

# Helium Investment Opportunities

Saskatchewan offers clean, abundant, and reliable sources of helium



Saskatchewan has world-class helium resources and significant development opportunities.

## Our Competitive Edge

The Saskatchewan Geological Survey has conducted two comprehensive geological studies, in 2016 and 2021, to confirm that Saskatchewan has world-class helium resources and significant development opportunities. A review of analyses of gases from 88,000 oil and gas wells, in sedimentary rocks of southern Saskatchewan, identified over 200 locations with helium concentrations greater than 0.3% and 100 locations greater than 0.5%. Of those, 29 have greater than 1% He. Locations of the wells are distributed across the southernmost 25 townships. The distribution of the elevated helium occurrences greatly expands the helium exploration potential beyond the current producing area.

More information on this work can be found in the recently released Energy and Resources Geological Survey report: [2021-2: Helium in Southern Saskatchewan: Geological Setting and Prospectivity](#).

The Government of Saskatchewan also recently launched the [Helium Action Plan: From Exploration to Exports](#), which was developed with significant contributions from industry stakeholders. The Plan's goal is for Saskatchewan to produce 10% of the world's helium supply by 2030.

### The Helium Action Plan set out a vision that includes:

- Creating 500 + new permanent full-time jobs and support for thousands of construction and services sector jobs;
- Increasing production through an additional 150 + dedicated helium production wells;
- Generating annual exports worth more than \$500 million; and,
- Building up to 15 purification and liquefaction facilities.

To achieve these goals, the Government of Saskatchewan has committed to implementing a comprehensive suite of new deliverables that seek to support competitiveness across the entire helium value-chain including exploration, production, processing, innovation, and export infrastructure.

A few notable deliverables from the Helium Action Plan include a comprehensive government-led helium reserves study, incentives for exploratory wells and new-to-Saskatchewan innovations, and working groups geared towards innovation commercialization and establishing helium liquefaction capacity.

Saskatchewan currently offers competitive helium royalty rates, of 4.25%, and competitive incentive programs available for the helium sector: the [Oil and Gas Processing Investment Incentive](#) (OGPII) and the [Saskatchewan Petroleum Innovation Incentive](#) (SPII), which provide royalty-credit-based rebates on eligible costs of 15% and 25%, respectively.

As of November 2021, there are many active helium companies holding more than 500 combined helium leases and permits for exploration and production activities, which encompasses over 4 million hectares of land.

Saskatchewan also has three active helium purification facilities, including North American Helium's facility in Southwest Saskatchewan, which is currently the largest helium purification facility in Canada.

# Helium Investment Opportunities

## Investment Climate

- **Opportunities for New Entrants:** The helium sector is one of the fastest growing sectors in Saskatchewan and the Province's land and mineral tenure regime, accessible geological data, competitive incentives, and low royalty rates support new entrants
- **Low Emission Production:** Saskatchewan's helium deposits are mixed primarily with nitrogen. Nitrogen is not considered a greenhouse gas (GHG) and therefore has a low GHG footprint when compared to other jurisdictions that rely on large scale natural gas production for helium extraction.
- **Client-Focused Government:** The Government of Saskatchewan is committed to supporting the helium sector's growth through the Helium Action Plan, and offers company-specific guidance on areas including, but not limited to, incentive programs, stakeholder engagement, environmental assessment processes, and regulatory approvals.
- **Proven Resources:** Saskatchewan is one of a few jurisdictions in North America with historical helium production. This sector, which operated in the 1960/70's, serves as a foundation to build on from all facets of the current helium sector.

## Exploration and Production

- **Data Driven Decisions:** Saskatchewan's helium industry can leverage oil and gas data, seismic exploration, and historical helium production data to inform investment decisions. The Government of Saskatchewan has also published helium-related analysis from studies covering more than 6,500 gas analyses tests, taken from wells across the province.
- **Regulatory Excellence:** Saskatchewan has a well-established regulatory regime, focusing on responsible resource development and long-term economic competitiveness.
- **Growth Potential:** With more than 200 potentially economic helium wells identified and a government commitment to support the sector's development, Saskatchewan's helium industry has a significant opportunity to scale operations and capitalize on global growth in helium demand.

## Processing

- **Single Well Processing:** Saskatchewan's unique geology creates an opportunity for small-scale modular purification facilities that can act as a complementary, lower-cost and more flexible alternative to large-scale infrastructure projects.

- **Competitive Incentives:** Saskatchewan's OGPII program offers a 15% transferrable royalty credit rebate to value-added helium purification and liquefaction projects.

## Innovation

- **Commitment to Innovation:** The Government of Saskatchewan is committed to innovation commercialization and will continue working alongside industry to advance new technologies and improve investment outcomes.
- **Competitive Incentives:** Saskatchewan's SPII program offers a 25% transferrable royalty credit rebate to projects demonstrating new-to-Saskatchewan innovations in the helium sector

## Exports

- **Efficient Transportation:** The Government of Saskatchewan is committed to working with industry to ensure that Saskatchewan's resources reach markets in the safest and most efficient manner possible.

## Sustainability

- Helium extracted from wells in Saskatchewan can be up to 99 per cent less carbon intensive than helium extraction processes in other jurisdictions, according to industry experts.

### The Bottom Line

Saskatchewan has world class helium resources, a competitive business, regulatory and investment climate as well as a client focused government to support the advancement of helium developments in Saskatchewan all the way from exploration to exports.

The Government of Saskatchewan is committed to supporting the helium sector's ongoing growth through the Helium Action Plan and its deliverables.

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