Global Crossing Airlines Inc.
Management Discussion & Analysis
For the Six Month Period Ended June 30, 2020
Date Prepared: August 31, 2020

GENERAL

This Management Discussion & Analysis ("MD&A") is intended to supplement and complement the condensed interim consolidated financial statements and accompanying notes of Global Crossing Airlines Inc. (the "Company" or "Global") for the six month period ended June 30, 2020. The information provided herein should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2019 and the accompanying notes thereto.

All dollar figures presented are expressed in United States dollars unless otherwise noted. Financial statements and summary information derived therefrom are prepared in accordance with International Accounting Standards ("IAS") 34, *Interim Financial Reporting*.

Management is responsible for the preparation and integrity of the financial statements and MD&A, 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 meets with management quarterly to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

The reader is encouraged to review the Company's statutory filings on www.sedar.com.

FORWARD LOOKING STATEMENTS

This MD&A contains forward-looking statements and forward-looking information (collectively, "forward-looking statements") within the meaning of applicable securities laws. These forward-looking statements relate to future events or the future performance of the Company. All statements other than statements of historical fact may be forward-looking statements. In some cases, forward-looking statements can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue", or the negative of these terms or other comparable terminology. These forward-looking statements are only predictions. Actual events or results may differ materially. In addition, this MD&A may contain forward-looking statements attributed to third party industry sources. Undue reliance should not be placed on these forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions and known and unknown risks and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur. Forward-looking statements in this MD&A speak only as of the date of this MD&A.

Forward-looking statements in this MD&A include, but are not limited to, statements with respect to: expectations as to future operations of the Company; the Company's anticipated financial performance; future development and growth prospects; expected general and administrative costs, costs of services and other costs and expenses; expected revenues; ability to meet current and future obligations; completion of the FAA certification process; terms with respect to the acquisition of aircraft; ability to obtain financing on acceptable terms or at all; and the Company's business model and strategy.

Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. The Company cannot guarantee future results, levels of activity, performance or achievements. Neither the Company nor any other person assumes responsibility for the outcome of the forward-looking statements.

Many of the risks and other factors are beyond the control of the Company, which could cause results to differ materially from those expressed in the forward-looking statements contained in this MD&A. The risks and other factors include, but are not limited to: the availability of financial resources to fund the Company's expenditures; competition for, among other things, capital reserves and skilled personnel; protection of intellectual property; the impact of competition and the competitive response to the Company's business strategy; third party performance of obligations under contractual arrangements; prevailing regulatory, tax and other applicable laws and regulations; stock market volatility and market valuations; uncertainty in global financial markets; the impact of COVID-19 on global economic conditions; the successful negotiation of the sale and leaseback of aircrafts; the completion of the financing necessary to commence airline operations; and the other factors described under the heading "Risk Factors" in this MD&A.

These factors should not be considered exhaustive. With respect to forward-looking statements contained in this MD&A, the Company has made assumptions regarding, among other things: the impact of increasing competition; conditions in general economic and financial markets; current technology; cash flow; future exchange rates; timing and amount of capital expenditures; effects of regulation by governmental agencies; future operating costs; and the Company's ability to obtain financing on acceptable terms. Readers are cautioned that the foregoing list of factors is not exhaustive and that additional information on these and other factors that could affect the Company's operations or financial results is discussed in this MD&A. The above summary of assumptions and risks related to forward-looking statements is included in this MD&A in order to provide readers with a more complete perspective on the future operations of the Company. Readers are cautioned that this information may not be appropriate for other purposes.

The forward-looking statements contained in this MD&A are expressly qualified by this cautionary statement. The Company is not under any duty to update or revise any of the forward-looking statements except as expressly required by applicable securities laws.

DESCRIPTION OF BUSINESS

Global Crossing Airlines Inc. (the "Company" or "Global") was incorporated under the laws of British Columbia and continued as a Federal corporation pursuant to the *Canada Business Corporations Act* effective February 28, 2017. Subsequently on June 23, 2020 the Company was continued back into British Columbia as a company existing under the *Business Corporations Act* (British Columbia). The Company's principal business activity is the start-up of an aircraft, crew, maintenance, insurance ("ACMI") and wet lease US charter airline serving the US, Caribbean and Latin American markets. The address of the Company's registered office is #1240 – 1140 West Pender Street, Vancouver, British Columbia, Canada V6E 4G1. The Company's shares trade on the TSX Venture Exchange (the "Exchange" or "TSXV") under the symbol "JET".

During the six month period ended June 30, 2020, the Company entered into a definitive agreement with Global USA. ("Global USA"), a Delaware corporation, with respect to a business combination of the Company and Global USA (the "Transaction") and a loan agreement with respect to Global USA providing the Company with a secured bridge loan. The Transaction closed on June 23, 2020. Refer to "Transaction" for additional detail.

OUTLOOK

Following the completion of the Transaction, the Company is focused on the business of Global USA. Global USA is presently focused on the completion of its FAA certification as a charter airline using the Airbus A320 family of aircraft, building out a fleet of aircraft and hiring additional members to add to its experienced operating team.

