

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)

Management's Discussion and Analysis

**For the Three and Six Months Ended September 30, 2021 and 2020**

**Form 51-102F1**

The following discussion is management's assessment and analysis of the results of operations and financial conditions of First Hydrogen Corp. (formerly Pure Extraction Corp.) (the "Company") and should be read in conjunction with the Company's unaudited consolidated financial statements for the three and six months ended September 30, 2021 and audited annual consolidated financial statements and related notes thereto for the year ended March 31, 2021. These unaudited financial statements have been prepared in accordance with International Financial Reports Standards ("IFRS") as issued by the International Accounting Standards Board and can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

All amounts are in Canadian dollars unless otherwise indicated.

The effective date of this MD&A is November 26, 2021.

**Forward-Looking Statements**

This MD&A contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. Such factors include, among others: the actual results of current exploration activities; conclusions of economic evaluations; changes in project parameters as plans to continue to be refined; possible variations in ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing; and fluctuations in metal prices. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

**Overview**

**Description of the Business**

The Company is in the business of engineering, research & development, manufacturing and selling equipment.

On June 12, 2020, the Company changed its name to Pure Extraction Corp., and through its subsidiaries Pure Extraction Inc. and Pure Extraction Ltd. which are in the business of engineering, research & development, manufacturing and selling CO<sub>2</sub> extraction equipment in the botanical oil industry. Botanical oils, also called volatile oils, are natural oils extracted from plants. Historically, they have been used in medicine, cosmetics, perfumes, food and more recently, aromatherapy. Botanical oils are "essential" because they contain the "essence" of the plant, meaning the taste or odor.

On June 11, 2021, the Company entered into definitive agreements with AVL Powertrain UK Limited and Ballard Power Systems Inc. to assist in the design and development of a fuel-cell powered vehicle that the Company will own the commercial rights for the vehicle design.

To better define the Company's zero-emission initiative, the Company changed its name to First Hydrogen Corp., the Company's trading symbol is FHYD.

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)

Management's Discussion and Analysis

**For the Three and Six Months Ended September 30, 2021 and 2020**

**Form 51-102F1**

**Highlights from April 1, 2021 to November 26, 2021**

Since March 31, 2020, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

On April 1, 2021, the Company entered into two non-binding letters of intent with a company specializing in the energy, zero-emissions mobility and renewable sectors for the assignment of two non-binding letters of intent to design and produce a zero-emissions prototype van.

On April 30, 2021, the Company closed a fully subscribed non-brokered private placement of units for gross proceeds of \$3.0 million. The private placement consists of 7.5 million units at \$0.40 per unit, where each unit consists of one common share and a half of a common share purchase warrant. Each full warrant is exercisable at \$0.90 into one common share, for a period of two years.

In addition, the Company has issued unsecured convertible debentures for gross proceeds of up to \$2.0 million. Each convertible debenture will bear interest from their issue date at 8 per cent per annum and mature on the date that is 24 months. The principal amount of the debenture will be convertible into units of the Company at the option of the holder at any time prior to the close of business on the last business day immediately preceding the maturity date. The conversion price per unit will be \$0.40 per unit. The unit is comprised of a share and a half of a common share purchase warrant, each full warrant is exercisable at \$0.90 into one common share, for a period of two years.

In connection with the financings, the Company paid finder's fees to arm's length third parties consisting of \$400,000 cash and issued 1,000,000 finder's warrants. Each finder's warrant is exercisable at \$0.40 into one common share for a period of two years.

On June 11, 2021, the Company announced it had entered into definitive agreements with AVL Powertrain UK Limited ("AVL") and Ballard Power Systems Inc. ("Ballard"). The definitive agreements, with the company's wholly-owned subsidiary First Hydrogen Corp. ("First Hydrogen"), will assist in the design and development of a fuel-cell powered vehicle that First Hydrogen will own the commercial rights for the vehicle design.

Ballard is a leading global provider of innovative clean energy and fuel cell solutions. Ballard develops and manufactures proton exchange membrane fuel cell products for markets such as heavy-duty motive, portable power, material handling as well as providing technology solutions services. Ballard will be providing support and integration of its hydrogen fuel cell module for First Hydrogen's prototype light commercial vehicle.

AVL Powertrain UK Limited is part of the AVL Group which is the world's largest independent company for development, simulation and testing in the automotive industry, and in other sectors. As a global technology leader, AVL provides concepts, solutions and methodologies in the fields of e-mobility, ADAS and autonomous driving, vehicle integration, digitalization, virtualization, Big Data, and much more. AVL will plan and execute the integration of all powertrain components including developing vehicle components and control software.

