This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the Global Helium Corp. ("Global" or the "Company") condensed interim consolidated financial statements. The information provided herein should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements for the three and six-months ended June 30, 2023 and 2022 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 July 20, 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 and leases on lands in Alberta and Saskatchewan near known helium trends and (ii) acquisition of additional helium properties in Alberta, Saskatchewan and Montana for the purposes of further development and production.

The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol "HECO" and 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.

Global now holds permits, leases and/or options to lease of approximately 31,360 acres in Southeast Alberta, 21,808 acres in Montana and 1.8 million acres in Canada's "Helium Fairway" in southern Saskatchewan:

Alberta

During the first six-months of 2023, the Company added high-potential land positions in Southeast Alberta and is currently progressing towards drilling its first two test wells in a proven helium producing region along the Manyberries Helium trend. The Company's planning and permitting process for its initial test wells is under way and the Company expects to commence drilling in Q3 of 2023.

Montana

The Company continues to add to its land holdings in helium-proven geological structures in Montana. The Company's Montana assets, specifically in Rudyard, Montana, represent potential for near-term production as the Company owns a standing well capable of producing natural gas with a commercial helium concentration.

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 has been completed providing 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 is currently working on plans to finance a production facility or find a joint venture partner to move the project forward.

Saskatchewan

The Company continues to conduct geological and geophysical activities on its lands in Saskatchewan to evaluate and develop the Company's portfolio of high-impact drilling locations.

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

OPERATING AND FINANCIAL SUMMARY

For the three-months ended June 30, 2023:

- Incurred a net loss of $487,810 compared to $1,472,378 in the previous comparable period
- Cash used in operations decreased to $417,784 from $1,471,521 in the previous comparable period
- Net cash used in investing activities decreased to $121,598 in 2023 from $861,528 in the previous comparable period as the company transitions from acquiring land to executing on its exploration drilling program:
    - The Company continued to plan and prepare for its initial test wells in Southeast Alberta along the Manyberries Helium trend. The Company plans to drill two wells in the third and fourth quarters of 2023.
    - The Company incurred costs to maintain its leases in Montana
    - Geological and geophysical activities continued in Saskatchewan to evaluate specific drilling locations
- Proceeds from equity issuances during the quarter were $nil, compared to $500,000 raised from private placements in the previous comparable period

SUMMARY OF SELECTED RESULTS

	Three-months ended June 30,		Six-months ended June 30,	
	2023	2022	2023	2022
Loss	$ 487,810	$ 1,472,378	$ 953,629	$ 3,062,681
Per share - basic and diluted	0.01	0.03	0.02	0.07
Cash used in operating activities	417,784	1,471,521	742,497	2,977,385
Per share - basic and diluted [1]	0.01	0.03	0.02	0.07
Cash used in investing activities	121,598	861,528	222,916	2,171,242
Working capital (deficit)			2,363,977	4,886,545
Shareholders' equity (deficit)			6,345,947	8,070,329
Total assets			6,561,013	8,212,220

(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 June 30,		Six-months ended June 30,	
	2023	2022	2023	2022
Total expenses	$ 495,685	$ 1,480,253	$ 969,379	$ 3,075,181
Less non-cash expenses (depreciation and stock based compensation)	(52,975)	(128,965)	(136,106)	(138,537)
Total cash expenses	442,710	1,351,288	833,273	2,936,644

For the three-months ended June 30, 2023, as compared to the three-months ended June 30, 2022, total cash expenses have changed primarily due to the following significant items:

	Three-months ended June 30,	
	2023	2022
Consulting fees and salaries (1)	$ 92,302	$ 339,357
Investor Relations (2)	22,500	42,500
Management fees, salaries, & benefits (3)	130,402	466,072
Marketing (4)	-	373,940

(1) The decrease in the current period is due to reduced consulting for land services in Montana as the Company transitions from building land positions to executing on its drilling program. The Company's contract for European corporate services has ended and has not been renewed at the current time.
(2) Investor relations costs have been reduced to conserve cash while the Company focuses on developing its asset base
(3) In the three-month period ending June 30, 2022, the company paid a signing bonus to its new president. In the current period, the company is keeping its management compensation expenses reduced in order to conserve cash
(4) The Company discontinued the corporate marketing campaign in the second quarter of 2022

For the six-months ended June 30, 2023, as compared to the three-months ended June 30, 2022, total cash expenses have changed primarily due to the following significant items:

	Six-months ended June 30,	
	2023	2022
Consulting fees and salaries (1)	$ 195,992	$ 500,868
Investor Relations (2)	45,000	95,000
Management fees, salaries, & benefits (3)	247,311	655,699
Marketing (4)	-	1,392,960

(1) The decrease in the current period is due to reduced consulting for land services in Montana as the Company transitions from building land positions to executing on its drilling program. The Company's contract for European corporate services has ended and has not been renewed at the current time.
(2) Investor relations costs have been reduced to conserve cash while the Company focuses on developing its asset base
(3) The six-month period ending June 30, 2022 includes a signing bonus paid to the company's president. In the current period, the company is keeping its management compensation expenses reduced in order to conserve cash
(4) The Company discontinued the corporate marketing campaign in the second quarter of 2022

Stock-based compensation

During the three-months ended June 30, 2023, the Company incurred $40,107 of non-cash stock-based compensation expense related to stock options that vested during the period (June 30, 2022 – $119,391).

