AMERICAN HELIUM INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2019

This discussion and analysis of financial position and results of operation is prepared as at November 12, 2019 and should be read in conjunction with the unaudited condensed consolidated interim financial statements and the accompanying notes for the three months ended September 30, 2019 of American Helium Inc. ("the Company"). The following disclosure and associated consolidated financial statements are presented in accordance with International Financial Reporting Standards ("IFRS"). Except as otherwise disclosed, all dollar figures included therein and in the following management's discussion and analysis ("MD&A") are quoted in Canadian dollars.

Forward Looking Statements

This MD&A contains certain statements that may constitute "forward-looking statements", within the meaning of applicable Canadian securities legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "is expected", "intends", or "has the potential to". Forward looking statements may include statements regarding the future operating or financial performance of the Company that involve known and unknown risks and uncertainties which may not prove to be accurate. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. The forward-looking statements included in this MD&A are made as of the date of this MD&A and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. The Company cautions investors that any forward-looking statements by the Company are not guarantees of future performance, and that actual results may differ materially from those in forward looking statements as a result of various factors.

All of the Company's public disclosure filings, including its most recent filing statement, material change reports, press releases and other information, may be accessed via www.sedar.com and readers are urged to review these materials.

Company Overview

On December 4, 2017 the Company completed an amalgamation agreement and acquired 100% of the issued and outstanding common shares of Bruin Point Energy Limited ("BP Canada"). The Company's common shares trade on the TSX Venture Exchange ("TSXV") under the symbol "AHE". The Company also trades on the OTCQB under the symbol "AHELF" as DTC eligible and on the Frankfurt Exchange under the symbol "A2JLB3". The Company is a reporting issuer in British Columbia, Alberta and Saskatchewan. The Company's principal office is located at Suite 1305, 1090 West Georgia Street, Vancouver, BC V6E 3V7.

During fiscal 2018 the Company's principal activity was the acquisition, exploration and development of helium property interests in North America. However in light of the Company's difficulties in raising sufficient capital to continue planned acquisition, exploration and development of its mineral resource interests, in fiscal 2019 the Company reassessed its continued involvement in the helium energy sector and determined to exit the industry. The Company has been considering its strategic options. On July 10, 2019 the Company entered into a non-binding agreement to conduct a business combination. See "Proposed Change of Business".

Share Consolidation

On August 15, 2019 the Company completed a consolidation of its share capital on a one new for ten old basis. The share and per share amounts have been adjusted within this MD&A to reflect the share consolidation.

Proposed Change of Business

On July 10, 2019 the Company entered into a letter of intent (the "LOI") with African Cannabis Corp. ("African Cannabis") to complete a business combination by way of a reverse takeover (the "RTO Transaction") of the Company by the shareholders of African Cannabis. Upon completion of the RTO Transaction, the combined entity (the "Resulting Issuer") will continue to carry on the business of African Cannabis. The closing of the RTO Transaction is subject to the receipt of all necessary approvals, including without limitation regulatory approval for the listing of the common shares of the Resulting Issuer (the "Resulting Issuer Shares") on the Canadian Securities Exchange (the "CSE") and the concurrent delisting of the common shares of the Company from the TSXV.

In connection with the RTO Transaction, African Cannabis intends to complete a private placement of subscription receipts (the "Subscription Receipts") to raise aggregate gross proceeds of not less than $1,000,000 (the "Offering").

Description of African Cannabis

African Cannabis is a Toronto-based company incorporated in British Columbia in 2018, that was formed to be involved in the production, cultivation, extraction and export of medical cannabis in multiple African countries. African Cannabis was founded and is led by Carl Esprey and Kojo Annan, both experienced African business people with over 40 years' combined experience on the continent.

Through local subsidiaries, African Cannabis currently holds a medical cannabis license in Lesotho, has entered into a joint venture with a Zimbabwean state-owned enterprise in order to obtain a license in that country and holds a cultivation licence for hemp in the Democratic Republic of Congo. African Cannabis is in discussions with multiple other countries in Africa to develop the industry and ultimately produce medical cannabis at multiple sites across the African continent.

Private Placement of Subscription Receipts

In connection with the RTO Transaction, African Cannabis will conduct a private placement basis to sell not less than 3,333,333 Subscription Receipts at a price of $0.30 per Subscription Receipt, for aggregate gross proceeds of not less than $1,000,000.

Each Subscription Receipt shall entitle the holder to receive, upon satisfaction of certain escrow release conditions and without payment of additional consideration, one unit of African Cannabis (a "Unit"). Each Unit will be comprised of one common share of African Cannabis (a "Common Share"). The final terms of the Offering remain subject to final negotiation between African Cannabis and the Private Placement investors.

Net proceeds of the Offering will be used to fund construction of cultivation facilities in Lesotho, for strategic acquisition opportunities, and for general working capital purposes.