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)

Management's Discussion and Analysis

**For the Three and Six Months Ended September 30, 2021 and 2020**

**Form 51-102F1**

The Company was assigned two non-binding letters of intent from Nova Light Capital Limited ("Nova Light"), an arm's length company, which were ratified into the definitive agreements. Nova Light will be issued 3,000,000 shares of the Company for the assignment of the two non-binding letters of intent. These shares are subject to a voluntary escrow and pooling agreement released over a 36-month period.

Finder's fees of 249,590 shares of the Company are payable to an arm's length party in accordance with Exchange policies upon approval of the transaction.

On August 6, 2021, the Company announced it has arranged a non-brokered private placement for \$3.0 million. The private placement will consist of 2.4 million units at \$1.25 per unit, where each unit will consist of one common share and one common share purchase warrant. Each warrant is exercisable at \$2.00 into one common share, for a period of two years from the date of closing. Finders' fees may be paid by the Company in conjunction with the completion of the financing.

On September 7, 2021 the Company closed its previously announced and fully subscribed non-brokered private placement of units for gross proceeds of \$3.0 million. The private placement consists of 2.4 million units at \$1.25 per unit, where each unit consists of one common share and a common share purchase warrant. Each full warrant is exercisable at \$2.00 into one common share, for a period of two years. In connection with the financing, the Company paid finder's fees to arm's length third parties consisting of \$240,000 cash and issued 192,000 finder's warrants. Each finder's warrant is exercisable at \$1.25 into one common share for a period of two years.

On September 27, 2021, the Company announced it intends to offer a hydrogen-fuel-cell-powered supercritical carbon dioxide extractor system that will be zero-emission, fully mobile and non-grid reliant. The fuel cell powered supercritical CO<sub>2</sub> extraction systems will allow users to operate the systems in remote locations where there are no electrical power grids available, or the electrical power is unstable. This already developed supercritical CO<sub>2</sub> extraction system is fully operational and can be monitored and supported remotely by the Company's in house fully integrated software operating system. The system can be used for remote online training and commissioning of the supercritical CO<sub>2</sub> extraction system including online diagnostics of the fully automated extractor. The Company anticipates having this new state-of-the-art Hydrogen powered Generation V extraction system available by the end of the year.

On October 7, 2021, the Company changed its name from Pure Extraction Corp. to First Hydrogen Corp. to better define the company's zero-emission initiative.

On October 18, 2021, the Company announced that it has successfully completed the initial design of its light commercial demonstrator vehicles for the UK market, together with AVL Powertrain Limited and Ballard Power Systems Inc. The Company under the agreements with AVL and Ballard, announced in its press release of June 11, 2021 has started the development and build of two hydrogen fuel cell powered light commercial demonstrator vans at the AVL facilities in the United Kingdom for delivery in Q3 2022. These Vans will use the MAN eTGE as a donor vehicle and be equipped with the latest generation Ballard FCgen®-LCS fuel cell, giving the vehicles a range more than 500 kilometres.

These vehicles will allow the Company to demonstrate to prospective customers the capabilities of a zero-emission hydrogen van, including combined range and payload, towing and speed of refuelling, and to gather detailed specifications from customers and secure orders going forward for its bespoke design for the UK, EU and North American markets.

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)

## Management's Discussion and Analysis

**For the Three and Six Months Ended September 30, 2021 and 2020****Form 51-102F1****Selected Financial Information**

The following financial data is derived from the Company's audited annual financial statements for the years ended March 31, 2021, 2020 and 2019 respectively.

Years Ended March 31,	2021	2020	2019
	\$	\$	\$
Net revenues	302,110	-	-
Net loss	(2,461,014)	(597,047)	(87,261)
Total assets	2,621,965	587,378	483,384
Loss per Share	(0.06)	(0.04)	(0.01)
Cash dividends per share	0.00	0.00	0.00

**Summary of Quarterly Results**

The following is a summary of the results from the eight previously completed financial quarters:

