This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the Global Helium Corp. ("Global" or the "Company") consolidated financial statements. The information provided herein should be read in conjunction with the Company's audited consolidated financial statements for the years-ended December 31, 2022 and 2021 and related notes attached thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures in this report are stated in Canadian dollars ("CAD"). The effective date of this report is March 2, 2023.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee reviews with management, the financial statements including the MD&A as well as other financial, operating and internal control matters.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. See "Forward-Looking Statements" that are subject to risk factors set out in a cautionary note contained herein.

The reader is encouraged to review Company statutory filings on www.sedar.com.

DESCRIPTION OF BUSINESS AND OVERVIEW

Global is an exploration stage company focused on the (i) exploration and development of its existing helium permits on lands in Saskatchewan near other helium operators and producers and (ii) acquisition of additional helium properties in Alberta and Montana for the purposes of further development and production.

The Company received approval for a listing on the Canadian Securities Exchange ("CSE") under the symbol "HECO" and commenced trading on May 19, 2021. As of September 22, 2021, the Company was approved to trade in the over-the-counter (OTC) market in the United States under the symbol "HECOF."

Outlook

The management team of the Company continues to evaluate helium prospects throughout Canada and the United States to build a top tier inventory of helium opportunities within North America. Global has a portfolio of assets that balance near, medium and long-term prospectivity with short-term production ability.

Recently, the Company has added high-potential land positions in a proven helium producing region of Southeast Alberta along the Manyberries Helium trend. The Company has already identified two drilling locations and the permitting process for Global's initial test well is under way. The Company expects to commence drilling sometime in late Q2 or early Q3, of 2023.

In 2022, the Company continued to add to its attractive land holdings in Saskatchewan and conduct geological and geophysical activities on these lands to evaluate and develop a portfolio of high-impact drilling locations. Global now holds approximately 1.8 million acres in Canada's "Helium Fairway" in southern Saskatchewan.

In 2022, the Company acquired significant positions in helium-proven geological structures in Montana. The Montana assets represent near-term production with known and well-understood helium variables as follows:

- Commercially tested quantities of helium production, with helium percentages ranging from 1% to 3.9%
- Commercial flow rates with implied permeabilities and porosities
- Low impurities in the gas stream (high Nitrogen, low CO_2)
- Geological parameters are known from previous drilling on, or near, the assets
- Geophysical parameters are well-understood, from previously acquired seismic across the lands

The Company has engaged a third-party consultant to assist in developing a pre-FEED ("Front End Engineering and Design") study for a helium purification facility at Global's Rudyard Montana helium asset. The pre-FEED study is expected to be completed by the end of Q1 2023 and will provide a basis of design, including a process flow diagram, equipment list, and cost estimate; thereby, allowing Global to model ongoing development drilling plans and to proceed with materials identification and purchasing plans to facilitate construction targets.

The Company will continue to pursue additional opportunities in North America.

OPERATING AND FINANCIAL SUMMARY

For the year-ended December 31, 2022:

- Incurred a net loss of $4,705,000 compared to $3,407,904 in the previous comparable period.
- Cash used in operations increased to $4,111,776 from $3,097,119 in the previous comparable period.
- Net cash used in investing activities increased to $2,650,169 in 2022 from $690,673 in the previous year as the company:
    - Expanded its helium land position into Montana and incurred seismic and other geological related costs on these lands
    - Acquired 10 new helium permit lands in Saskatchewan and continued to conduct geological and geophysical activities on its permits
- Unit issuances and proceeds from warrant and stock options exercises, net of issuance costs, raised proceeds of $884,500 in 2022 compared to $12,640,642 in the prior year.

For the three-months ended December 31, 2022:

- Incurred a loss of $795,516 compared to $1,615,202 in the previous comparable period.
- Cash used in operations decreased to $311,756 from $1,614,322 in the previous comparable period.
- The Company continued to conduct geological activities in both Montana and Saskatchewan.
- Stock options were exercised for proceeds of $60,000.

SUMMARY OF QUARTERLY AND YEAR-TO-DATE RESULTS

$	Three-months ended December 31, 2022	Three-months ended December 31, 2021	Year-ended December 31, 2022	Year-ended December 31, 2021
Net loss	795,516	1,615,202	4,705,000	3,407,904
Per share – basic and diluted	0.02	0.04	0.10	0.11
Cash used in operating activities	311,756	1,614,322	4,111,776	3,097,119
Per share – basic and diluted(1)	0.01	0.04	0.09	0.10
Cash used in investing activities	130,724	434,544	2,650,169	690,673
Working capital (deficit)			3,241,041	8,929,594
Shareholders' equity (deficit)			7,061,593	9,983,178
Total assets			7,218,524	10,332,729

(1) Based on the same weighted average number of common shares outstanding used to calculate net loss per share.

