



BIG STAR ENERGY

ASX ANNOUNCEMENT

30 March 2020

HELIUM LEASING ACQUISITION AND UPDATE

- Additional 11,981 net acres leased
- Significant targeted increase in gross and net acre at the Enterprise Prospect
- Big Star's total lease position now 121,086 gross (64,924 net) acres
- Significant competition driving lease bonuses up to US\$52/acre
- A total of 18 elevated helium readings now recorded across its leased acreage

Big Star Energy Ltd ("Big Star" or the "Company") (ASX:BNL) is pleased to announce that it has acquired an additional 11,981 net acres in Colorado, USA. The additional acreage was secured by 5 new leases won at the recent March (Bureau of Land Management) BLM land auction and 5 new leases from private mineral owners.

Big Star Managing Director, Joanne Kendrick, commented *"I'm pleased by our success at the recent BLM auction which has more than doubled our net position in the Enterprise Prospect and the adjacent Galileo Prospect. We have recently commissioned an independent prospective resource evaluation of these prospects. Strategic leasing will continue as we plan and permit the drilling programme."*

"This auction has seen a marked increase in competition for acreage in Las Animas County. Six bidders placed bids for nine parcels with the winning bids (lease bonuses) averaging US\$6.35 and ranging up to US\$52 per acre."

The Company has leased acreage covering a total of 24 soil gas sample locations with 18 elevated helium readings (greater than 10% above atmospheric). All samples were obtained during the regional gas survey referred to in the Company's announcement of 19 September 2019 and are described in the Appendix.

Further details of the new leases and an update on the verification process of leases referred to in previous announcements are set out in the Appendix.

The Board has authorised for this announcement to be given to ASX.

For further information, please contact:

Joanne Kendrick

Managing Director

info@bigstarenergy.com.au

About Big Star:

Big Star Energy Ltd (ASX:BNL) is an independent oil and gas exploration and production company, headquartered in Australia, with operations and exploration in North America. Big Star's strategy is to provide its shareholders with exposure to multiple high-value helium projects in North America. For further information please visit the Company's website at www.bigstarenergy.com.au

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.

Coronavirus (COVID-19):

To date the restrictions arising from the global coronavirus pandemic have not materially affected the Company's operations with staff and consultants in Australia and the USA adapting to more isolated working conditions. The Company does not believe that its operations including permitting and planning for field activity later in the year will be materially impacted since (based on discussions with the Company's operations group), in the US, oil and gas related operations are considered essential services and are excluded from many of the imposed COVID-19 restrictions. The Company will actively monitor the situation as it develops including assessing any impact it may have on the Company's operations.