	Sep. 30, 2021	Jun. 30, 2021	Mar. 31, 2021	Dec. 31, 2020
Revenues	\$nil	\$nil	\$nil	\$302,110
Net loss	(931,146)	(1,737,820)	(1,925,626)	(102,229)
Net comprehensive loss	(930,438)	(1,739,680)	(1,925,626)	(102,229)
Loss per share (basic and diluted)	(0.02)	(0.04)	(0.05)	(0.00)
Total assets	9,786,352	7,725,787	2,621,965	4,301,557
Equity (deficiency)	6,992,570	4,920,153	1,166,288	2,873,914
	Sep. 30, 2020	Jun. 30, 2020	Mar. 31, 2020	Dec. 31, 2019
Revenues	\$Nil	\$Nil	\$Nil	\$Nil
Net loss	(366,141)	(67,018)	(42,789)	(50,589)
Net comprehensive loss	(366,141)	(67,018)	(42,789)	(50,589)
Income (Loss) per share (basic and diluted)	(0.01)	(0.00)	(0.00)	(0.00)
Total assets	4,728,729	4,967,389	587,378	601,698
Equity (deficiency)	2,976,143	3,147,284	516,702	529,461

**Results of Operations for the Three Months ended September 30, 2021 and 2020**

For the three months ended September 30, 2021, the Company incurred an operating loss of \$931,146 (2020 - \$365,102).

Major expenses and their prior comparative period amount as follow:

- Accounting, audit and legal \$49,949 (2020 – \$23,170)
- Accretion \$71,475 (2020 – \$nil)
- Advertising and marketing \$131,917 (2020 – \$6,250)
- Consulting and management fees \$162,250 (2020 – \$30,000)
- General and administrative of \$63,603 (2020 – \$65,425)
- Insurance \$25,066 (2020 - \$nil)
- Interest expense \$42,248 (2020 - \$nil)
- Research and development \$286,638 (2020 - \$6,014)
- Stock-based compensation \$98,000 (2020 - \$195,000)

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)

Management's Discussion and Analysis

**For the Three and Six Months Ended September 30, 2021 and 2020**      **Form 51-102F1**

---

Increased expenses during the three-month period ended September 30, 2021, compared to September 30, 2020, were due to costs related the hydrogen fuel-cell powered vehicle and extractor development, advertising and marketing costs, insurance, interest expense, legal fees, and regulatory fees due to a private placement.

**Results of Operations for the Six Months ended September 30, 2021 and 2020**

For the six months ended September 30, 2021, the Company incurred an operating loss of \$2,668,966 (2020 - \$433,1459).

Major expenses and their prior comparative period amount as follow:

- Accounting, audit and legal \$118,094 (2020 – \$23,170)
- Accretion \$124,270 (2020 – \$nil)
- Advertising and marketing \$241,718 (2020 – \$6,250)
- Consulting and management fees \$241,718 (2020 – \$47,500)
- General and administrative of \$169,247 (2020 – \$105,972)
- Insurance \$25,066 (2020 - \$1,201)
- Interest expense \$69,426 (2020 - \$nil)
- Research and development \$353,395 (2020 - \$13,615)
- Stock-based compensation \$1,353,000 (2020 - \$195,000)

Increased expenses during the six-month period ended September 30, 2021, compared to September 30, 2020, were costs related the acquisition of the non-binding letters of intent and the subsequent definite agreements with AVL Powertrain UK and Ballard Powers Systems Inc., the hydrogen fuel-cell powered vehicle and extractor development, increased advertising and marketing costs, insurance, interest expense, legal fees, and regulatory fees due to a private placement. Included in expenses for the six months ended September 30, 2021 are non-cash expenses of \$1,353,000 for stock options granted and \$124,270 for accretion.

**Liquidity**

As at September 30, 2021, the Company had net working capital of \$7,378,519 (March 31, 2021 - \$1,129,565). The Company has a cash balance of \$7,757,939 (March 31, 2021 - \$1,637,380).

**Contractual Obligations**

On October 1, 2021. First Hydrogen Limited and AVL Powertrain Limited entered in an agreement to proceed with the development and build of two hydrogen fuel cell powered light commercial demonstrator vans at AVL's facilities in the UK for delivery in Q3 2022. The development and build phase are projected to be €3.1 million, payable over completion of certain milestones.

