This Management's Discussion and Analysis ("MD&A") is intended to help the reader understand the Global Helium Corp.'s ("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, 2024 and 2023 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 August 20, 2024.

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 advanced stage helium development company focused on the exploration, acquisition, development, and production of helium, done right. The Company has carved out a differentiated position through a unique farm-in agreement with industry veteran, Perpetual Energy Inc., through which the Company can access approximately 369,000 acres in Alberta's Manyberries helium trend via joint venture. The Company has also captured 100%-owned permits encompassing over 825,000 acres prospective for helium in Saskatchewan's well-established helium fairway and has acquired three significant assets with proven helium tests in the state of Montana. The Company brings a seasoned team of industry professionals and technical experts who have established connections with North American and international helium buyers.

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

Building on the Company's drilling success in 2023 and remediation of the 10-08 well in the first quarter of 2024, the Company remains committed to ongoing asset development, value creation and prudent capital allocation through 2024. The Company's near-term focus will be on continuing to explore and develop the Medicine Hat area, facilities planning and acquiring additional prospective lands in Alberta.

Alberta

The Company has drilled, logged, and cased two wells in the Manyberries helium trend in Southeast Alberta. The wells targeted the Beaverhill Lake zone and are situated on the farm-in land block of Perpetual Energy Inc. in which the Company has a 75% interest:

09-04-12-04W4

- Absolute open flow test of 11.6 MMcf/d and a stabilized flow test of 2.8 MMcf/d
- 1.1% helium

10-08-012-04W4

- Stabilized flow test of 4.1 MMcf/d
- 0.6% - 0.68% helium

By drilling and testing both of these wells, the Company satisfied the terms of the farm-in and option agreements with Perpetual Energy Inc. and now has a 75% lease interest in 22 sections of helium prospective land in the Manyberries area.

The results and learnings gained from the Company's first two exploration wells have exceeded expectations. The geologic data and helium concentrations encountered support the viability of further development in the Medicine Hat area and the Company is proceeding with the necessary steps for expanded operations along with the planning of future production facilities.

In the second quarter, the Company acquired two additional sections of land in Northern Alberta, situated within a region prospective for helium. These new sections of land expand Global's existing asset base, and represent an exploratory asset for the Company, with the potential to provide further developmental opportunities designed to contribute to the Company's long-term sustainability.

Saskatchewan

On May 22, 2024, the Company announced that North American Helium Inc. ("NAH"), Canada's leading producer and explorer of helium, has elected to drill a test well in the Vermillion Hills area of Global's Saskatchewan acreage. This election follows the execution of a seismic review option agreement dated April 8, 2024 between Global and NAH, which afforded the Company the opportunity to advance its Saskatchewan land base while mitigating up-front capital costs and exploration risk. Pursuant to the Agreement, NAH has the right to review Global's proprietary seismic data covering the majority of the Company's exploration permits in Saskatchewan and select a drilling location based on this review.

In early August 2024, NAH elected to drill and fully fund a test well in the Vermillion Hills area of Global's Saskatchewan acreage. After reaching total depth, NAH notified the Company that the test well will be abandoned. As a result of the test well being drilled on an accelerated timeframe prior to December 30, 2024, NAH has now earned an 80% working interest in 72 sections of HECO's land.

With an expanded joint acreage position, the Company is pleased to continue its partnership with NAH on multiple other structures across the Saskatchewan land base moving forward.

Montana

The Company continues to assess 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.

During 2023, the Company 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 future drilling plans and plans for a future facilities construction. The Company is currently working on plans to finance a production facility or find a joint venture partner to move the project forward.

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.

OPERATING AND FINANCIAL SUMMARY

For the three-months ended June 30, 2024:

- Incurred a net loss of $0.1 million compared to $0.5 million in the previous comparable period as the Company incurred a $0.6 million unrealized gain associated with the preferred share derivative in the current period
- Cash used in operations was only $0.1 million in the second quarter of 2024, down from $0.4 million in the previous comparable period, in part due to reduced consulting and professional fees and collection of an outstanding GST receivable in the current period
- Net cash used in investing activities was $0.4 million compared to only $0.1 million in the previous comparable period as the company paid for the remediation and testing of the 10-08 well.
- Proceeds from financing activities was $nil in the current period, similar to the previous comparable period.

