

ASX ANNOUNCEMENT

15 November 2024

FIVE ADDITIONAL HELIUM WELLS APPROVED FOR DRILLING GALACTICA/PEGASUS

Highlights

- ECMC has approved permits to drill five additional helium development wells at our Galactica/Pegasus project.
- The 5 additional wells, together with the successful State 16 well, which is suspended ahead of tie into production, are expected to form part of the initial gas gathering into the Galactica helium production facility.
- Drilling planned to start Q4 2024.

Blue Star Helium Limited (ASX:BNL, OTCQB:BSNLF) (**Blue Star** or the **Company**) provides an update on helium development well permitting at its Galactica/Pegasus helium project in Las Animas County, Colorado.

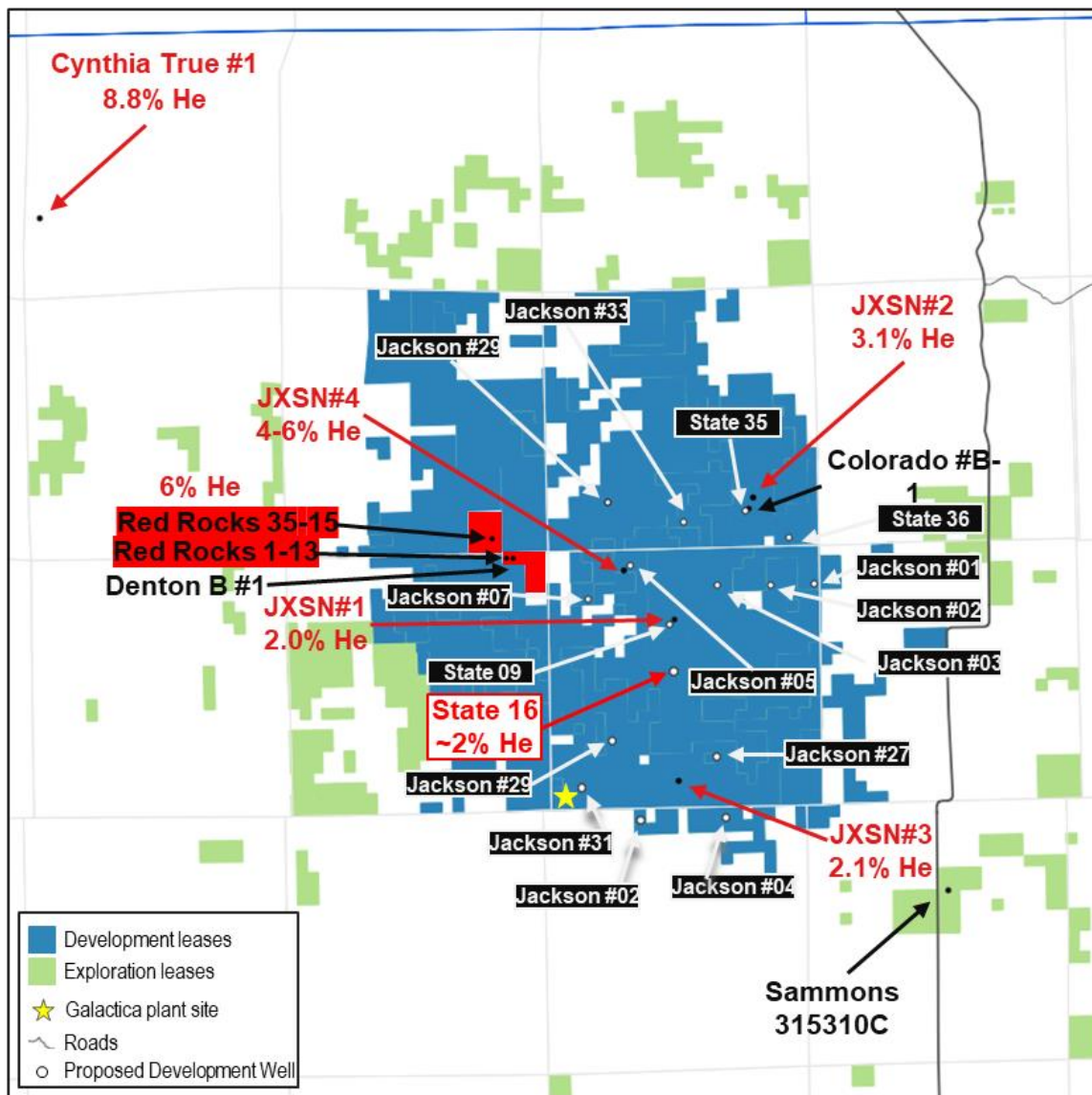
Galactica/Pegasus drilling permits approved