EXPENSES

Cash Expenses

Cash expenses for the applicable comparative periods are as follows:

$	Three-months ended December 31, 2022	Three-months ended December 31, 2021	Year-ended December 31, 2022	Year-ended December 31, 2021
Total expenses	803,391	1,617,202	4,733,250	3,409,904
Less depreciation	(12,102)	(6,627)	(40,821)	(8,092)
Less stock-based compensation	(112,596)	-	(579,705)	(370,000)
Total cash expenses	678,693	1,610,575	4,112,724	3,031,812

For the three-months ended December 31, 2022, as compared to the three-months ended December 31, 2021, total cash expenses have changed primarily due to the following significant items:

	Three-months ended December 31,	
	2022	2021
Consulting fees and salaries (1)	$ 412,790	$ 241,017
General and administrative (2)	77,872	45,506
Investor relations	22,500	32,500
Management fees, salaries, and benefits (3)	120,813	193,975
Marketing (4)	-	1,014,760
All other	44,718	82,817
Total cash expenses	$ 678,693	$ 1,610,575

(1) The increase in the current period is due to fees incurred for European corporate development services
(2) General and administrative costs are higher in the current year, reflective of increased corporate activity as the Company becomes more active
(3) The Company reduced its management compensation expenses in order to conserve cash
(4) The Company discontinued the corporate marketing campaign in the second quarter of 2022

For the year ended December 31, 2022, as compared to the prior year, total cash expenses have increased primarily due to the following significant items:

	Year ended December 31,	
	2022	2021
Consulting fees and salaries (1)	$ 1,149,064	$ 416,257
General and administrative (2)	276,310	115,320
Investor relations (3)	140,000	32,500
Management fees, salaries, and benefits (4)	920,556	752,127
Marketing (5)	1,392,960	1,399,015
All Other	233,834	316,593
Total cash expenses	$ 4,112,724	$ 3,031,812

(1) The increase is primarily due to land consulting services used in Montana while the Company established its mineral rights in the state and fees incurred for European corporate development services
(2) General and administrative costs are higher in the current year, reflective of increased corporate activity as the Company becomes more active
(3) The Company engaged an investor relations company in Q4 2021 in conjunction with its public listings and has maintained related services through 2022
(4) The Company paid a $300,000 signing bonus to its new President in the second quarter of 2022 but has otherwise reduced management compensation towards the second half of 2022 to conserve cash

(5) In late 2021, the Company commenced a significant corporate awareness campaign in conjunction with its US public listing established in September 2021. The Company cancelled the campaign in the second quarter of 2022.

Stock-based compensation

During the year-ended December 31, 2022, the Company incurred $579,705 of non-cash stock-based compensation expense (December 31, 2021 – $370,000) related to the 2,160,000 options that were granted during the year.

NET LOSS

Net loss for the applicable comparative periods are as follows:

$	Three-months ended December 31, 2022	Three-months ended December 31, 2021	Year-ended December 31, 2022	Year-ended December 31, 2021
Net loss	795,516	1,615,202	4,705,000	3,407,904
Net loss per share - basic and diluted	0.02	0.04	0.10	0.11

For the three months and year-ended December 31, 2022, the Company incurred a net loss of $795,516 and $4,705,000 respectively ($0.02 and $0.10 per share) compared to a net loss of $1,615,202 and $3,407,904 respectively ($0.04 and $0.11 per share) for the same periods in 2021. The main reasons for the increased losses in the current periods are described above under the "Expenses" section.

The Company expects to incur losses in the near term as it is still in the exploration phase.

CASH USED IN OPERATING ACTIVITIES

Cash used in operating activities for the applicable comparative periods are as follows:

$	Three-months ended December 31, 2022	Three-months ended December 31, 2021	Year-ended December 31, 2022	Year-ended December 31, 2021
Cash used in operating activities	311,756	1,614,322	4,111,776	3,097,119
Cash used in operating activities per share - basic and diluted	0.01	0.04	0.09	0.10

For the three months and year-ended December 31, 2022, cash used in operating activities was $311,756 and $4,111,776 respectively as compared to $1,614,322 and $3,097,119 in the comparable prior periods. The main reasons for the increased use of cash in the current periods are described above under the "Expenses" section.