SUMMARY OF SELECTED RESULTS

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Loss/(Gain)	$ 66,646	$ 487,810	$ (32,757)	$ 953,629
Per share - basic and diluted	0.00	0.01	(0.00)	0.02
Cash used in operating activities	111,569	417,784	592,886	742,497
Per share - basic and diluted [1]	0.00	0.01	0.01	0.02
Cash used in investing activities	442,383	121,598	1,036,813	222,916
Working capital (deficit)			(3,868,169)	2,909,843
Shareholders' equity (deficit)			(13,803,899)	(6,842,845)
Total assets			8,382,155	7,034,821

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

EXPENSES

Cash Expenses

The Company continues to exercise fiscal discipline and keep cash expenditures at reduced levels. Cash expenses for the applicable comparative periods are as follows:

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Total expenses	$ 620,247	$ 495,685	$ 1,200,788	$ 969,379
Less non-cash expenses (depreciation, finance, stock-based compensation, foreign exchange)	(317,937)	(51,861)	(465,985)	(134,842)
Total cash expenses	302,310	443,824	734,803	834,537

For the three-months ended June 30, 2024, as compared to the three-months ended June 30, 2023, total cash expenses have changed primarily due to the following significant items:

	Three months ended June 30	
	2024	2023
Consulting fees and salaries [1]	$ 63,531	$ 92,302
Professional fees [2]	7,515	108,141
Management fees, salaries, & benefits [3]	135,271	130,402
All Other	95,993	112,979
Total	302,310	443,824

(1) The decrease in the current period is due to reduced consulting for corporate and land consulting services.
(2) Professional fees were lower due to reduced legal fees and the timing of audit fees
(3) Management salaries are slightly higher compared to prior year due to the changes in management that occurred in the third and fourth quarters of 2023, offset by reduced non-management salaries.

For the six-months ended June 30, 2024, as compared to the six-months ended June 30, 2023, total cash expenses have changed primarily due to the following significant items:

	Six months ended June 30	
	2024	2023
Consulting fees and salaries [1]	$ 113,399	$ 195,992
Professional fees [2]	67,001	142,741
Management fees, salaries, & benefits [3]	285,105	247,311
Investor relations [4]	16,063	45,000
All Other	253,235	203,493
Total	734,803	834,537

(1) The decrease in the current period is due to reduced consulting for corporate and land consulting services.
(2) Professional fees were lower due to reduced legal fees and the timing of audit fees
(3) Management salaries are slightly higher compared to prior year due to the changes in management that occurred in the third and fourth quarters of 2023, offset by reduced non-management salaries
(4) Investor relations spending is lower in the current year as the Company focuses on building its asset base

Stock-based compensation

During the three and six-months ended June 30, 2024, the Company incurred $188,867 and $263,298 respectively of non-cash stock-based compensation expense related to stock options that vested during the period (June 30, 2024 - $40,107 and $110,372 for the comparative three and six-month periods respectively.

NET LOSS/(GAIN)

Net loss/(gain) for the applicable comparative periods are as follows:

	Three months ended June 30		Six months ended June 30	
	2024	2023	2024	2023
Loss/(Gain)	$ 66,646	$ 487,810	$ (32,757)	$ 953,629
Loss per share - basic and diluted	0.00	0.01	(0.00)	0.02

For the three and six-month period ended June 30, 2024, the Company incurred a net loss of $0.1 million and a gain of $0.03 million respectively, compared to a $0.5 million and $1.0 million loss for the same period in 2023. The current periods includes unrealized gains on the preferred share derivative pertaining to the conversion feature of the Company's preferred shares. The gain is a result of the decline in the Company's share price in the current year as the conversion feature becomes less valuable.

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	
	2024	2023	2024	2023
Cash used in operating activities	$ 111,569	$ 417,784	$ 592,886	$ 742,497
Cash used in operating activities per share - basic and diluted (1)	0.00	0.01	0.01	0.02

For the three and six-months ended June 30, 2024, cash used in operating activities was $111,569 and $592,886 respectively, reduced from $417,784 and $742,497 from the same periods in the prior year due to reduced spending on corporate services, consulting and collection of a GST receivable in the current period. Refer to further discussion in Cash Expenses section above.

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	
	2024	2023	2024	2023
Exploration and evaluation assets	$ 421,954	$ 109,665	$ 581,235	$ 231,267
Property and equipment	-	-	-	-

During the three and six-months ended June 30, 2024, the Company incurred $0.4 million and $0.6 million in exploration costs, most of which pertain to remediation and testing of the 10-08 well and additional land acquisition costs in Alberta. The Company continues to increase its land position in Medicine Hat and Northern Alberta. The Company continues to hold lands in Saskatchewan which also require lease maintenance and geological spending.

