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## **Total Helium Announces Joint Venture for Large Scale Helium Production in Arizona**

**Vancouver, British Columbia, March 20, 2023 – Total Helium Ltd. (TSX-V: TOH), (OTCQB: TTLHF) (“Total Helium” or the “Company”)** announces that it has entered into a definitive purchase and sale agreement (the **“Purchase Agreement”**) for a joint venture in the Pinta South Helium Project in Arizona. The Purchase Agreement, dated effective January 17, 2023, entered into between Brooks Range Corporation, a wholly-owned subsidiary of the Company, Pinta South Operating Company, LLC, Butler Minerals I, LLC and Mid America Exploration LLC (collectively, the **“Vendors”**), provides for the acquisition (the **“Transaction”**) of 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”**).

*“Total Helium is thrilled to announce this joint venture. This JV is a great complement to Total Helium’s strategy of acquiring producing assets as we build upon our existing relationship with our industrial gas partner. I have the utmost respect for our joint venture partners, Butler Minerals and Mid America Exploration, who are proven helium finders and producers. It is my belief that this joint venture will create significant value for our shareholders for many years to come,”* commented Robert B. Price, Chief Executive Officer of the Company.

### **Acquisition of Existing Production and Other Highlights**

The Pinta South Project encompasses 27,192 acres with over 150 potential drill sites in the Holbrook Basin in Arizona. As part of the joint venture, Total Helium will acquire a 20% interest in 2 producing wells with average daily gross gas production of 265 Mcfp/d and helium concentrations greater than 8%. Total Helium will also acquire a 50% interest in eight additional existing wells which are being connected to a helium processing plant. Following completion of the Transaction, Total Helium plans to begin drilling and complete ten additional wells, bringing the total number of producing wells to 20 by the end of Q2 2023.

The Pinta South Project is attractive to Total Helium as it will allow the Company to continue to sell produced helium to its major industrial gas partner seamlessly. Total Helium will be producing helium at a higher volume and selling it at a significantly higher price than it has done previously.

### **Ideal Field for Helium Production**

The Pinta South Project is an ideal helium exploration and development project for several reasons: concentration, expansion, and cost effectiveness.

- The helium concentration in the field is exceptionally high at 5-8%. This very high concentration of helium in the gas stream makes the project one of the most unique opportunities in the industry. Additionally, the gas stream is predominately made up of nitrogen, which makes for inexpensive processing of the helium and does not contribute any greenhouse gases to the environment.
- With the project comprising 27,192 acres and with the potential to drill 150+ wells on that acreage, there are significant opportunities for expansion. With a gathering system and helium processing facility already in place, the field is already producing and is primed to scale up production significantly.
- The primary target formation in the field is shallow, which is conducive to inexpensive drilling and completion costs. The secondary, deeper formation in the area represents potential future upside for the project.

## **Transaction Terms**

Pursuant to the terms of the Transaction, the Company will acquire a 20% interest in 2 producing wells and a 50% interest in eight additional existing wells which are being connected to a helium processing plant in consideration for a one-time cash payment of US\$12,000,000 (the “**Purchase Price**”) due and owing upon completion of the Transaction. Total Helium will hold a 50% working interest in all future wells drilled as part of the Pinta South project.

Completion of the Transaction remains subject to a number of conditions, including receipt of any required regulatory approvals, receipt of financing, the Company funding a capital development program for the Pinta South Project in the amount of US\$2,000,000 and the delivery of customary closing documentation. The Transaction cannot be completed until these conditions have been satisfied, and there can be no assurance that the Transaction will be completed in a timely fashion, or at all.

The Company is at arms-length from the Vendors, and no finders’ fee is payable in connection with completion of the Transaction. The Transaction constitutes a “fundamental acquisition” for the Company, under the policies of the TSX Venture Exchange (the “**TSXV**”), on the basis that the Company intends to devote the majority of its capital to the Transaction and the Pinta South Project. As a result, trading in the Company's common shares has been halted, at the request of the Company, pending completion of filings with the TSXV in connection with the Transaction. It is anticipated that trading will remain halted until the Transaction has been completed.

As part of the due diligence process for the Transaction, Total Helium has engaged Sproule Holdings Limited (“**Sproule**”), a well respected consulting and engineering firm, which has been involved in the evaluation of helium projects both domestically and internationally. Sproule has prepared a competent person’s report to validate the existing helium reserves on the Pinta South Project. A copy of the report will be made available by the Company on its website ([www.totalhelium.com](http://www.totalhelium.com)) following completion of the Transaction.