INVESTING EXPENDITURES

The following table summarizes capital expenditures for the applicable comparative periods as follows:

$	Three-months ended December 31, 2022	Three-months ended December 31, 2021	Year-ended December 31, 2022	Year-ended December 31, 2021
Deposit paid on acquisition of exploration and evaluation assets	-	267,120	-	267,120
Exploration and evaluation assets	92,209	370,606	2,417,243	629,262
Property and equipment	9,734	-	19,757	8,790
Total investing expenditures	101,943	637,726	2,437,000	905,172

During the year ended December 31, 2022, the Company incurred significantly higher exploration and evaluation expenditures related to the following items:

- Mineral rights acquisition costs in both Saskatchewan and Montana
- Siesmic and other geological related costs on both its Montana and Saskatchewan properties
- Acquisition costs for one non-producing well in Montana, that tested potentially commercial percentages of helium in the past

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In December 2021, the Company paid a deposit of $267,120 on certain exploration and evaluation assets. Subsequent to year-end, the underlying agreement closed.

SUMMARY OF SELECTED QUARTERLY RESULTS

The following table sets forth certain quarterly financial information of the Company's previous quarters:

$000 (except per share information)	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021
Net loss	796	847	1,472	1,590	1,615	870	552	370
Per share	0.02	0.02	0.03	0.04	0.11	0.03	0.02	0.02
Cash used in operating activities	312	823	1,465	1,513	1,614	350	893	240
Per share	0.01	0.02	0.03	0.03	0.04	0.01	0.03	0.01
Cash used in investing activities	131	376	833	1,310	435	83	86	86
Working capital (deficit)	3,241	3,964	4,887	6,250	8,930	4,383	4,894	5,530
Total assets	7,219	7,857	8,212	9,191	10,333	6,081	5,366	5,999
Weighted average shares	46,175	46,136	44,071	41,469	41,469	32,328	32,300	20,822

During the first quarter of 2021, the Company raised significant equity and subsequently completed the process of listing the Company on the CSE exchange in May 2021. The Company completed a subsequent equity raise in the fourth quarter of 2021, raising a total of $10,841,059 in 2021. The Company has acquired significant helium permits in 2021 and is now in a position to execute on its plan to conduct significant helium exploration activities on its permitted lands and seek out additional helium-based opportunities in North America.

In 2022, the Company expanded its helium land position into Montana and continued to increase its position in Saskatchewan. The Company also purchased one non-producing well in Montana and conducted certain geological activities in both Montana and Saskatchewan.

SUMMARY OF SELECTED ANNUAL RESULTS

The following table sets forth certain annual financial information of the Company's most recently completed years-ending December 31:

$	Year-ended December 31, 2022	Year-ended December 31, 2021	Year-ended December 31, 2020
Net loss	4,705,000	3,407,904	682,466
Per share – basic and diluted	0.10	0.11	34.12
Cash used in operating activities	4,111,776	3,097,119	816,724
Per share – basic and diluted(1)	0.09	0.10	40.84
Cash used in investing activities	2,650,169	690,673	116,136
Working capital (deficit)	3,241,041	8,929,594	(1,063,535)
Non-current liabilities	32,138	46,983	-
Shareholders' equity (deficit)	7,061,593	9,983,178	(942,560)
Weighted average shares – basic and diluted (2)	45,316,400	31,787,888	20,000
Total assets	7,218,524	10,332,729	441,582

(1) Based on the same weighted average number of common shares outstanding used to calculate net loss per share.
(2) The numbers for the year-ended 2020 incorporate the number of units outstanding from YLH LP.

The results above show the Company going through the initial development phase of a start up company – raising equity and then deploying those funds on various exploration projects. From 2020 to 2022, the Company has acquired 35 helium permits in Saskatchewan, acquired leases for 21,658 net acres of land in Montana, and raised significant equity to continue significant exploration on this property.

LIQUIDITY AND CAPITAL RESOURCES

The financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Management uses judgment to assess the Company's ability to continue as a going concern and the conditions that cast doubt upon the use of the going concern assumption. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future.

For the year ended December 31, 2022, the Company recorded a net loss of $4,705,000 (December 31, 2021 – $3,407,904) and has an accumulated deficit of $9,055,564 since inception. The Company has not yet reached production from its exploration activities.

Due to the factors mentioned above, there is material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not include the necessary adjustments to reflect the recoverability and classification of recorded assets and liabilities and related expenses that may be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and such adjustments could be material.

The Company does not have self-sustaining revenues at this time and must rely on equity or debt financing to fund working capital and to carry out its business goals.

The primary capital management objective of the Company is to ensure adequate working capital is available to fund both its helium exploration and development projects and its working capital requirements, while also seeking to minimize the risk-adjusted cost of capital.

