Management Discussion & Analysis
Quarterly Highlights

For the six months ended March 31, 2024

(Expressed in US dollars)

The following is management's discussion and analysis – quarterly highlights ("MD&A") of the results of operations and financial condition of Pulsar Helium Inc. (the "Company" or "Pulsar") for the six months ended March 31, 2024, and up to the date of this MD&A, and has been prepared to provide material updates to the business operations, financial condition, liquidity and capital resources of the Company since its last management's discussion and analysis for the year ended September 30, 2023 (the "Annual MD&A").

This MD&A should be read in conjunction with the Annual MD&A and the audited consolidated financial statements for the year ended September 30, 2023, together with the notes thereto, and the accompanying unaudited condensed interim consolidated financial statements and related notes thereto for the six months ended March 31, 2024 (the "Financial Report").

All financial information in this MD&A is derived from the Company's financial statements prepared in accordance with IFRS Accounting Standards and all dollar amounts are expressed in United States dollars unless otherwise indicated.

The effective date of this MD&A is May 28, 2024.

CORPORATE OVERVIEW AND OUTLOOK

Pulsar is a publicly traded company incorporated under the laws of British Columbia, Canada on June 30, 2022. The Company trades on the TSX Venture Exchange (the "Exchange") under the symbol PLSR and on the OTCQB Venture Market in the United States under the symbol PSRHF. The corporate office and registered and records office of the Company is located at Unit 1 – 15782 Marine Drive, White Rock, BC, Canada, V4B 1E6.

The Company is engaged in the identification, acquisition, exploration and, if warranted, development of helium exploration projects in the United States of America ("USA") and Greenland.

Helium exploration and development is a nascent industry, brought into existence by a sudden and significant supply deficit that has persisted for over a decade and shows no sign of ending. Pulsar exists to develop its helium assets, with the objective of bringing stability via sustainable supply that is not associated with hydrocarbon production. Pulsar's assets include the Tunu project in Greenland and its flagship Topaz project in the USA with a helium content of 13.8%, positioning it among the world's highest-grade occurrences. Efforts are focused on fast-tracking activities at Topaz to realize its potential. Helium uses are abundant, the most significant being in superconducting magnets, semiconductor manufacturing, and as a pressuring agent in the fuel tanks of spacecraft.

HELIUM EXPLORATION PROJECTS

Topaz Project, USA

History

In 2011, a previous explorer was drilling a series of boreholes targeting nickel and platinum when they unexpectedly encountered a pocket of high-pressure gas at a depth of 542 metres (1,778 feet) in borehole LOD-6. The gas pressure was sufficient to blow the core tube and associated drill fluid out of the hole and is therefore considered to be an over pressured reservoir. The borehole was allowed to flow with the expectation the pocket would be depleted in a matter of hours, however the gas flow persisted for a duration of 4 days with no obvious drop in pressure. The gas flow velocity was measured using an anemometer designed for domestic wind speed, reaching its maximum speed recording of 150 km/hr prior to breaking under the gas pressure.

Two gas samples were collected from the flowing LOD-6 borehole and a gas analysis was completed at the University of Toronto and at Pace Laboratories, with both confirming a gas composition of 73.8% CO_2, 13.2% N_2, 10.5% He, 0.1% O_2 and 2.4% methane and other hydrocarbon gases. After analysis of the gas confirmed that it was non-combustible, LOD-6 was sealed and permanently abandoned. The uses and value of helium have increased significantly since 2011, and the high concentrations of carbon dioxide and nitrogen with helium and minimal hydrocarbons have favourable implications for the economic potential of this project as a helium source. In addition, with the gas stream composed primarily of carbon dioxide, there is the long-term potential to sell the carbon dioxide to consumers (there is a shortage of beverage and food-grade CO_2 in the US and there elevated pricing).

2023-2024 Exploration work

Drilling of Exploratory Boring Well

As announced February 5, 2024, the Company commenced drilling of the Jetstream #1 appraisal well located approximately 15 metres (50 feet) from the original discovery well LOD-6 that hit free gas with a concentration of 10.5% helium.

On February 29, 2024, the Company announced that Jetstream #1 reached total depth (TD) of 2,200 feet (671 meters). Prior to reaching TD, helium shows were encountered during drilling between 1,750 – 2,200 feet (533 – 671 meters) with concentrations of up to 12.4% helium measured by the on-site mass spectrometer. When TD was reached, the well was conditioned with air to assist in removal of residual drill fluid, the well then began to naturally flow helium-rich gas at an unmeasured rate to surface where the mudlog gas composition increased from 3.7% to 5.1% helium over a 5-hour clean-up period. Due to the significant air volumes pumped into the well during the drilling process, these measurements are considered to be a minimum value due to dilution by atmospheric contamination.