Terms of the RTO Transaction

The RTO Transaction is expected to be completed by way of an amalgamation between African Cannabis and a subsidiary of the Company, following which the Resulting Issuer will continue the business of African Cannabis and will change its name to "African Cannabis Corp." or such other name as may be determined by African Cannabis. The RTO Transaction constitutes an Arm's Length Transaction under the policies of the TSXV.

As of the date of this MD&A, the Company has 3,852,498 common shares outstanding and stock options to acquire 90,000 common shares of the Company outstanding. Upon completion of the RTO Transaction the holders of African Cannabis common shares will receive one half of one Resulting Issuer Share for each common share held. African Cannabis currently has 188,983,850 common shares outstanding and the exchange ratio will result in the issuance of approximately 94,491,925 Resulting Issuer Shares to current shareholders of African Cannabis (not including shares to be issued upon conversion of the Subscription Receipts).

Any convertible securities of African Cannabis then outstanding (including any warrants issuable upon the automatic exchange of the Subscription Receipts) shall be exchanged on the same basis, for equivalent securities of the Resulting Issuer.

Subject to the receipt of applicable regulatory approvals, the Resulting Issuer will pay a finder's fee to certain third parties in connection with the RTO Transaction in the amount of 7,000,000 Resulting Issuer Shares (the "Finder's Fee").

Management and Directors of the Resulting Issuer

When the RTO Transaction is completed, it is anticipated that the board of directors of the Resulting Issuer shall be reconstituted to consist of such directors as African Cannabis shall determine, and each of the officers of the Company shall resign and be replaced with officers appointed by the new board of directors.

Conditions to the RTO Transaction

The RTO Transaction is subject to the satisfaction of customary closing conditions, including as follows:

- each of the Company and African Cannabis obtaining any requisite director and shareholder approvals, including:
    - for the RTO Transaction;
    - in the case of the Company, the majority of the minority shareholder approval for the delisting application and necessary changes to its board of directors;
- the completion of due diligence investigations to the satisfaction of each of the Company and African Cannabis;
- completion of the Offering on terms satisfactory to African Cannabis and the Company;
- payment of the Finder's Fee;
- the Company and African Cannabis entering into the Definitive Agreement; and
- all requisite regulatory and stock exchange approvals relating to the RTO Transaction, including without limitation TSXV approval for the delisting of the Company common shares and CSE approval for the listing of the Resulting Issuer Shares having been obtained.

Selected Financial Data

The following selected financial information is derived from the unaudited condensed consolidated interim financial statements of the Company.

	Fiscal 2020	**Fiscal 2019**				**Fiscal 2018**		
	Sep. 30 2019 $	**Jun. 30 2019 $**	**Mar. 31 2019 $**	**Dec. 31 2018 $**	**Sep. 30 2018 $**	**Jun. 30 2018 $**	**Mar. 31 2018 $**	**Dec. 31 2017 $**
Operations:								
Revenues	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Income (expenses)	(22,684)	119,875	12,701	(26,913)	(326,842)	(750,300)	(527,142)	(813,712)
Other items	421	20,559	1,448	7,719	(762,703)	25,916	4,709	(769,521)
Net income (loss)	(22,263)	140,434	14,149	(19,194)	(1,089,545)	(724,384)	(522,433)	(1,583,233)
Basic and diluted income (loss) per share	(0.01)	~~0.03~~	~~0.00~~	~~(0.00)~~	(0.28)	(0.21)	(0.14)	(0.45)
Dividends per share	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Balance Sheet:								
Working capital (deficit)	48,717	70,980	55,099	41,508	24,500	322,934	901,260	1,505,668
Total assets	84,308	120,901	139,951	138,192	210,508	1,174,891	1,714,570	2,347,495
Total long-term liabilities	Nil	Nil	(26,726)	(27,284)	(25,890)	(26,336)	(38,682)	(37,635)

Results of Operations

Three Months Ended September 30, 2019 Compared to Three Months Ended June 30, 2019

During the three months ended September 30, 2019 ("Q1/2020") the Company reported a net loss of $22,263 compared to net income of $140,434 during the three months ended June 30, 2019 ("Q4/2019"), an increase in loss of $162,697. The fluctuation is primarily attributed to the Company recognizing share-based compensation recovery of $124,001 in Q4/2019 due to revaluation of the vesting of the remaining share options compared to $nil recorded in Q1/2020

Three Months Ended September 30, 2019 Compared to Three Months Ended September 30, 2018

During the three months ended September 30, 2019 (the "2019 period") the Company reported a loss of $22,263 compared to a loss of $1,089,545 for the three months ended September 30, 2018 (the "2018 period"), a decrease in loss of $1,067,282. The decrease in loss is mainly attributed to the recognition of the $764,140 impairment provision on the Company's exploration and evaluation assets in the 2018 period and a significant decrease in general administration expenses during the 2019 period due to the Company curtailing all levels of discretionary spending.