Capital is raised and retained for the purposes and to the extent necessary to fund exploration and corporate overhead costs, subject to the availability of financing on acceptable terms. Given its objectives, the Company determines the amount of capital to be raised and retained based on the scope of its planned exploration activities and management's assessment of the expected availability of acceptably priced capital in future periods.

The Company defines capital as Shareholders' equity (deficit). The Company's targeted capital structure at December 31, 2022 is 100% shareholders' equity. Management believes that such a capital structure is the most suitable for a pre-production exploration company.

The chief source of working capital is equity financing obtained through the sale of common shares and any related warrants. The Company from time to time may receive loans from related parties and trade credit, but such financial instruments are typically only supplementary to equity financings. In any case, the Company does not consider debt to be a sustainable source of capital, as in the absence of positive cash flows from operations; any debt obtained must be retired with funds raised through equity financing.

A significant measure used in assessing capital adequacy is the expected number of days of operations that can be funded from current working capital. Capital levels are deemed sufficient if they can fund the balance of the annual exploration and development goals and fund corporate overhead expenses in the near term. Considering the equity raised during 2021 and 2022, management believes that there is sufficient capital to carry out its planned activities over the next twelve months, however the Company may raise additional capital in the future if terms are acceptable.

Equity financings will generally be limited to the extent that capital is available on acceptable terms. The acceptability of financing terms is generally determined by reference to the prevailing market price of the Company's shares. The terms on which the Company obtains financings are furthermore subject to the guidelines of the CSE.

There were no changes in the Company's approach to capital management during the three months and year-ended December 31, 2022.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

(a) Related party transactions

i. For the year-ended December 31, 2022, the Company incurred $100,000 of chief executive officer consulting fees (December 31, 2021 - $180,000) from a private company in which a director and officer is the private company's principal shareholder. These fees are included in management fees in the consolidated statement of loss.

ii. For the year-ended December 31, 2022, the Company incurred $nil of chief financial officer consulting fees (December 31, 2021 - $45,000) from an officer of the Company. These fees are included in management fees in the consolidated statement of loss.

iii. For the year-ended December 31, 2022, the Company incurred $nil of vice-president of exploration consulting fees (December 31, 2021 - $45,000) from a private company in which the officer is the private company's principal shareholder. These fees are included in management fees in the consolidated statement of loss.

iv. For the year-ended December 31, 2022, the Company incurred $48,867 (December 31, 2021 - $36,067) of salaries for non-management personnel that have employment contracts with companies that share senior management of the Company.

v. For the year-ended December 31, 2022, the Company received $28,250 of rent income (December 31, 2021 - $2,000) from companies that share senior management of the Company. The rent income results from office space expenses that the entities share and the amount is included in rent income in the consolidated statement of loss. The Company also owed $2,773 (December 31, 2021 - $1,613) to companies that share senior management of the Company related to the shared office space expense and is included in accounts payable in the statement of financial position as at December 31, 2022.

(b) Key management compensation

The remuneration of directors and management of the Company is set out below:

		Three-months ended December 31, 2022		Three-months ended December 31, 2021		Year-ended December 31, 2022		Year-ended December 31, 2021
Officer consulting fees, salaries, and benefits	$	120,813	$	193,975	$	920,556	$	752,127
Stock-based compensation		187,248		-		347,871		289,800
Total	$	308,061	$	193,975	$	1,268,427	$	1,041,927

SHARE CAPITAL

(a) Authorized

Unlimited number of Class A voting common shares
Unlimited number of Class B non-voting common shares
Unlimited number of Preferred Shares, issuable in series, with rights and privileges to be set by the board of directors

(b) Issued and outstanding

Class A common shares	Number of Shares		$
Balance, December 31, 2020	20,000	$	100
Issue of common shares pursuant to private placements (1)	37,408,820		7,449,625
Issue of common shares pursuant to promissory note settlements (2)	2,646,000		910,224
Issue of common shares on warrant exercises	3,391,720		2,222,180
Issue of common shares on option exercises	300,000		49,200
Share issuance costs	-		(306,652)
Balance, December 31, 2021	43,766,540	$	10,324,677
Issue of common shares pursuant to a private placement (3)	1,562,500		296,875
Issue of common shares on royalty reduction exercise (4)	397,520		172,921
Issue of common shares on warrant exercises	309,500		361,465
Issue of common shares on option exercises	500,000		82,000
Balance, December 31, 2022	46,536,060	$	11,237,938

(1) During the year ended December 31, 2021, the Company completed the following private placements:

(a) On January 1, 2021, the Company issued 7,980,000 units at $0.005 per unit for gross proceeds of $39,900. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.25 per share until May 19, 2023.