NET LOSS

Net loss for the applicable comparative periods are as follows:

	Three-months ended June 30,		Six-months ended June 30,	
	2023	2022	2023	2022
Loss	$ 487,810	$ 1,472,378	$ 953,629	$ 3,062,681
Loss per share - basic and diluted	0.01	0.03	0.02	0.07

For the three and six-months ended June 30, 2023, the Company incurred a loss of $467,810 and $953,629 respectively ($0.01 and $0.02 per share) compared to a loss of $1,472,378 and $3,062,681 for the same periods in 2022 ($0.03 and $0.07 per share). The main reasons for the decrease in loss in the current period are cash conservation efforts and transition from land acquisition to asset development discussed in 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 June 30,		Six-months ended June 30,	
	2023	2022	2023	2022
Cash used in operating activities	$ 417,784	$ 1,471,521	$ 742,497	$ 2,977,385
Cash used in operating activities per share - basic and diluted (1)	0.01	0.03	0.02	0.07

For the three and six-months ended June 30, 2023, cash used in operating activities was $417,784 and $742,497 respectively as compared to $1,471,521 and 2,977,385 in the comparable prior period. 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 June 30,		Six-months ended June 30,	
	2023	2022	2023	2022
Exploration and evaluation assets	$ 109,665	$ 562,095	$ 231,267	$ 2,223,863
Property and equipment	-	-	-	-

During the three months ended June 30, 2023, the Company incurred $109,665 in exploration costs; split between mineral lease maintenance costs in Saskatchewan and geological costs in Alberta as the Company prepares to drill its first test wells. In the prior year, $562,095 for the three months ended June 30, 2022 was incurred primarily in Montana when the Company acquired a non-producing well in the Rudyard area.

For the six-month period ended June 30, 2023, the Company's activities include the following land acquisitions:

- 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.
- The Company entered into 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.

For the comparative six-month period ended June 30, 2022, the Company's expenditures were primarily comprised of land acquisition costs in Montana and on geological and geophysical evaluations on its Saskatchewan lands.

SUMMARY OF SELECTED QUARTERLY RESULTS

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

$000 (except per share amounts)	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net loss	488	466	796	847	1,472	1,590	1,615	870
per share	0.01	0.01	0.02	0.02	0.03	0.04	0.04	0.03
Cash used in operating activities	418	325	312	823	1,465	1,513	1,614	350
per share	0.01	0.01	0.01	0.02	0.03	0.03	0.04	0.01
Cash used in investing activities	122	101	131	376	833	1,310	435	83
Working capital	2,364	2,910	3,241	3,964	4,887	6,250	8,930	4,383
Total assets	6,561	7,035	7,219	7,857	8,212	9,191	10,333	6,081
Weighted average shares	47,736	47,336	46,175	46,136	44,176	44,071	41,469	32,328

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 acquired significant helium permits in 2021 and 2022 in Saskatchewan and acquired mineral leases in Montana. In 2023, Global entered into agreements with the option to lease lands in Alberta and is now in a position to execute on its drilling plan.

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.

As at and for the six-months ended June 30, 2023, the Company recorded a net loss of $953,629 (June 30, 2022 – $3,062,681) and has an accumulated deficit of $10,009,193 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. The Company's targeted capital structure at June 30, 2023 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 six months ended June 30, 2023.

RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT COMPENSATION

(a) Related party transactions

i. For the three and six-months ended June 30, 2023, the Company incurred $15,000 and $30,000 of chief executive officer consulting fees (June 30, 2022 - $25,000 and $70,000 respectively) 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 condensed interim consolidated statement of loss.

ii. For the three and six-months ended June 30, 2023, the Company incurred $18,377 and $36,754 (June 30, 2022 - $9,017 and $18,034 respectively) of salaries for non-management personnel that have employment contracts with companies that share senior management of the Company.

iii. For the three and six-months ended June 30, 2023, the Company received $7,875 and $15,750 respectively of rent income (June 30, 2022 - $7,875 and $12,500 respectively) 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 condensed interim consolidated statement of loss. The Company also owed $1,623 (December 31, 2022 - $2,773) to companies that share senior management of the Company related to the shared office space expense and is included in accounts payable on the consolidated statement of financial position as at June 30, 2023.

(b) Key management compensation

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

	Three-months ended June 30, 2023	Three-months ended June 30, 2022	Six-months ended June 30, 2023	Six-months ended June 30, 2022
Consulting fees, salaries, and benefits	$ 130,402	$ 466,072	$ 247,311	$ 655,699
Stock-based compensation	12,682	102,640	54,629	102,640
Total	$ 143,084	$ 568,712	$ 301,940	$ 758,339

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, 2021	43,766,540	$ 10,324,677
Issue of common shares pursuant to a private placement (1)	1,562,500	296,875
Issue of common shares on royalty reduction exercise (2)	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
Issue of common shares on option exercises	1,200,000	196,800
Balance, June 30, 2023	47,736,060	11,434,738

(1) 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.