## Brokered Private Placement

The Company also announces that it has engaged Haywood Securities Inc. (the “**Agent**”) to lead a brokered private placement (the “**Offering**”) of up to 40,000,000 special warrants of the Company (each, a “**Special Warrant**”). The Special Warrants will be offered at a price of \$0.50 per Special Warrant for gross proceeds of up to \$20,000,000. The net proceeds from the Offering will be utilized by the Company for satisfaction of the Purchase Price, to satisfy funding for the capital development program required pursuant to the Purchase Agreement and to address costs associated with completion of the Transaction. Completion of the Offering is subject to certain conditions, including approval of the TSXV, the satisfaction of all outstanding conditions to completion of the Transaction and the satisfaction of customary closing deliverables.

Each Special Warrant will be exercisable into one (1) unit of the Company (a “**Unit**”), for no additional consideration, at any time after the closing, and each Special Warrant not previously exercised shall be deemed exercised on the later of (i) the third business day after a receipt is issued for a final prospectus qualifying the Units for distribution in all of the Canadian provinces, except Quebec (the “**Qualifying Jurisdictions**”) and (ii) the date that is four months and one day following the closing. Each Unit consists of one (1) common share of the Company (a “**Common Share**”) and one (1) Common Share purchase warrant (a “**Warrant**”). Each Warrant shall entitle the holder thereof to purchase one Common Share (a “**Warrant Share**”) at an exercise price of \$1.00 at any time up to 24 months following the closing. In the event that the volume-weighted average trading price of the Common Shares on the TSXV is greater than \$2.00 for a period of ten (10) consecutive trading dates, the Company may, within ten (10) business days following such event, accelerate the expiry date of the Warrants. The Company shall seek the necessary approvals to list the Common Shares, Corporate Finance Shares (as defined herein) and Warrant Shares on the TSXV, which listing shall be conditionally approved prior to closing. The Company will also undertake to list the Warrants, and any Warrant comprising, underlying or issuable (as the case may be) pursuant to each of the Compensation Special Warrants and the Compensation Options on the TSXV.

The Company has granted the Agent an option to increase the size of the Offering by up to 15% at any time up to the 48 hours prior to closing.

The Offering will take place by way of a private placement pursuant to applicable exemptions from the prospectus requirements in the Qualifying Jurisdictions, and in those jurisdictions where the Offering can lawfully be made including the United States under private placement exemptions.

The Company will use commercially reasonable efforts to prepare and file a preliminary short form prospectus in the Qualifying Jurisdictions where the Special Warrants are sold, qualifying the distribution of the Units, within forty-five (45) days after closing. The Company has agreed to promptly resolve all comments received or deficiencies raised by the securities regulatory authorities and use its commercially reasonable efforts to file and obtain receipts for the final short form prospectus as soon as possible after such regulatory comments and deficiencies have been resolved. In the event a receipt is not received for a final short form prospectus on or before the

date which is four-months-and-one-day following closing of the Offering, each Special Warrant shall be automatically exercised and will entitle the holder to receive 1.1 Units.

In consideration for their services, the Agent will receive a cash commission equal to 6% of the gross proceeds of the Offering, such number of compensation special warrants (“**Compensation Special Warrants**”) equal to 6% of the number of Special Warrants sold in the Offering and a corporate finance fee equal to 2% of the gross proceeds of the Offering payable in the form of Common Shares (the “**Corporate Finance Shares**”). Each Compensation Special Warrant will be exercisable into one (1) compensation option (a “**Compensation Option**”), for no additional consideration, at any time after the closing, and each Compensation Special Warrant not previously exercised shall be deemed exercised on the later of (i) the third business day after a receipt is issued for a final prospectus qualifying the Units for distribution in the Qualifying Jurisdictions and (ii) the date that is four months and one day following the closing. Each Compensation Option shall entitle the holder thereof to purchase one Unit at an exercise price of \$0.50 at any time up to 24 months following the closing.

**For further information, contact 604.609.6110**

On behalf of the Board,

Robert B. Price, Director and CEO

**Total Helium Ltd. - [www.totalhelium.com](http://www.totalhelium.com)**

*The TSX Venture Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*

*Statements included in this announcement, including statements concerning our plans, intentions and expectations, which are not historical in nature are intended to be, and are hereby identified as, “forward-looking statements”. Forward-looking statements may be identified by words including “anticipates”, “believes”, “intends”, “estimates”, “expects” and similar expressions. The Company cautions readers that forward-looking statements, including without limitation those relating to the Company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements.*