(b) On January 15, 2021, the Company issued 5,500,000 units at $0.02 per unit for gross proceeds of $110,000. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.25 per share until May 19, 2023.

(c) On February 1, 2021, the Company issued 5,300,000 units at $0.05 per unit for gross proceeds of $265,000. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.25 per share until May 19, 2023.

(d) On March 1, 2021, the Company issued 8,756,403 units at USD$0.39 per unit for gross proceeds of USD$3,414,997 (CDN $4,323,728). Each unit consisted of one common share and one common share purchase warrant exercisable at CDN$1.00 per share until May 19, 2023.

(e) On March 1, 2021, the Company issued 2,097,597 units at $0.50 per unit for gross proceeds of $1,048,799. Each unit consisted of one common share and one common share purchase warrant exercisable at $1.00 per share until May 19, 2023.

(f) In October 2021, the Company issued 7,774,820 units at $0.65 per unit for gross proceeds of $5,053,633. Each unit consisted of one common share and one common share purchase warrant exercisable at $1.00 per share until October 2023.

In addition, 255,070 purchase warrants, exercisable until October 2023 at a price of $0.65 per share, were issued as additional compensation to the agent with respect to this financing. Share issuance costs of $209,157 were recorded with a corresponding increase in contributed surplus. The fair value of the warrants was estimated on the date of issuance at $0.82 per warrant, using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate – 0.52%, expected life – 2 years, expected dividend yield – 0%, expected volatility – 130%, and forfeiture rate – 0%.

(g) Share capital and warrant proceeds allocation: The total gross proceeds for these private placements in 2021 of $10,841,059 has been split to share capital and warrants as to $7,449,625 and $3,391,434, respectively, based on the relative fair values of each instrument on the date of issuance. The fair value of the warrants issued was estimated on the date of issuance using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate – 0.34%, expected life – 2.3 years, expected dividend yield – 0%, expected volatility – 124%, and forfeiture rate – 0%. The expected volatility was calculated using a weighted average volatility of similar public companies in the junior resource industry and the Company's own volatility after it began trading.

(2) On February 15, 2021, the Company converted promissory notes payable of $1,323,000 to 2,646,000 units of the Company. Each unit consisted of one common share and one common share purchase warrant exercisable at $1.00 per share until May 19, 2023.

The total amount of the promissory note settlements of $1,323,000 has been split to share capital and warrants as to $910,224 and $412,776, respectively, based on the relative fair values of each instrument on the date of issuance. The fair value of the warrants was estimated on the date of issuance using the Black-Scholes option pricing model with the following assumptions: risk-free interest rate – 0.29%, expected life – 2.3 years, expected dividend yield – 0%, expected volatility – 123%, and forfeiture rate – 0%. The expected volatility was calculated using a weighted average volatility of similar public companies in the junior resource industry.

(3) On May 31, 2022, the Company issued 1,562,500 units at $0.32 per unit for gross proceeds of $500,000. Each unit consisted of one common share and one common share purchase warrant exercisable at $0.42 per share until May 31, 2025.

The total gross proceeds for this private placement have been split to share capital and warrants as to $296,875 and $203,125, respectively, based on the relative fair values of each instrument on the date of issuance. The fair value of the warrants issued was estimated on the date of issuance using the Black-Scholes option pricing model with the following weighted average assumptions: risk-free interest rate – 2.58%, expected life – 3 years, expected dividend yield – 0%, expected volatility – 136%, and forfeiture rate – 0%. The expected volatility was calculated using a weighted average volatility of similar public companies in the junior resource industry and the Company's own volatility after it began trading.

(4) On May 20, 2022, a royalty holder exercised their option to reduce their gross overriding royalty percentage on certain undeveloped lands, in exchange for 397,520 common shares of the Company. The issuance was recorded at $0.435 per share, being the price of the common shares on the date of the exercise, with a corresponding increase to exploration and evaluation assets.

(c) Warrants

The following table outlines the Company's warrants outstanding at December 31, 2022:

	Number		$		Weighted average exercise price
Balance, December 31, 2020	20,000	$	-	$	0.25
Issued pursuant to private placements	37,663,890		3,391,434		0.63
Issued pursuant to debt settlements	2,646,000		412,776		1.00
Warrant issue costs	-		(126,342)		-
Exercised [(1)]	(3,391,720)		(243,760)		0.58
Balance, December 31, 2021	36,938,170	$	3,434,108	$	0.66
Issued pursuant to a private placement	1,562,500		203,125		0.42
Exercised [(2)]	(309,500)		(51,965)		1.00
Balance, December 31, 2022	38,191,170	$	3,585,268	$	0.64

1. During the year ended December 31, 2021, 3,391,720 warrants were exercised for cash proceeds of $1,978,420. The original value of $243,760 ascribed to these warrants when issued was adjusted to share capital on exercise.
2. During the year ended December 31, 2022, 309,500 warrants were exercised for cash proceeds of $309,500. The original value of $51,965 ascribed to these warrants when issued was adjusted to share capital on exercise.