The Colorado Energy and Carbon Management Commission (**ECMC**) has granted permits to drill five additional helium development wells (Jackson 27 SWSE, Jackson 31 SENW, Jackson 29 SWNW, Jackson 2 L4 and Jackson 4 L4) at the Galactica/Pegasus project. Drilling is planned to start this quarter.

These wells are located on Galactical Pegasus OGDPI (see BNL ASX releases dated 17 October 2024, *Five Additional Helium Well Locations Approved Galactica-Pegasus*). The wells are shown on the map below.

The newly approved wells are located to the south and southwest of the successful State 16 development well, which is suspended for tie into production, and are expected, together with State 16, to form part of the initial gas gathering into the Galactica helium production facility which the Company is developing with its farm in partner, Helium One Global Ltd.

Currently, the Company has 1 completed development well waiting for tie into production and an inventory of 15 helium development well locations approved at Galactica/Pegasus including Form 2 approvals for the drilling for 8 development wells including those the subject of this announcement plus State 09, 35 and 36 helium development wells (see BNL ASX release of 9 January 2023, *Helium Development Well Permits Approved*).



Historic Galactica/Pegasus previous drilling

Blue Star had a successful exploration campaign at the Galactica and Pegasus prospects (JXSN wells) followed by the first successful development well, State 16 being drilled in June 2024.

Independent engineering consultants advised the company that State 16 is capable of a maximum rate of 441 Mscfd with more stabilised rates constrained for production optimisation projected to be between 250 Mscfd and 350 Mscfd. The well tested 1.9% helium and logs identified 96+ feet of gas column in the Lyons Sandstone.

Four wells (JXSN#1 – JXSN#4) drilled across the two prospects resulting in four discoveries with gas bearing columns of up to 230 feet and helium content up to 6% and flow rates as high as 412 Mcf/d (see BNL ASX release of 5 October 2022).

The third-party owned Red Rocks helium project adjoins Blue Star's Galactica project (see map above). Red Rocks produces raw gas into an IACX-operated helium recovery plant and sells helium gas into the market. Development and operation of Red Rocks further supports the positive outlook for the Galactica project.

Helium One farm-out agreement

Blue Star has completed a Farm-in Agreement with Helium One Global Ltd (see BNL ASX release dated 4 November 2024, *Completion of Landmark Farm-in Agreement*).

This ASX Announcement has been authorised for release by the Board of Blue Star Helium Limited.

For further information, please contact:

Trent Spry
Managing Director & CEO
info@bluestarhelium.com
+61 8 9481 0389

About Blue Star Helium:

Blue Star Helium Ltd (ASX:BNL OTCQB:BSNLF) is an independent helium exploration and production company, headquartered in Australia, with operations and exploration in North America. Blue Star's strategy is to find and develop new supplies of low cost, high grade helium in North America. For further information please visit the Company's website at www.bluestarhelium.com

About Helium:

Helium is a unique industrial gas that exhibits characteristics both of a bulk, commodity gas and of a high value specialty gas and is considered a "high tech" strategic element. Due to its unique chemical and physical qualities, helium is a vital element in the manufacture of MRIs and semiconductors and is critical for fibre optic cable manufacturing, hard disc manufacture and cooling, space exploration, rocketry, lifting and high-level science. There is no way of manufacturing helium artificially and most of the world's reserves have been derived as a by-product of the extraction of natural hydrocarbon gas.