The Company has made great recent progress in achieving its certification and operational goals including:

- Hiring Mr. Christian Toro as Vice President of Technical Operations and Director of Maintenance. Mr. Toro comes to the Company with 35 years of experience and following successful tenures at both Southwest Airlines, where he served as Chief Inspector and Allegiant Airlines, where he served as both Chief Inspector and later Vice President of maintenance and Engineering.
- Hiring Mr. Mark Salvador as Vice President of Charter Marketing. Mr. Salvador comes to the Company with over 17 years of experience in the travel industry with successful tenures at Carnival Cruise Lines, where he

served as Global Head of Business Development for six cruise brands, The Palms Resort in Las Vegas, where he served as VP-Marketing, and Caesars Entertainment, where he was National Director of Marketing.

- Hiring Mr. Edgar Green as Head of Information Technology. Mr. Green comes to the Company with over fifteen years of direct low cost airline related IT experience with two major US LCC airlines (Allegiant Airlines and Spirit Airlines).
- Appointing Mr. John Quelch, professor and dean of the University of Miami Herbert Business School, to the Company's Advisory Board.
- Signing of an Airport and Terminal Use agreement with Atlantic City International Airport ("ACY") in Egg Harbor Township, New Jersey.
- Exploring with the South Jersey Transportation Authority, the owner and operator of ACY, the potential signing of a Land Lease agreement for the development of a new hangar and maintenance facility at ACY.
- Signing a letter of intent to acquire by lease one A320-200 aircraft (the "Aircraft").
- Incorporating specific aircraft data for the Aircraft into the Global USA's manual set which has now been submitted to the FAA under Phase 2 of Global USA's certification.
- Signing a $1 million credit line facility with AEG Fuels ("AEG"), a Miami based supplier of fuel management and pumping capabilities at over 3000 airports worldwide. AEG has been in fuel services business for over 30 years and works with over 2500 customers worldwide.

TRANSACTION

On February 5, 2020, the Company entered into a definitive agreement with Global USA with respect to a business combination of the Company and Global USA (the "Transaction"). On June 23, 2020, the Transaction closed and Global USA had taken over the operations of the Company. The terms and conditions of the Transaction include:

- The share exchange ratio for the Transaction resulted in the issuance of 9,485,257 shares of the Company to the former shareholders of Global USA.
- Global USA shareholders of Global USA were also issued an aggregate of 2,357,594 consideration warrants, with each warrant exercisable for one share of the Company. On closing, Global USA shareholders exercised all of the warrants in exchange for the settlement of $589,400 in Global USA liabilities outstanding as of February 29, 2020.
- The Company consolidated its share capital on a 10:1 basis and changed its name to "Global Crossing Airlines Inc.".
- Global USA designated a team of officers, directors and board committee members.
- Prior to the closing of the Transaction, the Company completed an offering of units for aggregate gross proceeds of $1,543,600 (the "Offering"). The Company issued 6,174,400 units at a price of $0.25 per unit. Each unit consists of one share and one warrant exercisable for twenty-four (24) months at a price of $0.50 for each share.
- In connection with the Transaction, the Company also issued 415,150 shares to settle outstanding debt of approximately $74,233 due to certain creditors at a deemed price of $0.16 per share and a further 48,809 shares to settle CAD$129,355 in debt.
- After giving effect the Transaction and Offering, the Company had 27,306,200 shares issued and outstanding.

REVIEW OF CONSOLIDATED FINANCIAL RESULTS

Net loss and comprehensive loss for the period

For the three and six month periods ended June 30, 2020, the Company reported a loss from operations in the amount of $3,334,192 and $3,659,629 or $1.59 and $ 3.48 per share, respectively, compared to a loss from continuing operations of $77,490 and $138,596 or $155 and $277 per share, respectively, for the same periods of the prior year. The increase in loss from operations in the amounts of $3,256,702 and $3,521,033, respectively, is explained by increased corporate and operational activities detailed below.

During the three and six month periods ended June 30, 2020, the Company incurred aircraft launch, licensing and route network related costs in the amounts of $3,321 (2019 - $Nil) and $3,321 (2019 - $Nil), respectively, in connection with residual expenditures relating to advancing financing efforts.

During the three and six month periods ended June 30, 2020, the Company incurred compensation expense in the amounts of $27,828 (2019 - $45,000) and $90,828 (2019 - $90,000), respectively. The decrease in compensation expense in the amounts of $17,172 and increase of $828 incurred during the three and six month periods ended June 30, 2020, respectively, is attributable to increases in discretionary expenses.

During the three and six month periods ended June 30, 2020, the Company incurred consulting fees in the amounts of $286,626 (2019 - $4,437) and $487,974 (2019 - $5,362), respectively. The increase in consulting fees in the amounts of $282,189 and $482,612 incurred during the three and six month periods ended June 30, 2020, respectively, is attributable to increases in discretionary expenses.

During the three and six month periods ended June 30, 2020, the Company incurred depreciation expense in the amounts of $41 (2019 $Nil) and $41 (2019 - $Nil), respectively. The of $41 and $41 incurred during the three and six month periods ended June 30, 2020, respectively, is attributable to the acquisition of fixed assets

Finance income for the three and six month periods ended June 30, 2020 in the amounts of $42 (2019 - $Nil) and $42 (2019 - $Nil) respectively, relates to interest income earned on excess cash on hand and is a function of average cash and cash equivalent balances during the period.

The Company recorded a foreign exchange loss for the three and six month periods ended June 30, 2020 in the amounts of $13,708 (2019 - $Nil) and $13,708 (2019 – $Nil), respectively, with respect to transactions and balances denominated in CAD dollars and the impact of fluctuations in the exchange rate.