(2) 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 June 30, 2023:

	Number	$	Weighted average exercise price
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 [1]	(309,500)	(51,965)	1.00
Balance, December 31, 2022	38,191,170	$ 3,585,268	$ 0.64
Expired [2]	(16,915,600)	(73,738)	0.25
Balance, June 30, 2023	21,275,570	3,511,530	0.96

[1] 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.

[2] On May 19, 2023, 16,915,600 warrants expired with an exercise price of $0.25. A further 11,798,180 warrants with an exercise price of $1.00 were also set to expire on May 19, 2023 but were extended to May 19, 2025.

Information about the warrants at June 30, 2023 is as follows:

Number of warrants – outstanding and exercisable	Exercise price	Expiry date
2,382,800	$ 1.00	October 4, 2023
5,532,090	$ 1.00	October 5, 2023
1,562,500	$ 0.42	May 31, 2025
11,798,180	$1.00	May 19, 2025
21,275,570		

(d) Per share amounts

	Three-months ended June 30, 2023	Three-months ended June 30, 2022	Six-months ended June 30, 2023	Six-months ended June 30, 2022
Loss for the period	$ (487,810)	$ (1,472,378)	$ (953,629)	$ (3,062,681)
Weighted average number of common shares outstanding – basic and diluted[1]	47,736,060	44,176,040	47,537,165	44,114,242
Loss per share – basic and diluted	$ (0.01)	$ (0.03)	$ (0.02)	$ (0.07)

[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 three-month and six-month periods ended June 30, 2023 and 2022.

(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, 2021	2,600,000	$ 0.31
Granted (1)	2,160,000	0.39
Exercised (2)	(500,000)	0.15
Forfeited	(50,000)	0.61
Balance, December 31, 2022	4,210,000	$ 0.37
Granted (3)	375,000	0.33
Exercised (4)	(1,200,000)	0.15
Balance, June 30, 2023	3,385,000	$ 0.44

(1) 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.

(2) 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.

(3) Options vest as to; one quarter of 375,000 every 6 months from August 28, 2024.

(4) During the six-months ended June 30, 2023, 1,200,000 options were exercised for cash proceeds of $180,000. $16,800 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 June 30, 2023, are as follows:

Number of options – outstanding	Number of options - exercisable	Weighted average exercise price	Expiry date
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	62,500	$0.33	August 10, 2027
500,000	500,000	$0.34	August 15, 2027
70,000	-	$0.41	December 5, 2027
375,000	-	$0.33	February 28, 2028
3,385,000	2,082,500	$0.44	

ii. Stock-based compensation expense

Compensation expense of $40,107 and $110,372 for the three and six-months ended June 30, 2023 respectively (June 30, 2022 - $119,391 and $119,391 respectively) has been recorded in the condensed interim consolidated statement of loss with a corresponding increase in contributed surplus.

The weighted average fair value of options granted during the six-months ended June 30, 2023 was estimated on the dates of grant to be $0.28 using the Black-Scholes option pricing model with the following weighted average assumptions for grants as follows:

	Six-months ended June 30, 2023
Risk-free interest rate	3.52%
Expected life of option	5.0 years
Expected dividend yield	0%
Expected volatility [(a)]	125%
Forfeiture rate	0%
Exercise price	$0.33
Share price at grant date	$0.33

[(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 July 20, 2023, the Company had 47,736,060 shares, 3,385,000 stock options and 21,275,570 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 six-months ended June 30, 2023.

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	June 30, 2023	December 31, 2022
Current (less than 90 days)	$ 19,813	$ 62,256
Past due (more than 90 days)	-	-
	$ 19,813	$ 62,256

Since the Company's receivables consist of amounts due from the government, the Company does not have an allowance for doubtful accounts as at June 30, 2023 and December 31, 2022 and believes all amounts will be collected in due course. The Company's historical expected credit loss is $Nil. At June 30, 2023, 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 June 30, 2023:

	Within one year	Between one and five years	Total
Accounts payable and accrued liabilities	$ 163,134	$ -	$ 163,134
Lease obligation	28,000	-	28,000
Decommissioning liabilities		24,631	24,631
Total	$ 191,134	$ 24,631	$ 215,765

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 June 30, 2023, net financial liabilities totaling $12,000 (December 31, 2022 – $30,000) 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 June 30, 2023 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 $240 (December 31, 2022 - $600) in the Company's loss and comprehensive loss for the three and six-months ended June 30, 2023.

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 June 30, 2023, 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 June 30, 2023.

CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS, AND ASSUMPTIONS

The preparation of the condensed interim 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 June 30, 2023, 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	$ 64,000	$ 28,800	$ -	$ 92,800
Annual permit exploration expenditures	219,000	535,000	173,000	927,000
Total	**$ 283,000**	**$ 563,800**	**$ 173,000**	**$ 1,019,800**

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 June 30, 2023, the Company had not allowed any permits to lapse.

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.