On March 14, 2024, the Company announced it received the analytical laboratory results for gas samples from Jetstream #1 drilling. A total of eleven samples were analyzed, four at Isotech Laboratories, Inc (Isotech) and seven at Smart Gas Sciences LLC (Smart Gas). Helium contents of up to 13.8% were measured, specifically from a sample obtained at 1,801ft in-hole depth. The full suite of gas data was sent to Dr Peter Barry, a noble gas isotope geochemist and Associate Scientist (an advisor to the Company) at the Woods Hole Oceanographic Institution (WHOI). He concluded that the value of 13.8%

helium represents a minimum source estimate for helium, due to the clear presence of small amounts of atmospheric (air) contamination in the samples. The presence of this contamination decreases the measured helium content relative to the true source helium concentration. The revised helium content of 13.8% is considered more reliable and more accurate than those obtained via the on-site quadrupole mass spectrometer.

On March 25, 2024, the Company announce that it received the wireline log interpretation from Asia-Pacific Formation Evaluation Services Pty Ltd for Jetstream. A predominantly gas saturated interval has been interpreted between 1,650 - 2,200ft (503 – 671 meters) containing discrete zones where productive permeability appears to occur. Drilling observations and log data interpretation suggest the presence of permeable zones in the form of fracture and/or vuggy porosity within the host igneous rock. Additional wireline data is scheduled to be acquired when Jetstream #1 is being prepared for the upcoming pressure build-up and flow testing operation.

On May 6, 2024, the Company announced that spring road restrictions in the north frost zone have ended. The Company will immediately recommence field operations at the Jetstream #1 appraisal well. Activities will initially consist of road improvements and civil works, followed by down-hole logging, well completion, and flow testing with a pressure build up program. All necessary contracts are in place, with vendors and equipment secured to complete the upcoming works.

Ambient Noise Tomography (ANT) Survey

On October 10, 2023, the Company announced that an ambient noise tomography (ANT) survey was successfully concluded with a total of 183 nodes retrieved and data downloaded. ANT is commonly referred to as passive seismic as the technology utilizes passive, naturally occurring seismic waves to record data on features in the subsurface. ANT is a cost effective and non-invasive geophysical method employing background seismic noise, generated by human activities or natural sources, to generate 3D maps of subsurface structures. Through analyzing the variations in ambient noise propagation, geoscientists can measure details about the velocity and properties of geological bodies.

On December 5, 2023, the Company announced that processing of the ANT data was complete and identified a significant and distinct shear wave velocity anomaly (velocity decrease) at the same depth (542 metres) where gas containing 10.5% helium was encountered in the LOD-6 discovery well. This dataset provides crucial, high-fidelity comprehension in relation to the gas reservoir geometry and potential size, substantiating existing findings.

This velocity anomaly is interpreted to represent the lithology which hosts the helium-bearing gas reservoir(s). The velocity anomaly persists to a depth of approximately 1,150 metres, giving it a vertical thickness of approximately 600 metres and covers an aerial extent of ~7 square kilometres. The vertical thickness of the velocity anomaly increases to the north-east to ~1km and is connected to another velocity decrease which dips and broadens towards the west, both directions remain open with their extent limited to that of the passive seismic survey array.

Above the LOD-6 gas discovery depth are flat lying geologic units with high shear wave velocity that are laterally continuous across the passive seismic survey area. The Company has access to the LOD-6 well drill core which has been re-logged and confirmed that these high shear wave velocity units consist of igneous rocks that are typically impermeable with exceptional gas sealing potential.

The passive seismic survey observations are highly encouraging and validate its use to locate gas reservoir and cap rock lithologies within the Topaz helium project geological setting.

The passive seismic data adds to the FALCON gravity gradient and magnetic data that Pulsar acquired in 2022.

Acquisition of Additional Tenure in Minnesota

On October 10, 2023, the Company announced it signed a lease with a private mineral rights holder to expand the area of the Company's Topaz helium project in Minnesota, USA. The additional mineral rights are within a 6.2 mile (10 kilometre) radius of the Topaz discovery. The lease is for privately held mineral rights covering a total of 2,840 gross acres (1,049 net acres), over 75 parcels. The lease is for an initial term of 20 years (extendable up to a maximum of 40 years, subject to conditions) with a payment on signing of $11,000 (paid) and a retained production royalty of 3%. The lease gives Pulsar exclusive rights to non-hydrocarbon gases. The mineral rights are adjacent to Pulsar's existing parcels and are considered high-priority with significant potential for hosting helium accumulations.