The Company recorded an interest expense for the three and six month periods ended June 30, 2020 in the amounts of $4,651 (2019 - $Nil) and $3,151 (2019 - $Nil), respectively, with respect to interest accrued on a loan payable.

During the three and six month periods ended June 30, 2020, the Company incurred listing expense in the amounts of $2,888,163 (2019 - $Nil) and $2,888,163 (2019 - $Nil), respectively, incurred as a result of the Transaction.

During the three and six month periods ended June 30, 2020, the Company incurred marketing and investor relations expenses in the amounts of $1,650 (2019 - $1,601 and $1,650 (2019 - $1,601), respectively, which relates to overall public relations. The increase in marketing and investor relations expenses in the amounts of $49 and $49 incurred during the three and six month periods ended June 30, 2020, respectively, is attributable to increases in discretionary expenses.

During the three and six month periods ended June 30, 2020, the Company incurred meals and entertainment expenses in the amounts of $Nil (2019 - $1,042) and $159 (2019 – $1,042). The decrease in meals and entertainment expenses in the amounts of $1,042 and $883 incurred during the three and six month periods ended June 30, 2020, respectively, is attributable to decreases in discretionary expenses.

During the three and six month periods ended June 30, 2020, the Company incurred office and administration expenses in the amounts of $19,167 (2019 – $6,091) and $30,671 (2019 - $9,819), respectively, to support ongoing corporate activities. The increase in office and administration expenses in the amounts of $13,076 and $20,852 incurred during the three and six month periods ended June 30, 2020, respectively, was attributable to suspending operations and increase in discretionary expenses.

Professional fees for the three and six month periods ended June 30, 2020 totaled $Nil (2019 - $481) and $38,644 (2019 - $481), respectively, and related to accounting, audit, consulting and legal fees.

During the three and six month periods ended June 30, 2020, the Company incurred regulatory costs in the amounts of $5,698 (2019 - $Nil) and $5,698 (2019 - Nil), respectively, which include transfer agent, listing and filing fees, the cost of Board and shareholder meetings and directors' fees to non-management board members.

During the three and six month periods ended June 30, 2020, the Company incurred rent expense in the amounts of $11,093 (2019 - $5,377) and $19,108 (2019 $9,649). The increase in rent expense in the amounts of $5,716 and $9,459 incurred during the three and six month periods ended June 30, 2020, respectively, is attributable to additional space requirements.

The Company recorded share-based payments expense for the three and six month periods ended June 30, 2020 in the amounts of $168,619 (2019 - Nil) and $168,619 (2019 – $Nil), respectively, which reflects the fair value of equity-settled awards recognized over the respective vesting periods, including stock options and restricted share units.

During the three and six month periods ended June 30, 2020, the Company incurred travel expenses in the amounts of $2,999 (2019 - $13,461) and $7,266 (2019 – $20,462). The decrease in travel expenses in the amounts of $10,462 and $13,376 incurred during the three and six month periods ended June 30, 2020, respectively, is attributable to decreases in discretionary expenses.

During the three and six month periods ended June 30, 2020, the Company incurred a gain on the forgiveness of debt of $99,600 (2019 - $Nil) and $99,600 (2019 $Nil) respectively. A debt settlement agreement with a third party pursuant to which the Company will issue shares and pay cash to settle accounts payable in the amount.

SUMMARY OF QUARTERLY RESULTS

The following table summarizes the Company's financial operations for the last eight quarters. For more detailed information, please refer to the consolidated financial statements.

Description	**Q2 June 30, 2020 ($)**	**Q1 March 31, 2020 ($)**	**Q4 December 31, 2019 ($)**	**Q3 September 30, 2019 ($)**
Loss and comprehensive loss	**(3,334,192)**	**(325,437)**	(85,449)	(72,638)
Loss per share	**(1.59)**	**(651)**	(171)	(145)
Description	**Q2 June 30, 2019 ($)**	**Q1 March 31, 2019 ($)**	**Q4 December 31, 2018 ($)**	**Q3 September 30, 2018 ($)**
Loss and comprehensive loss	**(74,388)**	(64,208)	(51,944)	(9,172)
Loss per share	**(149)**	(128)	(104)	(18)

Historical quarterly results of operations and loss per share data do not necessarily reflect any recurring expenditure patterns or predictable trends. The Company's loss generally increased up to the quarter ended June 30, 2019 due to increased activities related to the buildout of the airline. The Company expects its quarterly losses will continue due to a resumption of operations associated with the execution of the Global USA business plan.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2020, the Company had cash and cash equivalents in the amount of $822,877 (December 31, 2019 - $Nil) and a working capital deficit in the amount of $98,131 (December 31, 2019 - $399,637). The decrease in working capital deficit in the amount of $301,506 is explained by operating activities and increases in airline deposits and prepayments during the six month period ended June 30, 2020.

