

ASX ANNOUNCEMENT

3 October 2022

HELIUM DEVELOPMENT WELL PERMITTING UPDATE

GALACTICA/PEGASUS

Highlights

- COGCC accepts new three development well “Galactica-Pegasus OGD II” as complete and passes it to the final review and hearing phase.
- Completeness achieved in record time - 65 days vs average of 121 days for 5 plans previously submitted by Las Animas operators.
- In addition, Forms 2A approved in respect of the proposed State 09, State 16, State 35 and State 36 development wells at Galactica/Pegasus.
- Seven proposed development wells now in advanced stages of permitting to follow up four helium discoveries at Galactica/Pegasus.

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.

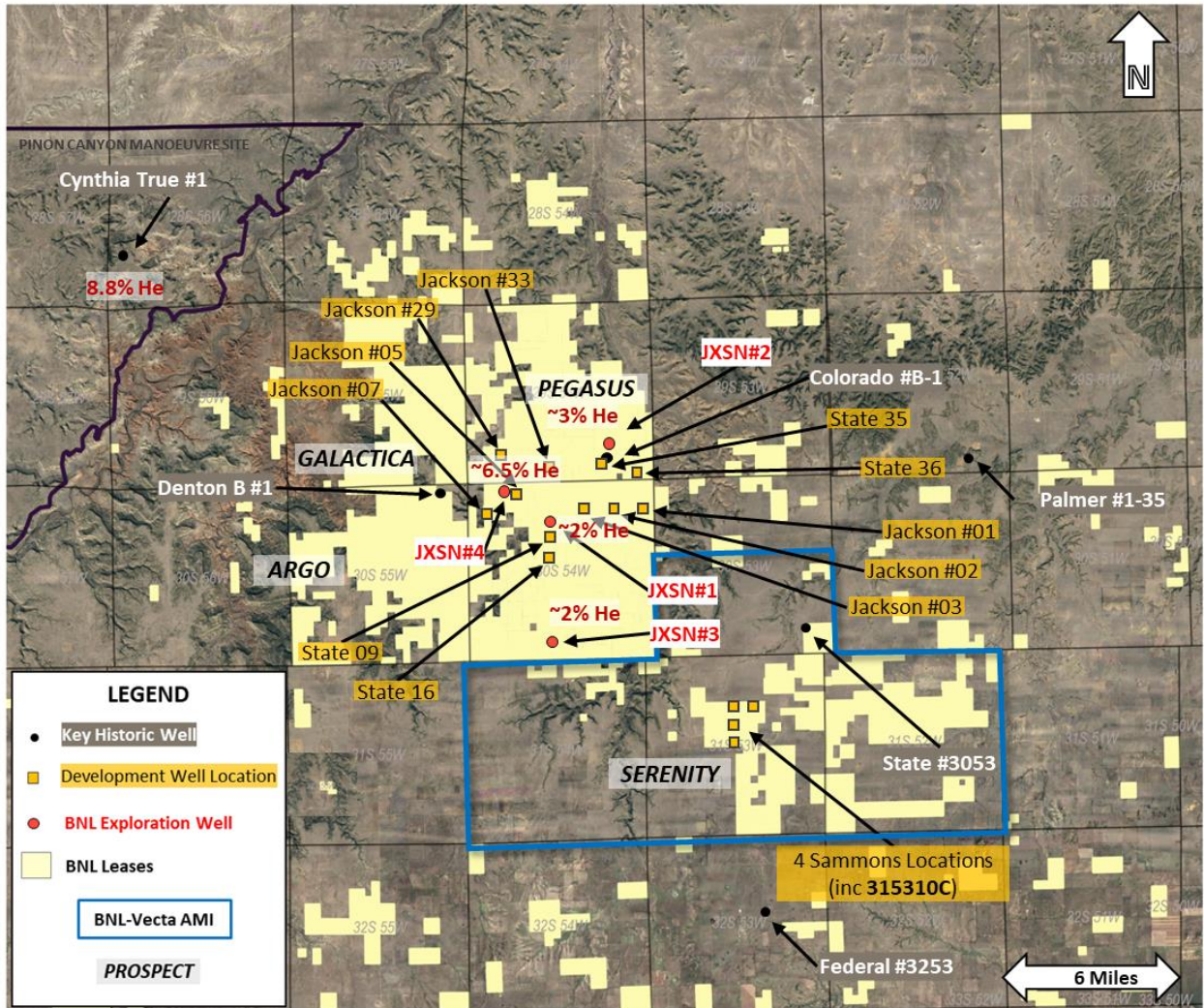
Galactica/Pegasus

The Colorado Oil and Gas Conservation Commission (**COGCC**) has accepted the “Galactica-Pegasus OGD II” as complete and passed it to the final review and hearing phase. This oil and gas development plan (**OGDP**) relates to three wells: Jackson 1, Jackson 2 and Jackson 3.

COGCC accepted this OGD II as complete within 65 days of its submission. This compares very favourably to the five Las Animas OGDs that have previously been submitted by Blue Star and two other operators which were accepted by COGCC as complete on an average of 121 days.

COGCC has also approved the Forms 2A relating to each of State 09, State 16, State 35 and State 36. These wells relate to the “State 09 & 16 3054” and “State 35 & 36 OGD II” oil and gas development plans which were recently approved by the COGCC (see ASX announcement of 15 September 2022). This enables the company to submit the final Form 2s in respect of these wells.

These seven wells are to be drilled as offset development wells to the JXSN#1 and JXSN#2 helium discoveries made by the earlier this year (see ASX announcement of 17 May and 7 June 2022). The currently proposed development wells at Galactica/Pegasus are shown on the map below.



Helium Well Permitting

The table below outlines the current status of Blue Star's helium development well permitting activities in Las Animas County, Colorado.

Well Permitting Schedule								
Prospect	Location Selection	Survey	Permit Preparation	COGCC Review	COGCC Hearing	Form 2	Issued	Total
Enterprise	1	2	1				1	5
Galactica	4	3	5	3		2		17
Galileo			3					3
Pegasus			6	1	3	2		12
Serenity						3	1	4
Voyager	10		3	2				15
Total	15	5	18	6	3	7	2	56

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

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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.