Tunu Project, Greenland

The Tunu Project consists of a Special Mineral Exploration Licence (MEL-S 2021-45) effective from November 22, 2021 until December 31, 2024 that covers Liverpool Land in East Greenland and has an area of 2,772 km^2 and a Mineral Prospecting Licence (MPL 2021-46) effective from November 22, 2021 until December 31, 2026 that covers East Greenland. The aforementioned licences are the first in Greenland to be approved for the exploration of "industrial gases" and Pulsar is the only helium explorer in Greenland. Greenland is a European Union overseas territory and helium is on the European Union's list of critical raw materials.

Conduct geophysical and geochemical activities

The Company intends to acquire additional data at the Tunu Project in the form of gas geochemistry and geophysics. There are multiple un-tested hot springs within the project area that provide a favourable sample medium for gases from depth, emanating at surface. The samples are proposed to be collected in canisters and then sent to a laboratory for analysis with the intention of broadening the area of interest for primary helium migration. Contemporaneously, a passive seismic survey is proposed where seismic nodes are distributed in the field and left to acquire data over a period of approximately one month. The proposed survey location is Kap Tobin, where hot springs were sampled in 2022, exhibiting active helium migration along faults with helium contents up to 0.8%.

Central East Greenland has the greatest abundance of thermal springs in Greenland. This is relevant to the Company's exploration for helium and hydrogen because it demonstrates anomalously high heat flow that is required to liberate and mobilise gases from depth. They also show that there are pathways by which these gases can reach shallow depths.

The origin of this anomalously high heat flow is the Icelandic and Jan Mayen mantle plumes which have diverged from a position under central Greenland and passed below the east coast.

Licence addendum

On October 17, 2023, the Company announced that it has received an addendum to its licence No. MEL-S 2021-45, confirming enlargement to include a prospective area for both helium and geothermal power generation.

The enlarged Tunu Project area now covers a total of 2,816 km^2, an increase of 45 km^2. This enlarged area covers the Kap Tobin locality where thermal springs were sampled in 2022, returning a helium concentration of 0.8%, associated with 97% nitrogen and 2% argon. The same location has been studied by geothermal industry experts including the Iceland GeoSurvey who have published data stating that cogeneration of power and heat looks achievable due to the 80°C geochemical temperature at depth and access to the locally cold ocean as a heat sink. The Government of Greenland has stated that the usage of geothermal energy falls under the administrative purview of the Mineral Resource Authority if the usage occurs as part of a mineral exploitation activity, such as Pulsar's activities for helium.

INVESTOR AWARENESS CAMPAIGN

Pulsar commenced a strong broad reaching marketing campaign that began on Pulsar's listing on the Exchange. We engaged a number of service providers, each bringing their different skills, to heighten market and brand awareness. The implementation of our comprehensive strategy is to create effective capital market awareness, increase investor engagement, and allow us to connect with existing and new shareholders during what we anticipate will be a very active time for Pulsar.

On March 13, 2023, Pulsar announced a multi-year partnership with leading Formula E Race Team, Envision Racing where Pulsar became an Official Partner and a member of the Team of its unique 'Race Against Climate Change™' sustainability programme, created to help amplify the fight against climate change and accelerate the movement to zero emission vehicles.

The parties will work together on promoting a healthier planet through their respective global platforms. Pulsar is focused on growing its business and the Team will provide relevant and authentic opportunities, including branding, story-telling and unique experiences to support the ongoing development of the Pulsar brand and to engage with investors and customers. Helium is key component in automotive engineering and primary helium will play an important role in the green transition.

RESULTS OF OPERATIONS

The consolidated loss for the six months ended March 31, 2024 was $20,092,828 compared to $1,052,943 for the six months ended March 31, 2023.

The significant changes between the current period and the comparative period are discussed below.

During the six months ended March 31, 2024, the Company paid or accrued consulting fees of $310,636 (2023 – $120,747) primarily to executive officers of the Company. The Company also paid or accrued director fees of $45,208 during the six months ended March 31, 2024 (2023 - $13,750). The Company began incurring executive salaries and director fees on January 1, 2023.