At present, the Company has no current operating income or cash flows. Without additional financing, the Company will be unable to fund general and administrative expenses and working capital requirements for the next 12 months. The Transaction included the Bridge Loan for up to CAD$300,000 to assist with near term working capital requirements, as well as the Offering for gross proceeds of US$1,543,600 to meet expected cash requirements over the next 12 months. Despite the completion of the Transaction and the Offering, the Company will require additional financing to complete the certification process and support its planned operations for the next twelve months. To support its financing requirements, the Company has entered into a share subscription facility (the "Facility") with GEM Global Yield LLC SCS ("GEM"), a private alternative investment group. The Facility will provide the Company with up to CAD$100 million over a 36-month term following the closing of the Transaction. The initial CAD$100 Million is in the form of a capital commitment that allows the Company to draw down funds during the 36-month term by issuing shares to GEM (or such persons as it may direct) and subject to share lending arrangement(s) being in place. The Company controls the timing and maximum amount of drawdown under this facility and has no minimum drawdown obligation. On July 8, 2020 the TSX Venture Exchange provided approval for the Facility.

To date, the Company's operations have been almost entirely financed from equity financings. In addition to the Facility, the Company will continue to identify financing opportunities in order to provide additional financial flexibility. While the Company has been successful raising the necessary funds in the past, there can be no assurance it can do so in the future.

The Company's cash and cash equivalents are held in in highly liquid accounts and interest bearing investments. No amounts have been or are invested in asset-backed commercial paper.

Cash Flows

The Company's cash flows six month periods ended June 30, 2020 and 2019 are summarized in the table below.

	June 30, 2020	June 30, 2019
Cash used in operating activities	$ (85,283)	$ (48,596)
Cash used in investing activities	(326,109)	-
Cash provided by financing activities	1,234,269	48,596
Change in cash and cash equivalents during the period	822,877	-
Cash and cash equivalents, beginning of the period	-	-
Cash and cash equivalents, end of the period	**$ 822,877**	**$ -**

Operating Activities

Cash used in operating activities adjusts loss for the period for non-cash items including, but not limited to, accrued interest, depreciation, share-based payments, and unrealized gains and losses. Cash used in operating activities also reflects changes in working capital items, such as amounts receivable, prepaid expenses and amounts payable, which fluctuate in a manner that does not necessarily reflect predictable patterns for the overall use of cash, the generation of which depends almost entirely on sources of external financing to fund operations.

Refer to "Review of Consolidated Financial Results" for further details with respect to operating activities for the six month periods ended June 30, 2020 and 2019.

Investing Activities

During the six month period ended June 30, 2020, the Company sold the majority of its assets held for sale for cash proceeds in the amount of $24,369.

During the six month period ended June 30, 2020, the Company paid aircraft security deposits in the amount of $350,000 and purchased equipment in the amount of $478.

Financing Activities

Financing activities for the six month period ended June 30, 2020 consist of the following activities:

- Repayments on advances from a related party in the amount of $31,110.
- Proceeds from the issuance of shares in connection with the Transaction in the amount of $1,251,899 and share issue costs paid of $16,040.
- Loan advance of the Canada Emergency Business Account ("CEBA") from the Government of Canada as part of the COVID-19 relief initiative in the amount of $29,520.

STATEMENT OF FINANCIAL POSITION INFORMATION

	As at June 30, 2020	As at December 31, 2019
Cash and cash equivalents	$ 822,877	$ -
Receivables	8,679	-
Airline deposits	350,000	-
Prepaid expenses	328,655	1,620
Deposits	5,596	2,654
Assets held for sale	280	-
Equipment	478	-
		-
Total Assets	**$ 1,516,565**	**$** 4,274
Accounts payable and accrued liabilities	**$** 1,349,191	$ 238,221
Due to related parties	265,027	165,690
Long-term loan payable	29,520	-
Share capital	3,207,783	5
Reserves	724,315	-
Deficit	(4,059,271)	(399,642)
Total Liabilities and Equity	**$ 1,516,565**	**$ 4,274**

Assets

Cash and cash equivalents increased by $822,877 during the six month period ended June 30, 2020 as a result of operating costs incurred. Cash flows are detailed in "Liquidity and Capital Resources". Operating activities are detailed in "Review of Consolidated Financial Results".

Receivables increased by $8,679 during the six month period ended June 30, 2020 which relates to Goods and Services Tax ("GST") input tax credits received, net of GST paid.

Airline deposits increased to $350,000 as a result of a deposit being made with Smartlynx Airlines Malta Limited for a wet lease deposit.

As at June 30, 2020 prepaid expenses increased by $327,035 compared to the balance as at December 31, 2019 which is primarily explained by amounts paid for insurance, $127,287, consulting fees, $150,000 and professional fees of $42,372.

As at June 30, 2020 deposits increased by $2,942 which relates to a lease deposit.

As at June 30, 2020, the asset held for sale includes a computer equipment with a carrying value of $280.

As at June 30, 2020, the Company's equipment had a net book value of $478 (December 31, 2019 - $Nil). During the six month period ended June 30, 2020, the Company recorded depreciation expense in the amount of $41.

Liabilities

During the six month period ended June 30, 2020, accounts payable and accrued liabilities increased by $1,110,970 which is explained by the deferred timing of payments to third parties.

As at June 30, 2020, the balance due to related parties in the amount of $265,027 (December 31, 2019 - $165,690) relates to services rendered to or expenses incurred on behalf of the Company which were unpaid at period-end. For further details with respect to related party balances and transactions, refer to "Related Party Transactions".

As at June 30, 2020, long-term loan payable consists of an interest-free Canada Emergency Business Account ("CEBA") loan in the amount of $29,520 to help cover the Company's operating expenses, payroll and other non-deferrable expenses which are critical to sustain business continuity. The program has been implemented by Bank of Montreal in collaboration with the Government of Canada as part of the COVID-19 relief initiatives.

