and warrants are subject to 36-month release schedule released upon listing and 15% released every six months thereafter expiring July 12, 2024.

	Year ended March 31, 2024			Year ended March 31, 2023		
	Shares		**Amount $**	Shares		Amount $
Balance, beginning of period	**87,059,353**	**$**	**21,403,822**	71,516,973	$	17,411,527
Issued from private placement	**-**		**-**	12,192,000		2,438,400
Subscription advance	**-**		**2,417,800**	-		-
Issuance costs	**-**		**(53,372)**	-		(84,227)
Exercise of warrants	**-**		**-**	3,325,380		1,621,824
Exercise of options	**-**		**-**	25,000		16,298
Balance, end of period	**87,059,353**	**$**	**23,768,250**	87,059,353	$	21,403,822

On December 29, 2022, the Company closed the non-brokered private placement of 12,192,000 units at a price of $0.20 per share for gross proceeds of $2,438,400 ($2,354,173 net of issuance costs). Each unit consists of one common share and one common share purchase warrant. The 12,192,000 purchase warrants issued are exercisable at a price of $0.30 per common share and will expire on December 22, 2024. The purchase warrants will be subject to acceleration at the Company's election in the event that the common shares trade on the TSX Venture Exchange at a volume weighted-average price of $0.40 or more per common share for any period of at least ten consecutive trading days.

During the year ended March 31, 2023, 3,325,380 shares were issued upon exercise of warrants for net proceeds of $1.6 million. In connection with the issuance, a total of $12,492 was reallocated from reserves to share capital. During year ended March 31, 2023, 25,000 shares were issued upon exercise of options for net proceeds of $8,750. In connection with the issuance, a total of $7,548 was reallocated from reserves to share capital.

On April 4, 2024, the Company closed the non-brokered private placement of 66,173,000 units at a price of $0.05 per unit for gross proceeds of $3,308,650. Each unit consists of one common shares and one common share purchase warrant ("Warrant"). The 66,173,000 Warrant issued are exercisable at a price of $0.075 per common shares and will expire April 4, 2027. The Warrants are not subject to acceleration. The proceeds will be used to fund asset development and general working capital. Of the total subscriptions, $1,985,000 was received from certain related parties. Of the subscription of $3,308,650, cash of $2,417,800 was received prior to March 31, 2024 with remaining $890,850 received on closing April 4, 2024. Of the $250,000 of share issue costs, $196,000 has been recorded as deferred financing costs in prepaids and deposits on the balance sheet as at March 31, 2024.

Warrants

The Company uses the residual approach when allocating the fair value of the share purchase warrants issued in conjunction with the offering of units through a private placement. The Company determines the fair value of the common share, and the residual value is allocated to the share purchase warrant for unit offerings that contain a common share and a share purchase warrant.

	Number of warrants		**WA exercise price**
Balance, March 31, 2022	22,518,698	$	0.50
Granted	12,486,700	$	0.30
Exercised	(3,325,380)	$	0.48
Expired	(2,442,313)	$	0.39
Balance, March 31, 2023	29,237,705	$	0.41

(All amounts in Canadian dollars unless otherwise indicated)

Expired	(16,751,005)	$	0.50
Balance, March 31, 2024	**12,486,700**	**$**	**0.30**

Warrants by expiry date	**Number of Warrants**	**Weighted average remaining (year)**		**Exercise Price per Warrant**
2024-Dec-22	12,486,700	0.7	$	0.30
Balance	12,486,700	**0.7**	**$**	**0.30**

On December 29, 2022, the Company issued 294,700 Warrants to various agents pursuant to the equity financing. The Black-Scholes option-pricing model was used to determine the fair value of warrants issued using the following assumptions:

	Warrants
Exercise price ($)	0.30
Expected life (years)	2.0
Risk-free interest (%)	3.8
Dividend yield (%)	-
Expected volatility (%)	96.0
Forfeiture rate (%)	-

Options

Pursuant to the Company's stock option plan, the Company may grant options to purchase common shares to officers, directors, employees, and consultants to a maximum of 10% of outstanding common shares of the Company. Options have expiry terms set by the Board set at the time of grant and shall not be more than ten years after the grant date. Vesting terms are as below. The Board may alter, amend or revise the terms and conditions of the stock option plan or any outstanding stock options.

As at March 31, 2024 and March 31, 2023, a balance of 5,925,000 stock options were outstanding with an average remaining life of two years. All tranches of the options have an exercise price of the options is $0.35 per share. Majority of the options vest 25% on grant date and 25% at each anniversary. The following table summarizes the Company's stock option plan activity.