Information about the warrants at December 31, 2022 is as follows:

Number of warrants – outstanding and exercisable	Exercise price	Expiry date
16,915,600	$ 0.25	May 19, 2023
11,798,180	$ 1.00	May 19, 2023
2,382,800	$ 1.00	October 4, 2023
5,532,090	$ 1.00	October 5, 2023
1,562,500	$ 0.42	May 31, 2025
38,191,170		

(d) Per share amounts

		Year-ended December 31, 2022		Year-ended December 31, 2021
Net loss for the year	$	(4,705,000)	$	(3,407,904)
Comprehensive loss for the year		(4,588,711)		(3,407,904)
Weighted average number of common shares outstanding – basic and diluted[(1)]		45,316,400		31,787,888
Net loss and comprehensive loss per share – basic and diluted	$	(0.10)	$	(0.11)

[(a)] All stock options and warrants have been excluded from the calculation of diluted loss per share as they would be anti-dilutive due to the Company being in a loss position for the years-ended December 31, 2022 and 2021.

(e) Stock-based compensation

i. Stock option plan

The Company has a rolling stock option plan (the "Plan") consistent with the guidelines of the Canadian Securities Exchange ("CSE"), to provide incentive for the directors, officers, employees, and consultants of the Company. The maximum number of shares which may be set aside for issuance under the Plan is 10% of the issued and outstanding common shares of the Company at the time of grant.

The exercise price of options granted under the Plan will be fixed by the Board at the time of grant, provided that such exercise price may not be less than the market price of the common shares as outlined in the Policies of the CSE. The options granted under the Plan will vest and be exercisable on a basis determined by the Board at the time of the grant and will be exercisable for a period not exceeding ten years.

Stock option transactions are summarized as follows:

	Number		Weighted average exercise price
Balance, December 31, 2020	-		-
Granted (1)	2,900,000		0.29
Exercised (2)	(300,000)		0.15
Balance, December 31, 2021	2,600,000	$	0.31
Granted (3)	2,160,000		0.39
Exercised (4)	(500,000)		0.15
Forfeited	(50,000)		0.61
Balance, December 31, 2022	4,210,000	$	0.37

(1) All the options vested immediately.
(2) During 2021, 300,000 options were exercised for cash proceeds of $45,000. $4,200 of related stock-based compensation recognized on vested options before the exercises has been added to share capital and removed from contributed surplus.
(3) Options vest as to; one quarter of 1,300,000 every 3 months from May 16, 2022, one quarter of 40,000 every 3 months from June 1, 2022, one quarter of 250,000 every 6 months from August 10, 2022, one quarter of 70,000 every 6 months from May 5, 2024 and 500,000 vested immediately on August 15, 2022.
(4) During the year ended December 31, 2022, 500,000 options were exercised for cash proceeds of $75,000. $7,000 of related stock-based compensation recognized on vested options before the exercises has been added to share capital and removed from contributed surplus.

Information about the stock options outstanding and exercisable on December 31, 2022, are as follows:

Number of options - outstanding	Number of options - exercisable	Weighted average exercise price	Expiry date
1,200,000	1,200,000	$0.15	February 1, 2023
850,000	850,000	$0.61	August 11, 2023
1,300,000	650,000	$0.41	May 16, 2027
40,000	20,000	$0.62	June 1, 2025
250,000	-	$0.33	August 10, 2027
500,000	500,000	$0.34	August 15, 2027
70,000	-	$0.41	December 5, 2027
4,210,000	3,220,000		

ii. Stock-based compensation expense

Compensation expense of $579,705 for the year ended December 31, 2022 (December 31, 2021 - $370,000) has been recorded in the consolidated statement of loss with a corresponding increase in contributed surplus.

The weighted average fair value of options granted during the year ended December 31, 2022 was estimated on the dates of grant to be $0.33 (December 31, 2021 - $0.13) using the Black-Scholes option pricing model with the following weighted average assumptions for grants as follows:

	December 31, 2022	**December 31, 2021**
Risk-free interest rate	2.8%	0.25%
Expected life of option	5.0 years	2.0 years
Expected dividend yield	0%	0%
Expected volatility [a]	128%	127%
Forfeiture rate	0%	0%
Exercise price	$0.39	$0.29
Share price at grant date	$0.39	$0.22

(a) The expected volatility was calculated using the Company's historic volatility and a weighted average volatility of similar public companies in the junior resource industry when applicable.