Equity

During the six month period ended June 30, 2020, the share capital balance increased by $3,207,778 and 27,306,195 shares, as a result of the Transaction.

Reserves increased by $724,315 during the six month period ended June 30, 2020 which is explained by the fair value of $0.09 on warrants issued on 6,174,400 units and share based compensation expense recorded of $168,619.

Deficit increased in the amount of $3,659,629.

SHARE CAPITAL

The Company's authorized capital consists of unlimited number of common voting shares without par value and an unlimited number of variable voting shares without par value (collectively, the "Voting Shares"). The common voting shares and variable voting shares rank equally as to dividends on a share-for-share basis, and all dividends declared in any fiscal year shall be declared in equal or equivalent amounts per share on all Voting Shares then outstanding, without preference or distinction.

Common Voting Shares

A common voting share carries one vote per common voting share.

Variable Voting Shares

The restrictions imposed by federal law currently require that no more than 24.9% of stock of a U.S. airline be voted, directly or indirectly, by persons who are not U.S. citizens, and that no more than 49.9% of the outstanding stock of a U.S. airline be owned (beneficially or of record) by persons who are not U.S. citizens.

Under the Company's Articles, the variable voting shares carry one vote per variable voting share held, subject to an automatic reduction of the voting rights attached to variable voting shares in the event any of the applicable limits are exceeded. The applicable limit is not more than 25% of the voting rights associated with all shares may be held by non-U.S. citizens.

The Company has securities outstanding as follows:

Security Description	***As at June 30, 2020***
Common voting shares – issued and outstanding	15,198,521
Variable voting shares – issued and outstanding	12,107,679
Voting Shares issuable on exercise of stock options	1,387,000
Voting Shares issuable on exercise of warrants	6,262,790
Voting Shares – fully diluted	34,955,990

Share Issuances

During the six month period ended June 30, 2020:

- On June 23, 2020, the Company consolidated its common shares, which was approved by the directors of the Company and was subsequently approved by the TSX Venture Exchange ("TSX-V"). The consolidation resulted in each shareholder of the Company receiving one post-consolidation share for every ten pre-consolidation common shares held. The number of shares, warrants and options and earnings per share data presented in these condensed consolidated interim financial statements have all been adjusted retroactively to reflect the impact of this share consolidation.

- The Company issued 6,174,400 units for gross proceeds of $1,543,600 pursuant to a private placement.

- The Company issued 2,357,594 shares to settle Global USA liabilities of $589,400 pursuant to the exercise of 2,357,594 share purchase warrants issued upon the completion of the Transaction. The fair value of the share purchase warrants in the amount of $589,400 was credited to share capital.

- The Company issued 9,485,257 shares in exchange for pre-RTO shares held by Global USA shareholders. The exchange ratio was 1 Global USA share for 18,971 shares of the Company.

- The Company issued 342,000 shares pursuant to the exercise of 342,000 RSUs. The fair value of the RSUs in the amount of $54,720 was credited to share capital.

- The Company issued 463,959 shares pursuant to the settlement of debt of $74,233 owing to various creditors. The fair value of the settlement of debt in the amount of $74,233 was credited to share capital.

- The Company incurred share issue costs in the amount of $16,040 in connection with the issuance of shares.

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying condensed interim consolidated financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel

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, corporate officers, including the Company's Chief Executive Officer, Chief Financial Officer, and Vice Presidents.

Remuneration attributed to key management personnel for the six month periods ended June 30, 2020 and 2019 is summarized as follows:

	For the six month period ended June 30, 2020	For the six month period ended June 30, 2019
Short-term benefits [1]	$ 57,600	$ 90,000
Share-based payments (Note 12)	109,180	-
	$ 166,780	$ 90,000

[1] Short-term benefits include base salaries and directors' fees, pursuant to contractual employment or consultancy arrangements, management and consulting fees.

Other Related Party Transactions and Balances

As at June 30, 2020, amounts due to related parties include the following:

- Key management personnel of the Company - $Nil (December 31, 2019 - $225,000) in relation to compensation, included in accounts payable and accrued expenses.

The amounts due to related parties are unsecured, non-interest bearing and have no stated terms of repayment.

AVi8 Air Capital, LLC is an entity owned by common stockholders. The Company from time to time receives monies from related parties for working capital purposes. These advances are non-interest bearing and have no repayment terms. As of June 30, 2020 and December 31, 2019, the amounts due to AVi8 Air Capital, LLC were $265,027 and $165,690, respectively.

GOING CONCERN

The accompanying condensed interim consolidated financial statements of the Company have been prepared using International Financial Reporting Standards ("IFRS") on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The continuing operations of the Company are dependent upon the Company's ability to continue to raise adequate financing and to commence profitable operations in the future. The Company is evaluating financing its future requirements through a combination of debt, equity and/or other facilities. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms.

As at June 30, 2020, the Company had a working capital deficit of $98,131 and a deficit of $4,059,271. At present, the Company has no current operating income or cash flows. Without additional financing, the Company will be unable to fund general and administrative expenses and working capital requirements for the next 12 months. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

During the six month period ended June 30, 2020, the Company completed a business combination pursuant to which it acquired all of the issued and outstanding shares of Global USA. For financial reporting purposes, the Company is considered a continuation of Global USA, the legal subsidiary, except with regard to authorized and issued share capital which is that of the Company, the legal parent. Refer to "Transaction" for additional detail.