	Year ended March 31, 2024			Year ended March 31, 2023		
	Number of Options		**Weighted average exercise price**	Number of Options		Weighted average exercise price
Outstanding, beginning of period	5,925,000	$	0.35	6,037,500	$	0.35
Forfeited / Expired	-		-	(87,500)	$	0.35
Exercised	-		-	(25,000)	$	0.35
Outstanding, end of period	5,925,000	$	0.35	5,925,000	$	0.35
Exercisable, end of period	**4,481,250**	**$**	**0.35**	**3,037,500**	**$**	**0.35**

Options by grant date and expiry	**Options outstanding**	**Options exercisable**	**Weighted average remaining (year)**		**Exercise Price per Option**
2021-May-27 expiry 2026-May-27	5,675,000	4,256,250	2.1	$	0.35
2021-May-27 expiry 2024-May-27	150,000	150,000	0.1	$	0.35
2022-Jan-31 expiry 2026-May-27	100,000	75,000	2.1	$	0.35
	5,925,000	**4,481,250**	**2.1**	**$**	**0.35**

The tranche of options granted to certain consultants on May 27, 2021 have an exercise price of $0.35 per share and expire three years from date of grant. This tranche has expired on May 27, 2024.

Share-based compensation

The Company accounts for its share-based compensation plan using the fair value method. Share-base compensation is expensed over the vesting period with a corresponding increase to contributed surplus. No options were granted in year ended March 31, 2024 and 2023. During the year ended March 31, 2024, the Company recorded a share-based compensation expense of $0.2 million ($0.5 million for year ended March 31, 2023).

9. FINANCIAL INSTRUMENTS

Classification and Measurement
The Company's financial instruments are carried at amortized costs. The Company's financial instruments consists of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities. As at March 31, 2024 and March 31, 2023, no significant differences existed between the carrying value of these financial instruments and their estimated fair values.

The Company classifies the fair value of its financial instruments according to the following hierarchy based on the amount of observable inputs used to value the instrument.

- Level 1 – Quoted prices are available in active markets for identical assets or liabilities;
- Level 2 – inputs other than quoted prices in active markets in Level 1, either directly or indirectly observable.
- Level 3 – Valuations in this level are those with inputs for asset or liabilities that are not based on observable market data.

Risks Associated with Financial Assets and Liabilities

The Company is exposed to a number of different financial risks arising from normal course business exposures, as well as the Company's use of financial instruments. These risk factors include market risks relating to commodity prices, foreign currency risk and interest rate risk, as well as credit and liquidity risks.

(a) Commodity price risk

Commodity price risk is the risk that fair value of future cash flows will fluctuate with changes in commodity prices. The Company is engaged in helium, oil, and gas development and production activities in Canada and as a result has significant exposure to commodity price risk. Commodity prices for petroleum and natural gas are impacted by the availability of egress out of Western Canada, the relationship between the Canadian dollar and the United States dollar, and world economic events that dictate the levels of supply and demand. The Company may manage the risks associated with changes in commodity prices by entering into risk management contracts. There are no risk management contracts in place as of March 31, 2024.

(b) Currency risk

Currency risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. Substantially all of the Company's petroleum revenues are conducted in Canada and are denominated in Canadian dollars. Canadian commodity prices are influenced by fluctuations in the Canadian to United States dollar exchange rate.

(c) Interest rate risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The Company is exposed to the interest rate fluctuations on cash and cash equivalents. The Company may hold a portion of cash in short-term investments that earn variable rate of interest as part of its investment policy. All other financial liabilities are non-interest bearing. If interest rates had changed by 1% (i.e.100 basis points), assuming all other variables remain constant, the impact to net earnings would be immaterial.

(d) Credit risk

Credit risk is the potential financial loss to the Company if customers or counterparties to a financial instrument are unable to meet their contractual obligations. The majority of credit exposure on accounts receivable pertains to revenues and commodity tax receivable. The collection of accounts receivable may be affected by counterparty-specific issues or industry factors such as commodity price fluctuations and other economic conditions. Management believes the risk is mitigated by entering into transactions with reputable counterparties and partners when possible. When determining whether past due accounts are collectible, management assesses the credit worthiness and past payment history of the counterparties, as well as the nature of the past due amount.

(All amounts in Canadian dollars unless otherwise indicated)

At March 31, 2024, 70% of the total outstanding accounts receivable pertain to receivables from petroleum purchasers (March 31, 2023 – 65%). As of March 31, 2024, $11,308 of the accounts receivable balance has been outstanding greater than 90 days (March 31, 2023 - $5,741) with all amounts estimated to be collectable.