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)  
 Management's Discussion and Analysis  
**For the Three and Six Months Ended September 30, 2021 and 2020**      **Form 51-102F1**

**Share Capital**

The following tables summarize the Company's common share, warrants and stock option transactions for the years ended March 31, 2021, September 30, 2021 and November 26, 2021:

Common Shares:

<b>Balance, March 31, 2020</b>	<b>16,755,785</b>
Issued for acquisition	3,000,000
Issued for cash	18,000,000
Issued for finders' fee	345,454
<b>Balance, March 31, 2021</b>	<b>38,101,239</b>
Issued for cash	9,900,000
Broker's options exercised	1,661,296
<b>Balance, September 30, 2021</b>	<b>49,662,535</b>
Issued for acquisition	3,000,000
Issued for finders' fee	249,590
Broker's options exercised	75,000
Finders' warrants exercised	78,800
<b>Balance, November 26, 2021</b>	<b>53,065,925</b>

During the year ended March 31, 2021, the Company completed the acquisitions of Pure Extraction Inc. and Pure Extraction Ltd. The Company issued 3,000,000 common shares to the shareholders of Pure Extraction Inc. and Pure Extraction Ltd. The Company completed a financing concurrent with the acquisition, issuing 18,000,000 common shares for gross proceeds of \$2,430,000. The Company paid a finders' fee consisting of \$194,400 and issued 1,440,000 brokers' options, each option allowing the holder to acquire one common shares at a price of \$0.135 for a period of 24 months. A finder's fee of 345,454 shares were issued as part of the acquisition.

During the six-month period ended September 30, 2021, the Company closed:

- a non-brokered private placement of units for gross proceeds of \$3,000,000 The private placement consisted of 7,500,00 units at \$0.40 per unit, where each unit consists of one common share and a half of a common share purchase warrant. Each full warrant is exercisable at \$0.90 into one common share, for a period of two years. In connection with the financing, the Company paid finder's fees to arm's length third parties consisting of \$240,000 cash and issued 600,000 finder's warrants. Each finder's warrant is exercisable at \$0.40 into one common share for a period of two years.
- a non-brokered private placement of units for gross proceeds of \$3,000,000 The private placement consisted of 2,400,00 units at \$1.25 per unit, where each unit consists of one common share and a common share purchase warrant. Each warrant is exercisable at \$2.00 into one common share, for a period of two years. In connection with the financing, the Company paid finder's fees to arm's length third parties consisting of \$240,000 cash and issued 192,000 finder's warrants. Each finder's warrant is exercisable at \$1.25 into one common share for a period of two years.

In addition, the Company issued unsecured convertible debentures for gross proceeds of up to \$2.0 million. Each convertible debenture will bear interest from their issue date at 8 per cent per annum and mature on the date that is 24 months. The principal amount of the debenture will be convertible into units of the Company at the option of the holder at any time prior to the close of business on the last business day immediately preceding the maturity date. The conversion price per unit will be \$0.40 per unit. The unit is comprised of a share and a half of a common share purchase warrant, each full warrant is exercisable at \$0.90 into one common share, for a period of two years. The Company paid finder's fees to arm's length third parties

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)  
Management's Discussion and Analysis  
**For the Three and Six Months Ended September 30, 2021 and 2020**      **Form 51-102F1**

consisting of \$160,000 cash and issued 4000,000 finder's warrants. Each finder's warrant is exercisable at \$0.40 into one common share for a period of two years.

During the six-month period ended September 30, 2021, the Company received \$224,275 from the exercise of 1,661,296 broker's options.

Subsequent to the period ended September 30, 2021, the Company received:

- \$10,125 from the exercise of 75,000 broker's options.
- \$31,520 from the exercise of 78,800 finders' warrants.

Warrants:

During the six-month period ended September 30, 2021, the Company issued:

- 3,750,000 share purchase warrants exercisable at \$0.90 per warrant, expiring in two years.
- 2,400,000 share purchase warrants exercisable at \$2.00 per warrant, expiring in two years.

Warrant activity as follows:

	Number of Warrants	Weighted Average Exercise Price	Years to Expiry
Balance, March 31, 2021	-	\$ -	-
Issued	3,750,000	0.90	2.00
Issued	2,400,000	2.00	2.00
<b>Balance at September 30, 2021</b>	<b>6,150,000</b>	<b>\$ 0.71</b>	<b>1.71</b>

As at September 30, 2021 and November 26, 2021, the following share purchase warrants were outstanding:

Number of Warrants	Exercise Price	Expiring
3,750,000	\$ 0.90	April 30, 2023
2,400,000	2.00	August 30, 2023
<b>6,150,000</b>		

Broker's options:

During the year ended March 31, 2021, the Company issued 1,440,000 broker's options as finders' fees. The brokers' options allowed the holder to acquire for \$0.135 per option, one common share for a period of 24 months. The fair value of these options was calculated at \$220,000 and was determined on the date of issuance using the Black-Scholes Option Pricing Model with the following assumptions: 0.26% risk-free interest rate, expected life of 2 years, 192% annualized volatility and 0% dividend rate.