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 2024**	**Q1 2024**	**Q4 2023**	**Q3 2023**	**Q2 2023**	**Q1 2023**	**Q4 2022**	**Q3 2022**
Net loss/(gain)	67	(99)	3,474	354	488	466	796	847
per share [(1)]	0.00	(0.00)	0.07	0.01	0.01	0.01	0.02	0.02
Cash used in operating activities	112	481	492	405	418	325	312	823
per share [(1)]	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.02
Cash used in investing activities	442	594	2,007	625	122	101	131	376
Working capital	(3,868)	(3,570)	(3,595)	964	2,364	2,910	3,241	3,964
Total assets	8,382	8,679	9,424	6,750	6,561	7,035	7,219	7,857
Weighted average basic shares	47,736	47,736	47,736	47,736	47,736	47,336	46,175	46,136

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

After raising capital in 2021 and acquiring its initial helium exploration permits in Saskatchewan, the Company continued to add to its land base in 2022 by acquiring additional permits in Saskatchewan and mineral leases in Montana. In 2023, Global entered into agreements with the option to lease lands in Alberta and has drilled its first wells to earn the rights on those lands. The Company tested those wells in late 2023 and confirmed discovery of material quantities of helium. In 2024, the Company has remediated the damage caused to one of its wells during drilling and stimulated the well to establish a strong flow rate.

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 three and six-months ended June 30, 2024, the Company recorded a net loss of $0.1 million and net gain of $0.03 million respectively (June 30, 2023 – net loss of $0.5 million) and has an accumulated deficit of $13.8 million 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 and the preferred shares that are currently classified as a liability until such time they are converted into common shares or redeemed. The Company's targeted capital structure at June 30, 2024 is 100% shareholders' equity.

The chief source of working capital is equity financing obtained through the sale of common and preferred 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 capital raised, 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 or six--month periods ending June 30, 2024.

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 from a private company in which a former director and former officer was the private company's principal shareholder. These fees are included in management fees in the condensed interim consolidated statement of (gain)/loss. This relationship is no longer active as of September 2023.

ii. For the three and six months ended June 30, 2023, the Company incurred $18,377 and $36,754 of salaries for non-management personnel that had employment contracts with companies that previously shared senior management of the Company under a former organizational structure. This relationship is no longer active as of September 2023.

iii. For the three and six-months ended June 30, 2023, the Company received $7,875 and $15,750 of rent income from companies that previously shared senior management of the Company. The rent income results from office space expenses that the entities shared, and the amount is included in rent income in the consolidated statement of loss. The Company also owed $1,623 to companies that shared 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. These relationships are no longer active as of September 2023.

(b) Key management compensation

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

	Three-months ended June 30, 2024	Three-months ended June 30, 2023	Six-months ended June 30, 2024	Six-months ended June 30, 2023
Consulting fees, salaries, and benefits	$ 149,834	$ 130,402	$ 285,105	$ 247,311
Stock-based compensation	47,788	12,682	165,560	54,629
Total	$ 197,622	$ 143,084	$ 450,665	$ 301,940

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, 2022	46,536,060	$ 11,237,938
Issue of common shares on option exercises	1,200,000	196,800
Balance, December 31, 2023 & June 30, 2024	47,736,060	$ 11,434,738

(c) Warrants

The following table outlines the Company's warrants outstanding at June 30, 2024:

	Number	$	Weighted average exercise price
Balance, December 31, 2022	38,191,170	$ 3,585,268	$ 0.64
Expired [(1),(2)]	(24,830,490)	(1,555,958)	0.49
Balance, December 31, 2023 & June 30, 2024	13,360,680	$ 2,029,310	$ 0.93

(1) 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.

(2) On October 4th and 5th 2023, a total of 7,914,890 warrants expired with an exercise price of $1.00.

Information about the warrants at June 30, 2024 is as follows:

Number of warrants – outstanding and exercisable	Exercise price	Expiry date
1,562,500	$ 0.42	May 31, 2025
11,798,180	$1.00	May 19, 2025
13,360,680		

(d) Per share amounts

	Three-months ended June 30, 2024	Three-months ended June 30, 2023	Six-months ended June 30, 2024	Six-months ended June 30, 2023
Net gain/(loss) for the period	$ (66,646)	$ (487,810)	$ 32,757	$ (953,629)
W.A. number of common shares outstanding – basic and diluted[(1)]	47,736,060	47,736,060	47,736,060	47,537,165
Loss per share – basic and diluted	$ (0.00)	$ (0.01)	$ 0.00	$ (0.02)

(1) All stock options, warrants and convertible preferred shares have been excluded from the calculation of diluted gain per share as the impact is immaterial or would be anti-dilutive when the Company is in a loss position for the period.