General and administrative expenses decreased by $304,158, from $326,842 during the 2018 period to $22,684 during the 2019 period. Specific general and administrative expense fluctuations are noted below:

(i) recorded share-based compensation of $71,199 during the 2018 period on the vesting of share options previously granted compared to $nil during the 2019 period;
(ii) recorded rent expenses of $15,932 during the 2018 period for rental of office space in Colorado for the former President of the Company.
(iii) incurred general exploration expense of $135,063 during the 2018 period for due diligence professional services to third parties for lease negotiations with property owners on the North Cheyenne Project;
(iv) incurred $75,116 for executive management compensation charged by the Company's directors and officers during the 2018 period. During the 2019 period the Company reviewed its compensation arrangement to directors and officers. As a result the Company mutually terminated its compensation to certain directors and officers due to its current financial condition. See also "Related Party Disclosures"; and
(v) during the 2019 period incurred $4,400 (2018 - $1,100) with Chase Management Ltd. ("Chase") a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel. The $3,300 increase was due solely to the timing of services rendered by Chase personnel in completion of the Company's fiscal year-end financial statements;
(vi) incurred $8,982 for regulatory fees during the 2019 period compared to $1,975 during the 2018 period primarily for additional fees paid for the ongoing OTCQB listing of its common stock; and
(vii) incurred $7,102 travel expenses during the 2018 period for travel costs to oversee the helium projects. No travel expenses occurred during the 2019 period.

Financial Condition / Capital Resources

In September 2018 the Company determined to exit the helium energy industry and the Company recorded an impairment of all capitalized exploration and evaluation costs. As at September 30, 2019 the Company had working capital of $48,717. The Company will require additional financing to fund ongoing corporate administration and provide working capital while it completes the proposed change of business. While the Company has been successful in securing financings in the past, there can be no assurance that it will be able to do so in the future.

Contractual Commitments

The Company has no contractual commitments.

Off-Balance Sheet Arrangements

The Company has no off-balance sheet arrangements.

Proposed Transactions

See "Proposed Change of Business".

Changes in Accounting Principles

Eeffective July 1, 2019, the Company adopted IFRS 16 - *Leases* ("IFRS 16").

IFRS 16 specifies how an IFRS reporter will recognize, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

There was no impact on the Company's condensed consolidated interim financial statements upon the adoption of this new standard.

A detailed summary of the Company's significant accounting policies is included in Note 3 to the June 30, 2019 consolidated financial statements.

Related Party Disclosures

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consists of members of the Company's Board of Directors and executive officers.

(i) During the 2019 and 2018 periods the following amounts were incurred with respect to current and former key management personnel:

	2019 $	2018 $
Executive management compensation		
David Sidoo, former Chairman and former Director (1)	-	12,000
Frank Jacobs, former President, former CEO and former Director (2)	-	39,116
Lawrence Pemble, former interim CEO, former CFO, former COO and Director (3)	-	15,000
Nick DeMare, interim CFO and Director (4)	-	9,000
Craig Auringer, CEO and Director(5)	-	-
	-	191,547
Share-based compensation		
David Sidoo	-	15,535
Frank Jacobs	-	5,178
Lawrence Pemble	-	5,178
Nick DeMare	-	3,107
Craig Auringer	-	-
	-	28,998
	-	105,214

(1) Paid to Siden Investments Ltd., a private company owned by Mr. Sidoo. On March 13, 2019 Mr. Sidoo resigned as a director and Chairman of the Company.
(2) Paid to Jacobs Oil and Gas Ltd., a private company owned by Mr. Jacobs. On October 10, 2018 Mr. Jacobs resigned as President, CEO and a director of the Company.
(3) Paid to Garthland Limited, a private company owned by Mr. Pemble. On October 10, 2018 Mr. Pemble assumed the role of interim CEO. On June 5, 2019 Mr. Pemble resigned as interim CEO and CFO but remains a director.
(4) Paid to Chase Management Ltd. ("Chase") a private company owned by Mr. DeMare. On June 5, 2019 Mr. DeMare, a director was appointed interim CFO.
(5) Mr. Auringer was appointed as a director of the Company on March 13, 2019. On June 5, 2019 Mr. Auringer was appointed CEO.

(ii) During the 2019 period the Company incurred $4,400 (2018 - $1,100) with Chase Management Ltd. ("Chase"), a private corporation owned by Mr. DeMare, for accounting and administrative services provided by Chase personnel. As at September 30, 2019 $2,600 (June 30, 2019 - $4,205) remained unpaid. Druing the 2018 period the Company also recorded $2,071 for share-based compensation for share options granted or vested to Chase.

(iii) During fiscal 2019 the Company received advances totalling $24,000 from Messrs. Sidoo ($6,000), DeMare ($6,000), Pemble ($6,000) and Auringer ($6,000), current and former directors of the Company, and subsequently repaid $6,000 to Mr. Pemble. During the three months ended September 30, 2019 the Company repaid $12,000 to Messrs. Sidoo ($6,000) and DeMare ($6,000). The remaining $6,000 was repaid to Mr. Auringer in October 2019.

Outstanding Share Data

The Company's authorized share capital is unlimited common shares with no par value. As at November 12, 2019, there were 3,852,498 outstanding common shares and 90,000 share options outstanding with an exercise price of $2.50 per common share.