During the six-month period ended September 30, 2021, brokers' options activity was as follows:

	Number	Weighted Average Price
Number outstanding at March 31, 2020	296,296	\$ 0.135
Granted	1,440,000	\$ 0.135
Number outstanding at March 31, 2021	1,736,296	\$ 0.135
Exercised	(1,661,296)	\$ 0.135
Number outstanding at September 30, 2021	75,000	\$ 0.135

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)  
Management's Discussion and Analysis  
**For the Three and Six Months Ended September 30, 2021 and 2020**      **Form 51-102F1**

As at September 30, 2021, the following brokers' options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of brokers' options	Weighted Average Remaining Years
May 29, 2022	\$0.135	75,000	0.66

As at November 26, 2021, there were no brokers' options outstanding.

Finders' warrants:

During the six-month ended September 30, 2021, the Company issued:

- 1,000,000 finder's warrants as finders' fees. The finder's warrants allowed the holder to acquire for \$0.40 per finder warrant, one common share for a period of 24 months. The fair value of these finder's warrants was calculated at \$606,000 and was determined on the date of issuance using the Black-Scholes Option Pricing Model with the following assumptions: 0.31% risk-free interest rate, expected life of 2 years, 121% annualized volatility and 0% dividend rate.
- 192,000 finder's warrants as finders' fees. The finder's warrants allowed the holder to acquire for \$1.25 per finder warrant, one common share for a period of 24 months. The fair value of these finder's warrants was calculated at \$209,000 and was determined on the date of issuance using the Black-Scholes Option Pricing Model with the following assumptions: 0.71% risk-free interest rate, expected life of 2 years, 128% annualized volatility and 0% dividend rate.

During the six-month period ended September 30, 2021, finder's warrants activity was as follows:

	Number	Weighted Average Price
Number outstanding at March 31, 2020	-	-
Issued	-	-
Number outstanding at March 31, 2021	-	-
Issued	1,000,000	\$ 0.40
Issued	192,000	\$1.25
Number outstanding at September 30, 2021	1,192,000	\$ 0.66

As at September 30, 2021, the following brokers' options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of brokers' options	Weighted Average Remaining Years
April 30, 2023	\$0.40	1,000,000	1.58
August 30, 2023	\$1.25	192,000	1.90
	\$0.54	1,192,000	1.63

As at November 26, 2021, the following brokers' options were outstanding:

Expiry Date	Weighted Average Exercise Price	Number of brokers' options	Weighted Average Remaining Years
April 30, 2023	\$0.40	921,200	1.42
August 30, 2023	\$1.25	192,000	1.74
	\$0.55	1,113,200	1.48

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)  
Management's Discussion and Analysis  
**For the Three and Six Months Ended September 30, 2021 and 2020**      **Form 51-102F1**

Stock Options:

During the six-month period ended September 30, 2021, the Company granted:

- 620,000 incentive stock options. The stock options allowed the holder to acquire for \$2.35 per option, one common share for a period of 5 years. The fair value of these options was calculated at \$1,255,000 and was determined on the date of issuance using the Black-Scholes Option Pricing Model with the following assumptions: 0.12% risk-free interest rate, expected life of 5 years, 132% annualized volatility and 0% dividend rate.
- 100,000 incentive stock options. The stock options allowed the holder to acquire for \$1.60 per option, one common share for a period of 1 year. The fair value of these options was calculated at \$98,000 and was determined on the date of issuance using the Black-Scholes Option Pricing Model with the following assumptions: 0.25% risk-free interest rate, expected life of 1 years, 172% annualized volatility and 0% dividend rate.

During the year ended March 31, 2021, the Company issued 500,000 incentive stock options. The stock options allowed the holder to acquire for \$0.30 per option, one common share for a period of 5 years.

During the year ended March 31, 2021, the Company issued 100,000 incentive stock options. The stock options allowed the holder to acquire for \$0.40 per option, one common share for a period of 5 years.