During the six month period ended June 30, 2020, the World Health Organization declared a global pandemic related to the virus known as COVID-19. The expected impacts on global commerce are anticipated to be far reaching. To date there have been significant wide-spread stock market declines and the movement of people and goods has become restricted, affecting the supply, demand and pricing for many products and services. The airline industry is expected to be impacted significantly as many local and regional governments have issued public health orders and travel restrictions in response to COVID-19. As the Company has no material operating income or cash flows, it is reliant on additional financing to fund ongoing operations. An extended disruption may affect the Company's ability to obtain additional financing. The impact of these factors on the Company is not yet determinable; however the Company's financial position, results of operations and cash flows in future periods may be materially affected. See also "Risk Factors".

CRITICAL ACCOUNTING ESTIMATES

The preparation of the accompanying condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The accompanying condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments.

Going Concern

The preparation of the accompanying condensed interim consolidated financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 1 of the condensed interim consolidated financial statements.

Functional Currency

The functional currency is the currency of the primary economic environment in which an entity operates, and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined to be the United States dollar.

Key Sources of Estimation Uncertainty

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to the following:

Share-based Payments

Estimating fair value for granted stock options and compensatory warrants requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

Estimating fair value for granted restricted share units requires estimating the number or awards likely to vest on grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period.

Deferred Tax Assets and Liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets or liabilities, and deferred income tax provisions or recoveries could be affected.

Future Reclamation Provision

The Company assesses its provision for reclamation related to its historical exploration and evaluation activities at each reporting period or when new material information becomes available. Accounting for reclamation obligations requires management to make estimates of the future costs that will be incurred to complete the reclamation to comply with existing laws and regulations. Actual future costs that will be incurred may differ from those amounts estimated as a result of changes to environmental laws and regulations, timing of future cash flows, changes to future costs, technical advances, and other factors. In addition, the actual work required may prove to be more extensive than estimated because of unexpected geological or other technical factors. The measurement of the present value of the future obligation is dependent on the selection of a suitable discount rate and the estimate of future cash outflows. Changes to either of these estimates may materially affect the present value calculation of the obligation.

ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited consolidated financial statements for the year ended December 31, 2019 and have been consistently followed in the preparation of the accompanying condensed interim consolidated financial statements, except as outlined below.

Leases

Effective January 1, 2019, the Company adopted IFRS 16, *Leases* ("IFRS 16") which replaces IAS 17, *Leases* ("IAS 17") and its associated interpretative guidance. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases but can elect to exclude those with a term of less than 12 months, or those where the underlying asset is of low value. A lessee is required to recognize a right of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. IFRS 16 substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by lessors. Other areas of the lease accounting model have also been impacted, including the definition of a lease. Transitional provisions have been provided.

No transitional adjustment was required upon adoption of IFRS 16 on January 1, 2019. Refer to the accompanying condensed interim consolidated financial statements for additional disclosure with respect to IFRS 16.

FINANCIAL INSTRUMENTS

The Company's financial instruments are exposed to certain financial risks, as detailed below.

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company is subject to credit risk on its cash and cash equivalents and receivables. The Company limits its exposure to credit loss by placing its cash and cash equivalents with major financial institutions. The Company has no investments in asset-backed commercial paper. The Company's receivables consist mainly of Goods and Services Tax receivable due from the Government of Canada. As a result, the Company does not believe it is exposed to significant credit risk.

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 manages liquidity risk through its capital management. See "Outlook", "Going Concern" and "Liquidity and Capital Resources" for further details.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The risk that the Company will realize a loss as a result of a decline in the fair value of any short-term investments included in cash and cash equivalents is minimal because these investments generally have a fixed yield rate.

Currency risk

As a result of the Completion of the Transaction present the Company's expenditures are predominantly in United States dollars. Future equity raised may be in either Canadian or US dollars. At this time, the Company does not have any currency hedges in place for fluctuations in the exchange rate between the Canadian dollar and the US dollar. As at June 30, 2020, a 10% change in the Canadian dollar versus the US dollar would give rise to a gain/loss of approximately $2,500 based on Canadian dollar denominated monetary assets and liabilities.

RISK FACTORS

The development and ultimate operation of an United States charter airline involves significant risks and uncertainties, which even a combination of careful evaluation, experience and knowledge may not eliminate. Certain of the more prominent risk factors that may materially affect the Company's future performance, in addition to those referred to above, are listed hereunder.

Ability to Obtain Additional Capital

The ability of the Company to execute its build-out strategy and achieve operations will depend on acquiring substantial additional financing through debt financing, equity financing, a strategic corporate transaction or other means. There are no assurances that such financing will be available, or if available, available upon terms acceptable to the Company. Failure to obtain such financing may result in the delay or indefinite postponement of such growth strategy or even impact the ability of the Company to continue as a going concern.

There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Company. If additional financing is raised by the Company through the issuance of securities from treasury, control of the Company may change and shareholders may suffer dilution. If additional financing is not available, or if available, not available on satisfactory terms, this could result in a material adverse effect or could require the Company to reduce, delay, scale back or eliminate portions of its actual or proposed operations at the applicable time or could prevent the Company from continuing as a going concern. In such circumstance, purchasers could lose their entire investment in the Company.

