

ASX ANNOUNCEMENT

12 September 2022

SAMMONS 315310C WELL DRILLING UPDATE

Blue Star Helium Limited (ASX:BNL) (Blue Star or the Company) provides an update on the Sammons 315310C well currently being drilled by the Company's joint venture partner and AMI operator, Vecta Oil & Gas Ltd, on the Serenity prospect in Las Animas County, Colorado.

As previously reported Vecta advised the Company that casing has been set at 1,270 feet in the shale that separates the upper and lower Lyons sands. This allows the upper Lyons to be preserved for future completion after showing high and increasing flow rates during testing (see ASX announcement of 2 September 2022) while allowing the lower Lyons to be tested in isolation for accurate pressure, flow and compositional analysis of the lower sand.

Cementing operations were undertaken during the short Labor Day week with the cement bond log at the end of operations showing insufficient cement coverage from approximately 730 feet to surface. Given the well is expected to encounter gas in the lower Lyons sand additional cementing operations have been conducted to provide sufficient bonding in the shallow section of the well.

At this stage the forward plan is to run the cement bond log to confirm sufficient cement coverage and then to drill out any remnant cement in casing and drill into the lower Lyons sand. Once in the lower Lyons the plan is to drill the first 20 feet of the sand for initial flow testing of the well for pressure and rate analysis and to collect gas samples to determine composition.

The Sammons 315310C well is one of four (4) approved helium wells located in the AMI agreed between Blue Star (50%, non-operated interest), Prospero Oil and Gas LLC (25%, non-operated interest) and Vecta Oil & Gas Ltd (25% operating interest) (refer BNL ASX release dated 22 December 2021).

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) 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.