During the six-month period ended September 30, 2021, stock option activity was as follows:

	Number of Options	Weighted Average Exercise Price
Balance at March 31, 2020	1,260,000	\$ 0.165
Granted	600,000	0.320
Balance at March 31, 2021	1,860,000	\$ 0.210
Granted	100,000	1.600
Granted	620,000	2.350
<b>Balance at September 30, 2021</b>	<b>2,580,000</b>	<b>\$ 0.780</b>
Granted	350,000	1.700
Expired	(150,000)	0.165
<b>Balance at November 26, 2021</b>	<b>2,780,000</b>	<b>0.930</b>

As at September 30, 2021, the following stock options were outstanding and exercisable:

Expiry Date	Weighted Average Exercise price	Number of options outstanding	Weighted Average Remaining Years
September 1, 2021	\$ 1.600	100,000	0.92
July 19, 2024	\$ 0.165	1,260,000	2.80
July 23, 2025	\$ 0.300	500,000	3.81
March 3, 2026	\$ 0.400	100,000	4.42
June 11, 2026	\$ 2.350	620,000	4.70
		<b>2,580,000</b>	<b>3.44</b>

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)  
Management's Discussion and Analysis  
**For the Three and Six Months Ended September 30, 2021 and 2020**      **Form 51-102F1**

At November 26, 2021, the following stock options were outstanding and exercisable:

Expiry Date	Weighted Average Exercise price	Number of options outstanding	Weighted Average Remaining Years
September 1, 2021	\$ 1.600	100,000	0.76
July 19, 2024	\$ 0.165	1,110,000	2.65
July 23, 2025	\$ 0.300	500,000	3.66
March 3, 2026	\$ 0.400	100,000	4.27
June 11, 2026	\$ 2.350	620,000	4.54
November 18, 2021	\$ 1.700	350,000	4.98
		2,780,000	3.54

As at November 26, 2021, the Company had 53,065,925 common shares, 6,150,000 warrants, 1,113,200 finders' warrants, and 2,780,000 incentive stock options outstanding. If the warrants, finders' warrants, incentive stocks options were exercised, the Company would have 63,109,125 common shares outstanding.

**Related Party Transactions**

The Company incurred the following fees and expenses charged by directors and officers of the Company or by entities controlled by them for the six-month period ended September 30, 2021 and 2020:

	September 30, 2021	September 30, 2020
Consulting and management	\$ 162,500	\$ 47,500
Rent	36,000	27,000
Stock-based compensation	-	117,000
	\$ 198,500	\$ 191,500

These transactions have been recorded at the fair value which is the amount of consideration established and agreed to by the related parties.

**Risk and Uncertainties**

The Company's business, results of operations, financial condition, and the trading price of its common shares could be materially adversely affected by any of the foregoing risks and by other risks, including risks related to development of mineral deposits, metal prices, title matters, reclamation costs, competition, additional funding requirements, insurance, currency fluctuations, conflicts of interest, and share trading volatility. Any of these risks could have a material adverse effect on the business, operations or financial condition of the Company.

**Critical Accounting Estimates**

The financial statements were prepared in accordance with IFRS which requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Significant areas requiring the use of management estimates relate to determination of impairment of assets, exploration and evaluation assets' carrying values, useful lives for depreciation and amortization, and the value of deferred income tax assets and liabilities. Actual results could differ from these estimates.

**Off-Balance-Sheet Arrangements**

The Company does not have any off-balance sheet transactions.

**FIRST HYDROGEN CORP.** (formerly Pure Extraction Corp.)

Management's Discussion and Analysis

**For the Three and Six Months Ended September 30, 2021 and 2020**

**Form 51-102F1**

**Subsequent Events**

- a) Effective October 7, 2021, the Company changed its name for Pure Extraction Corp. to First Hydrogen Corp.
- b) On October 12, 2021, the Company issued 3,000,000 common shares pursuant to the assignment of the two non-binding letters of intent that were super ceded by the definite agreements with Ballard Power Systems and AVL Powertrain UK. A finders' fee of 249,590 common shares were issued in connection to the transaction.
- c) On November 8, 2021, 150,000 stock options expired unexercised.
- d) On November 18, 2021, the Company granted 350,000 incentive stock options at a price of \$1.70 to a consultant of the Company. The stock options have a term of five years.

**Financial Instruments and Related Risks**

All significant financial assets, financial liabilities and equity instruments of the Company are either recognized or disclosed in the financial statements together with other information relevant for making a reasonable assessment of future cash flows, interest rate risk and credit risk.

The Company's financial instruments include cash and cash equivalents, receivables, and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. The fair value of cash and cash equivalents are measured based on level 1 input of the fair value hierarchy.

Management believes that the Company is not exposed to significant interest rate risk, currency risk and credit risk.

**ADDITIONAL INFORMATION**

Additional information related to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com).

**List of Directors and Officers**

Balraj Mann CEO, and Director

Nancy Zhao, CFO

Alicia Milne, Director

Barry Hartley, Director