A Localized Epidemic or Global Pandemic

A widespread outbreak of influenza or any other similarly communicable illness, occurring in the United States or Canada, or a World Health Organization travel advisory primarily relating to North American cities or regions could affect the Company's ability to continue full operations and could materially adversely affect customer demand for air travel. The current outbreak of the novel coronavirus (COVID-19) that was first reported from Wuhan, China in December 2019, and any future emergence and spread of similar pathogens could have a material adverse effect on global economic conditions which may adversely impact our business and results of operations and the operations of our suppliers, contractors and service providers, and the demand for our passenger charter flights. While initially the outbreak was largely concentrated in China and caused significant disruptions to its economy, it has now spread to many other countries and infections have been reported globally. The spread of the coronavirus may have a significant adverse impact on our workforce, production levels, and our ability to launch charter operations.

The extent to which the coronavirus impacts our operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak, new information that may emerge concerning the severity of the coronavirus and the actions taken to contain the coronavirus or treat its impact, among others. The Company and Global USA are not currently operating charter flights and as such the current COVID-19 pandemic does not have an impact on current operations, but it may have a material adverse effect on the closing of the Transaction and future operations.

Accuracy of Business Model

The accuracy of the Company's business model and the Company's ability to implement its business model is dependent on a number of inputs and assumptions, including:

- the timing and receipt of all regulatory approvals required or desirable for operations by the Company and their impact upon expectations as to future operations of the Company;
- the expected operations and performance of the Company's business as compared to the existing operators;
- the anticipated competitive response from existing operators as well as potential new market entrants which may compete with the Company;
- impact of governmental regulation on the Company;
- future development and growth prospects;
- expected operating costs, general administrative costs, costs of services and other costs and expenses;
- the anticipated increase in the size of the airline passenger market in North America;
- ability to meet current and future obligations;
- treatment under governmental regulatory regimes;
- projections of market prices and costs;
- ability to obtain equipment, services and supplies in a timely manner, including the ability to lease or purchase aircraft; and
- ability to obtain financing on acceptable terms or at all.

Should one or more of these inputs and assumptions not be correct or fail to occur as anticipated then there is a risk that the Company's business model may not be implemented as anticipated and the Company may suffer a material adverse effect.

Lack of Operational History

The Company in the build-out stage of the airline and as a result, investors are unable to review and consider any operational history to evaluate future viability or profitability. The Company will be subject to the risks, difficulties and uncertainties associated with a start-up airline. The Company's future performance will depend upon a number of factors, including its ability to: maintain the safety and security of operations; capitalize on its business strategy; implement its growth strategy; provide the intended products and services at the prices anticipated; maintain adequate control of expenses; attract, retain and motivate qualified personnel; react to customer and market demands; and ability to generate operating revenue.

Regulatory Approvals Required

While Global has been advised by the FAA that it has satisfied Phase 1 of the certification process, Global has not yet received its Operating Certificate. In order to receive its Operating Certificate, the Company must satisfy all five Phases of the certification process. In order to meet these requirements, the Company will need to raise additional financing. There is no guarantee that the Company will raise sufficient financing and accordingly there is no guarantee that the Company will receive an Operating Certificate in accordance with its business plan.

Access to Aircraft and Capital Requirements

In order to operate in accordance with its business plan, the Company will need to acquire or lease aircraft. It is intended that the Company will enter into leasing arrangements for several aircraft initially and additional aircraft subsequently. While the Company does not anticipate any difficulties in entering into satisfactory leasing arrangements, there is no guarantee that the Company will be able to enter into leases for aircraft on terms satisfactory to it, or at all. The terms of the Company's leasing arrangements will impact upon the potential profitability of the Company's business. In the event that the Company is unable to acquire or lease aircraft on satisfactory terms, the Company will be unable to operate in accordance with its business plan. The Company's ability to pay any fixed costs associated with aircraft lease or purchase contractual obligations will depend on the Company's operating performance, cash flow, its ability to secure adequate financing, whether fuel prices continue at current price levels and/or further increase or decrease, further weakening or improving in the United States economy, as well as general economic and political conditions and other factors that are, to some extent, beyond the Company's control.

Price and Availability of Fuel

The Company will be dependent on fuel to operate its business, and therefore, will be exposed to the risk of volatile fuel prices. Fuel prices are impacted by a host of factors outside of the Company's control, such as significant weather events, market speculation, geopolitical tensions, refinery capacity, government taxes and levies, and global demand and supply. The Company's fuel costs are expected to make up one of the largest anticipated expenses of the Company. A significant change in the price of fuel would materially affect the Company's projected operating results and growth strategy. A fuel supply shortage or significantly higher fuel prices could result in a curtailment of the Company's planned scheduled service. There can be no assurance that increases in the price of fuel can be off-set by fuel surcharges.

The Company does not plan to implement a fuel hedging program, although it may do so in the future. There can be no assurance that any fuel hedging program implemented by the Company will be sufficient to protect it against increases in the price of fuel due to inadequate fuel supplies or otherwise. Hedging programs also have inherent risks, including counterparty failure risk, which may deprive the Company of the benefit of "in the money" hedges and the financial exposure to post security for "out of the money" hedges.