(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, 2022	4,210,000	$	0.37
Granted [1]	1,425,000		0.27
Exercised [2]	(1,200,000)		0.15
Expired	(850,000)		0.61
Forfeited	(550,000)		0.41
Balance, December 31, 2023	3,035,000	$	0.33
Granted [3]	1,075,000		0.11
Cancelled [4]	(1,295,000)		0.37
Balance, June 30, 2024	2,815,000	$	0.23

(1) 375,000 options were granted February 28, 2023 and vest as to; one quarter every 6 months from August 28, 2024. 1,050,000 options were granted September 22, 2023 and vest as to; one quarter every 6 months from March 22, 2024.

(2) During the year ended December 31, 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.

(3) 1,075,000 options were granted May 3, 2024 to certain directors, officers and employees of the Company and vest immediately with an exercise price of $0.11. Options expire in 5 years.

(4) 1,295,000 options were cancelled on May 21, 2024 with no consideration that had exercise prices between $0.33 – $0.41 and expired between May 16, 2027 and February 28, 2028. Upon cancellation, $62,378 of stock-based compensation was recognized immediately in respect of the remaining unvested grant date fair value.

Information about the stock options outstanding and exercisable on June 30, 2024, are as follows:

Number of options – outstanding	Number of options - exercisable	Weighted average exercise price of outstanding options	Expiry date
150,000	150,000	$0.41	May 16, 2027
40,000	40,000	$0.62	June 1, 2025
500,000	500,000	$0.34	August 15, 2027
1,050,000	262,500	$0.25	September 22, 2028
1,075,000	1,075,000	$0.11	May 3, 2029
2,815,000	2,027,500	$0.23	

ii. Stock-based compensation expense

Compensation expense of $188,867 and $263,298 have been recognized for the three and six months ended June 30, 2024 (June 30, 2023 - $40,107 and $110,372) 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 three and six-months ended June 30, 2023 was estimated on the dates of grant to be $0.09 using the Black-Scholes option pricing model with the following weighted average assumptions for grants as follows:

	Six-months ended June 30, 2024
Risk-free interest rate	3.67%
Expected life of option	5.0 years
Expected dividend yield	0%
Expected volatility [(a)]	118%
Forfeiture rate	0%
Exercise price	$0.11
Share price at grant date	$0.11

[(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 August 20, 2024, the Company had 47,736,060 common shares, 15,753,776 preferred shares, 2,815,000 stock options, and 13,360,680 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 three or six-months ended June 30, 2024.

(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 and cash equivalents consists of cash bank balances and term deposits. In order to manage credit risk, the Company holds cash balances and term deposits 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, 2024**		**December 31, 2023**
Current (less than 90 days)	$	39,493	$	168,122
Past due (more than 90 days)		-		-
	$	39,493	$	168,122

Since the Company's receivables consist primarily of amounts due from the Government of Canada, the Company does not have an allowance for doubtful accounts as at June 30, 2024 and December 31, 2023, and believes all amounts will be collected in due course. The Company's historical expected credit loss is $Nil. At June 30, 2024, 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, 2024:

	Within one year	Between one and five years	More than five years	Total
Accounts payable and accrued liabilities	$ 273,222	$ -	$ -	$ 273,222
Preferred shares [1]	4,244,740	-	-	4,244,740
Total	$ 4,517,962	$ -	$ -	$ 4,517,962

[1] The preferred shares are classified as a current liability due to the optional redemption feature as described in note 7 of the financial statements.

(c) Market risk

i. Foreign currency risk and sensitivity analysis

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, accounts payable and preferred share liabilities that are denominated in USD. As at June 30, 2024, net financial liabilities totaling $2,318,194 (December 31, 2023 – financial liabilities of $1,301,000) 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, 2024 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 $63,460 (December 31, 2023 - $26,020) in the Company's interim condensed consolidated statement of (gain)/loss for the three-months ended June 30, 2024.

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, 2024, 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 rates. The Company is not exposed to interest rate cash flow risk as the Company had no variable rate interest-bearing debt as of June 30, 2024.

The Company is exposed to interest rate price risk as the preferred share liability has a fixed cumulative dividend rate.

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. 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.
v. 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).
vi. Derivatives – Estimates of the fair value of the Company's preferred share derivative is dependent on the estimated market value of the Company's shares, the future volatility of the Company's share value, expected future dividends, the expected holding period before conversion to equity, and the risk-free interest rate.

CONTRACTUAL OBLIGATIONS AND COMMITMENTS

As at June 30, 2024, the Company holds 13 helium exploration permits over certain lands in Saskatchewan that it plans to hold until maturity. The Company is required to make future annual lease maintenance expenditures and annual permit exploration expenditures as follows:

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.

SUBSEQUENT EVENTS

On July 2, 2024, the Company granted incentive stock options to acquire up to 1,350,000 common shares of the Company to certain directors, officers and employees of the Company. The options have an exercise price of $0.08 and will expire on July 2, 2029.

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.