(f) As at March 2, 2023, the Company had 47,736,060 common shares, 3,385,000 stock options, and 38,191,170 warrants outstanding.

FINANCIAL RISK MANAGEMENT

The Company's activities expose it to certain financial risks, including credit risk, liquidity risk, and market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for managing risk. There were no changes to the Company's risk management policies or procedures during the year-ended December 31, 2022.

a. Credit risk

Credit risk is the risk that a counterparty will fail to discharge an obligation and cause the Company to incur a financial loss. The Company's primary exposure to credit risk relates to its cash held with a major financial institution and its amounts receivable which primarily consist of amounts to be received from the Government of Canada.

Cash consists of cash bank balances. In order to manage credit risk, the Company holds cash balances with a financial institution with a high credit rating.

The Company has determined the credit risk associated with amounts receivable is minimal as the amounts are due from the Government of Canada.

The Company's receivables are aged as follows:

Aging	**December 31, 2022**	**December 31, 2021**
Current (less than 90 days)	$ 62,256	$ 68,560
Past due (more than 90 days)	-	-
	$ 62,256	$ 68,560

Since the Company's receivables consist of amount due from the government, the Company does not have an allowance for doubtful accounts as at December 31, 2022 and December 31, 2021, and believes all amounts will be collected in due course. The Company's historical expected credit loss is $Nil. At December 31, 2022, the amount subject to credit risk relating to amounts receivable equates to their carrying value.

b. 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 ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows and its holdings of cash.

The following is an analysis of the contractual maturities of the Company's financial liabilities as at December 31, 2022:

	Within one year	Between one and five years	Total
Accounts payable and accrued liabilities	$ 84,751	$ -	$ 84,751
Lease obligation	40,042	6,941	46,983
Decommissioning liability		25,197	25,197
Total	$ 124,793	$ 32,138	$ 156,931

c. Market risk

i. Foreign currency risk and sensitivity analysis

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable, accrued liabilities and decommissioning liabilities that are denominated in USD. As at December 31, 2022, net financial liabilities totaling $30,000 (December 31, 2021 – financial assets of $2,526,000) were held in USD. The Company has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure.

Based on the above net exposure as at December 31, 2022 and assuming all other variables remain constant, a 2% depreciation or appreciation of the USD against the Canadian dollar would result in an increase or decrease of approximately $600 (December 31, 2021 - $50,000) in the Company's loss and comprehensive loss for the year- ended December 31, 2022.

ii. Commodity price risk

The nature of the Company's operations may expose the Company to commodity price risks when the Company begins production.

As at December 31, 2022, the Company has no derivative financial instruments. It may in the future enter into derivative financial instruments and in order to manage price risk, it will only enter into derivative financial instruments with highly rated investment grade counterparties.

iii. Interest rate risk

Interest rate risk is the risk the future cash flows will fluctuate as a result of changes in market interest rate. The Company is not exposed to interest rate risk as the Company had no interest-bearing debt as of December 31, 2022.

CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS, AND ASSUMPTIONS

The preparation of the consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in preparing the Company's financial statements include:

i. Going-concern - the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
ii. Cash-generating units ("CGUs") - The Company's exploration and evaluation assets are aggregated into cash-generating units for calculating impairment, based on their ability to generate largely independent cash flows.

The classification of assets into CGU's requires significant judgment and interpretations with respect to the integration between assets, the existence of active markets, external users, shared infrastructures and the way in which management monitors the Company's operations;

iii. Exploration and evaluation assets – The application of the Company's accounting policy for exploration and evaluation assets requires management to make certain judgments as to future events and circumstances as to whether economic quantities of resources have been found in assessing economic viability and technical feasibility;

iv. Leases - Judgments are required to determine if a contract is, or contains, a lease. These judgments require an assessment of whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Judgment is also required to determine the interest rate used to discount the lease payments; and

v. Decommissioning liabilities - the Company estimates the decommissioning obligations for its wells. Amounts recorded for the decommissioning obligations require assumptions regarding removal date, the extent of reclamation activities required, the engineering methodology for estimating cost, inflation estimates, and where discounting is required, the estimate of the specific discount rates for these liabilities in order to determine the present value of these obligation settlements.

vi. Stock-based compensation – The amounts recorded for stock-based compensation expense relating to the fair value of stock options issued are estimated using the Black-Scholes option pricing model including management's estimates of the future volatility of the Company's share value, estimated market value of the Company's shares at grant date, expected forfeiture rates, expected lives of the options (based on general holder behavior) and the risk-free interest rate (based on government bonds).