The Company may be a party to litigation in the normal course of business or otherwise, which could affect its financial position and liquidity

From time to time, the Company is a party to or otherwise involved in legal proceedings, claims and government inspections or investigations and other legal matters, both inside and outside Canada, arising in the ordinary course of our business or otherwise. The Company is currently involved in legal proceedings and claims that have not yet been fully resolved, and additional claims may arise in the future. Legal proceedings can be complex and take many months, or even years, to reach resolution, with the final outcome depending on a number of variables, some of which are not within our control. Litigation is subject to significant uncertainty and may be expensive, time-consuming, and disruptive to our operations. Although the Company will vigorously defend ourselves in such legal proceedings, their ultimate resolution and potential financial and other impacts on us are uncertain. For these and other reasons, the Company may choose to settle legal proceedings and claims, regardless of their actual merit. If a legal proceeding is resolved against the Company, it could result in significant compensatory damages, and in certain circumstances punitive or trebled damages, disgorgement of revenue or profits, remedial corporate measures or injunctive relief imposed on us. If our existing insurance does not cover the amount or types of damages awarded, or if other resolution or actions taken as a result of the legal proceeding were to restrain the Company’s ability to operate or market our services, our consolidated financial position, results of operations or cash flows could be materially adversely affected. In addition, legal proceedings, and any adverse resolution thereof, can result in adverse publicity and damage to the Company’s reputation, which could adversely impact its business.

General economic conditions may adversely affect the Company's growth, future profitability, ability to finance and operations

Global financial conditions continue to be characterized as volatile. In recent years, global markets have been adversely impacted by various credit crises and significant fluctuations in metals prices and fuel and energy costs. Many industries have been impacted by these market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to future events. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company’s growth and profitability. Future crises may be precipitated by any number of causes, including natural disasters, geopolitical instability, changes to energy prices or sovereign defaults. If increased levels of volatility continue or in the event of a rapid destabilization of global economic conditions, it may result in a material adverse effect on investor confidence and general financial market liquidity, all of which may adversely affect our business and the market price of our securities.

In addition, the current outbreak of the novel coronavirus (COVID-19) that was first reported from Wuhan, China in December 2019, and any future emergence and spread of similar pathogens could have a material adverse effect on global economic conditions which may adversely impact our business and results of operations and the operations of our suppliers, contractors and service providers, and the demand for domestic and international travel. While initially the outbreak was largely concentrated in China and caused significant disruptions to its economy, it has now spread to many other countries and infections have been reported globally. The extent to which the novel coronavirus impacts our operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak, new information that may emerge concerning the severity of the novel coronavirus and the actions taken to contain the novel coronavirus or treat its impact, among others.

Moreover, the actual and threatened spread of the novel coronavirus globally could also have a material adverse effect on the regional economies in which we plan to operate, could continue to negatively impact stock markets, including the trading price of our shares, could adversely impact our ability to raise capital, could cause continued interest rate volatility and movements that could make obtaining financing more challenging or more expensive. Any of these developments, and others, could have a material adverse effect on our business and results of operations.

The Company has a history of losses and expects to incur losses for the foreseeable future

The Company has incurred losses since its inception and expects to incur losses for the foreseeable future. The Company expects to continue to incur losses unless and until such time as airline operations commence and generate sufficient revenues to fund continuing operations. The development of the Company’s airline operations will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, including the progress of the licensing process, the results of consultant analysis and recommendations, the rate at which operating losses are incurred, and the execution of agreements with strategic partners and service providers. Some of these factors are beyond the Company’s control. There can be no assurance that the Company will ever launch airline operations or achieve profitability.

The Company’s securities are subject to price volatility

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations that have not been necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company’s share price will not occur. It may be anticipated that any quoted market for our common shares will be subject to market trends generally, notwithstanding any potential success in creating revenues, cash flows or earnings. The value of the Company’s common shares will be affected by such volatility.

COMMITMENTS

The company does not have any commitments as at June 30, 2020.

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off balance sheet financing arrangements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

As permitted, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to the financial information contained in the condensed interim consolidated financial statements and corresponding accompanying Management's Discussion and Analysis. In contrast to the certificates under National Instrument 52-109 (Certification of Disclosure in an Issuer's Annual and Interim Filings), the Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting as defined by National Instrument 52-109.

SUBSEQUENT EVENTS

The following events occurred subsequent to the six month period ended June 30, 2020:

- On July 2, 2020 the Company announced that the Company and Breeze Airways reached an amicable agreement to settle a lawsuit brought by the Company in November 2019. The lawsuit was withdrawn, with prejudice, and without any payments being made by either party.

- The Company previously announced an agreement with GEM Global Yield LLC SCS ("GEM"), the private alternative investment group to provide the Company with up to $100 million over a 36 month term following the closing of the Transaction (the "Facility"). The initial $100 Million is in the form of a capital commitment that allows the Company to draw down funds during the 36-month term by issuing shares to GEM (or such persons as it may direct) and subject to share lending arrangement(s) being in place. The Company controls the timing and maximum amount of drawdown under this facility and has no minimum drawdown obligation. On July 8, 2020 the TSX Venture Exchange provided approval for the Facility.

- On July 10, 2020, pursuant to the terms of the Facility, the Company issued 2,106,290 warrants to GEM exercisable at a price of CAD$0.50 per share until May 4, 2023.
- On August 26, 2020, the Company issued 473,714 common voting and variable shares at a price of CAD$0.8937 per share for gross proceeds of CAD$423,358 in accordance with the GEM Agreement.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com.

APPROVAL

The Board of Directors of the Company has approved the disclosures contained in this MD&A.