Appendix

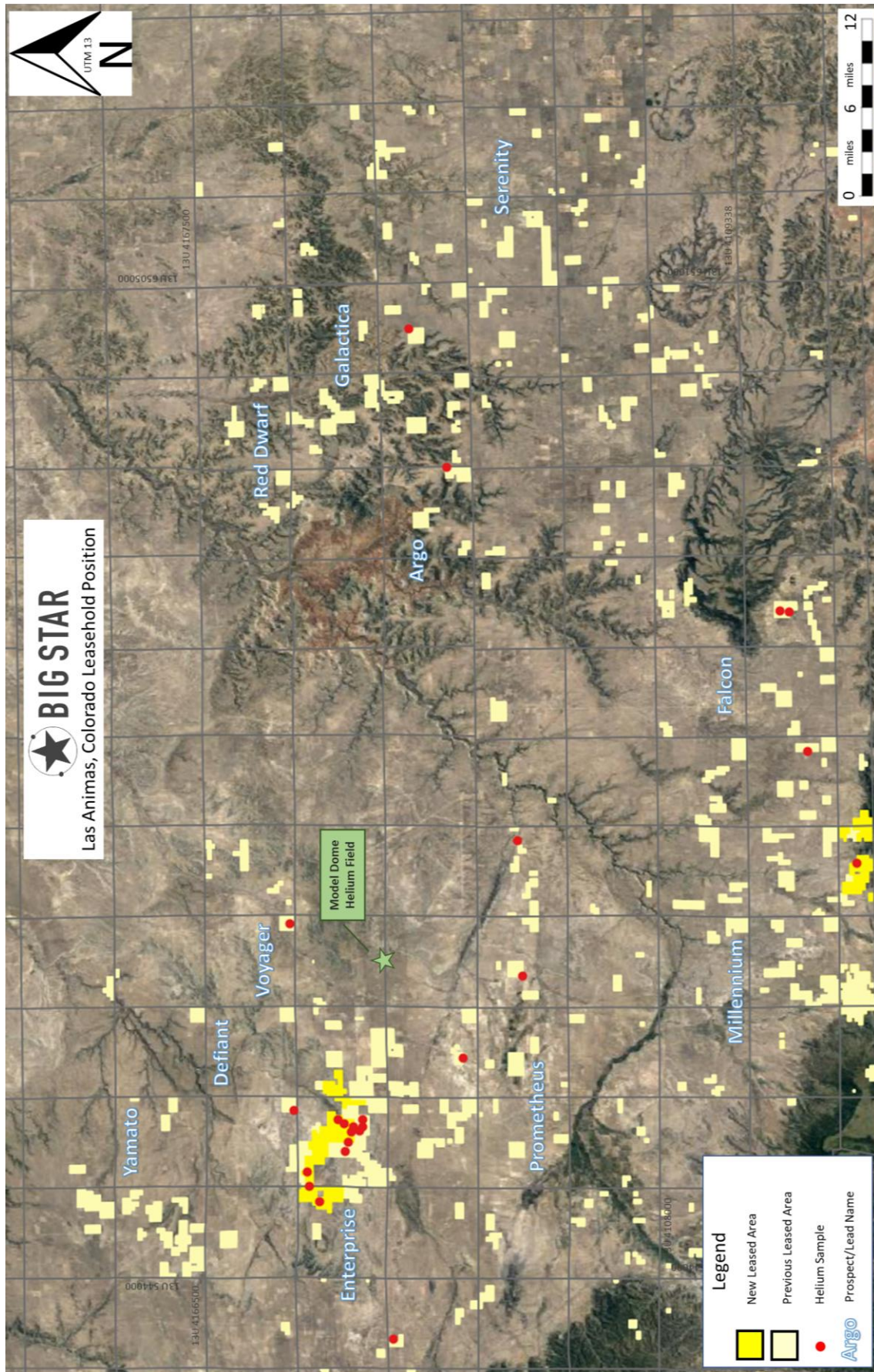


Figure 1 : Big Star Current Lease Position.

Summary of new leases

The new leases from the BLM auction are for 7,565.87 gross (7,565.87net) acres, for an initial term of 10 years and an annual rental payment of US\$1.50/acre payable annually in advance for the first 5 years and then US\$2/acre. If Big Star successfully produces helium or other products from the lease area, a 12.5% royalty will be payable to the US Federal Government and the lease term will be extended indefinitely until production ceases. The leases do not include any minimum work commitments. The consideration for the new leases is US\$46,621 comprising the first year's rental, lease bonuses, application and other fees. The Company is the only working interest owner in the leases.

The new leases from the private mineral owners are for 4,415 net acres, for an initial term of 5 years with an option to renew for a further 5 years. If Big Star successfully produces helium or other products from the lease area, a 12.5% royalty will be payable to the lessor and the lease term will be extended indefinitely until production ceases. The leases do not include any minimum work commitments. The Company is the only working interest owner in the leases. The Company has agreed to pay lease bonuses to the lessors after concluding customary verification. The total amount of the lease bonuses payable in respect of these new leases is not material to the Company.

For further information in relation to oil and gas leasing in the US see the Company's announcement of 19 September 2019.

Summary of Soil Gas Survey Results

Soil Gas Survey Locations Captured by Current Leasing			
UTM13 eastings (X) and northings (Y)		Helium Concentration (ppmv)	Helium Concentration (above atmospheric levels)
X	Y		
553999	4155493	5.64	8%
555477	4155801	5.57	6%
561119	4149827	5.87	12%
560321	4150853	5.67	8%
558696	4151376	5.78	10%
559886	4150090	5.82	11%
560702	4151775	5.69	9%
557747	4151660	6.36	21%
560325	4149824	5.89	12%
561141	4152484	5.89	12%
588620	4096709	5.55	6%
600678	4102076	5.71	9%
615689	4103996	6.01	15%
615782	4104980	5.82	11%
631198	4140744	7.86	50%
559790	4150981	6.01	15%
552384	4154452	6.02	15%
582119	4157576	5.81	11%
567792	4139074	5.83	11%
537567	4146555	5.78	10%
576510	4132606	5.91	13%
646039	4144896	7.72	47%
562130	4157221	10.77	106%
591050	4133234	5.88	12%

Update on Leasing Verification Process

The current status of the lease verification process is as follows.

Announcement Date	Net New Leased Acres	Subject to Verification	Provisional Adjustments	Verified Adjustments	Verified	Expected Net Acres Post Verification
31-Oct-2019 (and prior)	1,470				1,470	1,470
26/11/2019	21,824				21,824	21,824
28/11/2019	14,877			- 11,093	3,784	3,784
5/12/2019	1,640			640	2,280	2,280
12/12/2019	5,440			- 35	5,406	5,406
19/12/2019	5,440			- 35	5,406	5,406
25/02/2019	12,912	1,520		- 138	11,254	12,774
29/03/2019	11,981	4,415		-	7,566	11,981
Total/s	75,584	5,935	-	- 10,660	58,989	64,924

Big Star's current lease position is 121,086 gross (64,924 net) acres. Included within this total are 58,989 net acres which have been verified and 5,935 net acres which are subject to verification.