

ASX ANNOUNCEMENT

25 February 2022

SAMMONS OGDG APPROVED

Highlights

- COGCC approves Vecta's OGDG application for Sammons Ranch.
- The Sammons Ranch OGDG consists of four proposed helium exploration wells located in the AMI agreed between Blue Star (50%), Vecta and Prospero.
- Approval at Vecta's OGDG hearing of the Sammons 315310C well was the residual condition precedent to the formation of the AMI and is now satisfied.
- Drilling of Sammons 315310C well expected to commence promptly following receipt of approved final permit to drill (Form 2).

Blue Star Helium Limited (ASX:BNL) (**Blue Star** or the **Company**) is pleased to provide an update on the outcome of the Colorado Oil and Gas Conservation Commission (**COGCC**) approval hearing for the Sammons Ranch Oil and Gas Development Plan (**OGDP**), located in Las Animas County, Colorado.

Blue Star advises that the outcome of the hearing, held overnight, was the receipt of COGCC approval of the Sammons Ranch OGDG submitted by Vecta Oil and Gas Ltd (**Vecta**) and authorisation of the four well locations. The Sammons Ranch OGDG consists of four (4) proposed helium exploration wells located in the Area of Mutual Interest (**AMI**) agreed between Blue Star (50%, non-operated interest), Prospero Oil and Gas LLC (**Prospero**) (25%, non-operated interest) and Vecta (25% operating interest) (refer BNL ASX release dated 22 December 2021). The AMI includes Blue Star's Serenity prospect, located immediately south-east of its Galactica and Pegasus prospects.

Approval at Vecta's OGDG hearing of the Sammons 315310C well by the COGCC was the residual condition precedent to the formation of the AMI and is now satisfied.

Approval of the OGDG and associated Forms 2A allows Vecta to submit its final permit to drill (Form 2) for the Sammons 315310C well, which is expected to be done in the next few days. The Company understands that approval for the final permit to drill is typically received within 30 days of its submission.

Planning for execution of the Sammons 315310C well is underway with drilling expected to begin promptly after receipt of the approved final permit to drill.

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

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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.