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

As at December 31, 2022, the Company holds 35 helium exploration permits over certain lands in Saskatchewan The Company is required to make future annual lease maintenance expenditures and annual permit exploration expenditures as follows:

	2023	**2024**	**2025**	**Total**
Annual lease maintenance expenditures	$ 76,700	$ 28,800	$ -	$ 105,500
Annual permit exploration expenditures	230,000	536,000	173,000	939,000
Total	**$ 306,700**	**$ 564,800**	**$ 173,000**	**$ 1,044,500**

The initial term of the permits is 3 years, extendable to 5 years if the above noted expenditure requirements are met. Furthermore, the Company has the right to apply for a lease and drill a well on these lands if the permits are in good standing. Should the Company not meet the above spending requirements, the Company can allow the permit to lapse or elect to make a cash payment in lieu of the spending requirements to keep the permit in good standing for one additional year. If the Company were to allow permits to lapse, the Company would lose the right to explore on the applicable lands.

As of December 31, 2022, the Company had not allowed any permits to lapse.

SUBSEQUENT EVENTS

(a) On January 6, 2023, the Company entered into an agreement to establish a land position in Southeast Alberta along the Manyberries Helium trend. The agreement provides the Company with an option to lease up to 32 sections (20,480 acres) of contiguous land on a known helium trend, immediately offsetting, and surrounding, a proven helium well. The agreement allows the Company to earn a 100% working interest in the lands, subject to a 7% royalty, by drilling earning wells within specified time frames. A cash payment of $50,000 was paid on execution of the agreement.

(b) On January 17, 2023, the Company signed a farmin agreement to add to its land position in Southern Alberta by 17 contiguous sections (10,880 acres) to a total of 49 sections (31,360 acres), all in the Manyberries helium trend. The farmin agreement allows the Company to earn a 75% working interest in the lands by drilling test wells within specified time frames.

(c) On February 28, 2023, the Company granted 375,000 stock options to certain employees, issued pursuant to the Company's stock option plan. The options vest over a 36 month period, are exercisable at a price of $0.33 and expire February 2028.

(d) Subsequent to December 31, 2022, 1,200,000 options have been exercised for total proceeds of $180,000.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this filing, the Company does not have any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

RISKS AND UNCERTAINTIES

The Company's principal activity is exploration, acquisition and development of resource deposits. Companies in this industry are subject to many and varied kinds of risks, including but not limited to; environmental, fluctuating helium prices, social, political, financial and economics. Additionally, few exploration projects successfully achieve development due to factors that cannot be predicted or foreseen. While risk management cannot eliminate the impact of all potential risks, the Company strives to manage such risks to the extent possible and practicable.

The risks and uncertainties are considered by management to be the most important in the context of the Company's business. The risks and uncertainties are not limited to but include risks associated with the Company's dependence on the exploration and evaluation assets are: geological exploration and development; changes in law; continued negative operating cash flow and the availability of additional funding as and when required; infrastructure; inflation; governmental regulation; environmental; hazards, insurance; uninsured risks; competition; currency fluctuations; labour and employment; joint ventures; contract repudiation; dependence on key management personnel and executives; and litigation risks.

FORWARD-LOOKING STATEMENTS

Statements herein that are not historical facts are forward-looking statements that are subject to risks and uncertainties. Words such as "expects", "intends", "may", "could", "should", "anticipates", "likely", "believes" and words of similar import also identify forward-looking statements. Forward-looking statements are based on current facts and analyses and other information that are based on forecasts of future results, estimates of amounts not yet determined and assumptions of management, including, but not limited to, the Company's ability to raise additional debt and/or equity financing to fund operations and working capital requirements. Actual results may differ materially from those currently anticipated due to a number of factors including, but not limited to, general economic conditions, the geology of helium properties, helium industry conditions, the Company's ability to generate sufficient cash flows from operations and financing to support general operating activities and capital expansion plans, and laws and regulations and changes thereto that may affect operations, and other factors beyond the reasonable control of the Company.

Management periodically reviews information reflected in forward-looking statements. The Company has and continues to disclose in its Management Discussion and Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur.

Historical results of operations and trends that may be inferred from the above discussions and analysis may not necessarily indicate future results from operations.

OTHER INFORMATION

Additional information on factors that may affect the business and financial results of the Company can be found on www.sedar.com.