As at:	**March 31, 2024**	March 31, 2023
Oil and gas receivables	**83,430**	115,650
GST and other receivable	**36,171**	62,018
Accounts receivable	**119,601**	177,668

10. PETROLEUM REVENUE

The Company sells its production pursuant to variable-price contracts. The transaction price for these contracts is based on commodity prices adjusted for quality and other factors. The following table provides a summary of its revenue streams:

	Year ended March 31,	
	2024	2023
Light oil	**1,130,809**	8,216,893
Total	**1,130,809**	8,216,893

11. RELATED PARTY TRANSACTIONS

Key management personnel include officers and directors of the Company. The Company also provides compensation through participation in the stock option plan.

	Year ended March 31,	
	2024	2023
Accounting and compliance (i)	**138,000**	138,000
Management fees (ii)	**792,500**	815,000
Investor relations (iii)	**-**	120,000
Share-based compensation	**176,326**	395,900
Total	**1,106,826**	1,468,900

(i) Accounting and compliance fees were paid to a company controlled by a spouse of an officer of the Company in the amount of $138,000 for the year ended March 31, 2024 (year ended March 31, 2023 - $138,000).

(ii) For the year ended March 31, 2024, the Company incurred $792,500 (year ended March 31, 2023 - $815,000) to various officers and directors of the Company.

(iii) During the year ended March 31, 2023, the Company incurred general and administrative expense of $120,000 and nil in the current fiscal year to date March 31, 2024 to a former officer of the Company for investor relations and corporate development.

The balance payable to related parties as at March 31, 2024 was $376,567 (as at March 31, 2023 - $71,000). Included in this balance was $150,000 was borrowed from an officer of the Company on March 21, 2024 and repaid on April 16, 2024 with an interest rate of 5.5%.

12. FINANCIAL LEASE

The Company has an office lease agreement to November 30, 2024. The lease was recorded as a financial liability and a right of use asset in the consolidated balance sheet.

	March 31, 2024	March 31, 2023
Balance, start of year	**140,986**	-
Additions	**-**	165,494
Payments	**(94,944)**	(31,648)
Accretion expense	**14,585**	7,140
Balance, end of period	**60,627**	140,986

(All amounts in Canadian dollars unless otherwise indicated)

13. INCOME TAX

Deferred income tax assets are recognized to the extent that there is taxable temporary difference to offset and/or that it is probable they will be recognized in the near future. At March 31, 2024, net deferred income tax assets of $0.9 million have not been recognized as estimated future taxable income may not support the utilization of the deferred income tax assets. Accordingly, the Company has not recognized a deferred tax asset on $8.0 million related to the non-capital losses. The tax provision differs from the amount computed by applying the combined Canadian federal and provincial statutory income tax rates to income before deferred income tax expense as follows.

For the years ended	**March 31, 2024**	March 31, 2023
Net loss before taxes	**(3,195,555)**	(6,932,908)
Canadian income tax rate [(a)]	**23.00%**	23.00%
Expected income tax (recovery	**(734,978)**	(1,594,569)
Effect of taxes resulting from:		
Non-deductible (taxable) items	**88,301**	144,928
Valuation allowance	**646,677**	1,449,641
Income tax expense	**-**	-

As at:	**March 31, 2024**	March 31, 2023
Deferred income tax assets:		
Asset retirement obligations	**285,254**	285,499
Non-capital loss carryforward [(a)]	**1,339,778**	1,015,941
Deferred income tax liabilities:		
Capital assets in excess of tax values [(a)]	**(1,625,032)**	(1,301,440)
	-	-

a) Deferred income tax assets are recognized to the extent that there are taxable temporary differences to offset and/or that it is probable that they will be recognized in the near future. Non-capital loss carryforward of $19.0 million expire in the years 2037 to 2044.

14. SUPPLEMENTAL CASH FLOW INFORMATION

		Year ended March 31,
	2024	2023
Changes in non-cash working capital:		
Accounts receivable	**58,067**	1,592,871
Prepaids and deposits	**(219,224)**	18,582
Accounts payable and accrued liabilities	**(118,000)**	(1,242,485)
	(279,157)	368,968
Operating activities	**(377,332)**	1,000,150
Investing activities	**98,175**	(631,182)
Total	**(279,157)**	368,968

Interest income received in the year ended March 31, 2024 was $26,136 (interest received in the year ended March 31, 2023 was $80,091).

15. SEGMENTED INFORMATION

The Company operates in one reportable segment, being the acquisition, exploration, development and production of helium, petroleum and natural gas projects. All of the Company's non-current assets and operations are located in Canada.

16. SUBSEQUENT EVENT

The Company completed a non-brokered private placement whereby the Company issued 66,173,000 Units (the "Units") for total gross proceeds of up to $3.3 million. The Private Placement, subject to the receipt of all necessary regulatory approvals, was closed on April 4, 2024. The Company intends to use the net proceeds from the Private Placement for the development and exploration activities and for working capital and general corporate purposes.