During the six months ended March 31, 2024, the Company recorded exploration and evaluation expenditures of $3,538,790 (2023 – $275,268) to drill Jetstream #1 and further advance exploration on its Topaz project located in the USA as described above. The Jetstream #1 appraisal well is the first of its kind in Minnesota and cost overruns were incurred due to unknown formation conditions that culminated in a slow rate of penetration and operational modifications. A wealth of knowledge has been garnered where subsequent drill programs will benefit, with the likelihood of cost overruns diminished.

Marketing and promotion expenses for the six months ended March 31, 2024 was $538,186 compared to $399,044 for the prior period. The Company was listed for trading on the Exchange in August 2023 and significantly increased its advertising and investor awareness campaign as discussed above.

During the six months ended March 31, 2024, the Company recorded non-cash share-based compensation of $2,167,829 (2023 - $Nil) on stock options and performance share units granted and vested during the period.

Warrants issued in connection with unit offerings are recorded as warrant liabilities as the currency denomination of the exercise price is different from the functional currency of the Company. During the six months ended March 31, 2024, the Company share price increased significantly and as a result increased the valuation of the warrant liability and resulted in the non-cash revaluation of warrant liability of $13,037,216 (2023 - $Nil).

LIQUIDITY AND CAPITAL RESOURCES

During the six months ended March 31, 2024, the Company spent $3,005,499 on operating activities, net of working capital changes, spent $120,347 on investing activities, and received $4,262,253 from financing activities, to end at March 31, 2024 with $2,344,253 cash.

In January 2024, the Company completed a private placement through the issuance of 18,500,000 units at a price of C$0.23 per unit for gross proceeds of $3,178,307 (C$4,255,000). Each unit consisted of one common share and one transferable common share purchase warrant exercisable into one common share at an exercise price of C$0.36 for a period of 2 years.

During the six months ended March 31, 2024, the Company issued 3,736,697 common shares on the exercise of warrants for gross proceeds of $1,180,082.

As at March 31, 2024, the Company had working capital of $349,736.

In April and May 2024, the Company issued 7,851,608 common shares on the exercise of warrants for gross proceeds of C$3,526,767.

Management estimates that these funds may not provide the Company with sufficient financial resources to carry out currently planned operations and exploration through the next twelve months. Additional financing may be required by the Company to complete its strategic objectives and continue as a going concern. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

As at the date of this MD&A, the Company had 18,428,261 in-the-money share purchase warrants exercisable at C$0.36 that if exercised would generate proceeds of C$6,634,174 for the Company. In addition, the Company had 9,250,000 in-the-money stock options exercisable at a price of C$0.45 that if exercised would generate proceeds of C$4,162,500 for the Company.

RELATED PARTY TRANSACTIONS

The Company had no other related party transactions other than those incurred in the normal course of business as disclosed in the Financial Report.

ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

The components of exploration and evaluation assets are described in Note 6 to the Financial Report.

OUTSTANDING SHARE DATA AS AT THE DATE OF THIS MD&A

Authorized: an unlimited number of common shares without par value.

	Number of Shares	Number of Warrants	Number of Options	Number of Performance Share Units (“PSU”)
Balance, March 31, 2024	96,662,700	26,279,869	9,250,000	4,000,000
Exercise of warrants	7,851,608	(7,851,608)	-	-
Balance, the date of this MD&A	104,514,308	18,428,261	9,250,000	4,000,000

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A includes "forward-looking statements", within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions, or other future performance suggested herein.

Forward–looking statements are based on a number of assumptions and are subject to a number of risks and uncertainties, many of which are beyond the Company's control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward– looking statements. Such risks and uncertainties include, but are not limited to, the anticipated results of Jetstream #1 with regard to estimating the size of the reservoir intercepted; the results of the flow testing and pressure build-up program and collection of pressurised gas samples to determine the concentration of the helium and other gases via an independent, and other factors set forth under "Cautionary Note Regarding Forward Looking Statements and Market and Industry Data" and "Risk Factors" in the Company's final prospectus dated July 31, 2023. The Company undertakes no obligation to update or revise any forward–looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. New factors emerge from time to time, and it is not possible for the Company to predict all of them, or assess the impact of each such factor or the extent to which any factor, or combination of factors, may cause results to differ materially from those contained in any forward–looking statement. Any forward–looking statements contained in this MD&A are expressly qualified in their entirety by this cautionary statement.

ADDITIONAL INFORMATION

Additional information relating to the Company is available for viewing on SEDAR+ and at the Company's website www.pulsarhelium.com.