

ASX ANNOUNCEMENT

19 April 2023

VOYAGER HELIUM DEVELOPMENT WELLS APPROVED FOR DRILLING

Highlights

- **Final approval received to drill the first two helium development wells at the high-grade Voyager helium development.**
- These two wells offset the BBB#1 helium discovery and are planned to be production wells.
- Drilling of the first well is expected to commence in late Q2 or Q3.
- Additional five-well OGDG for Voyager to be submitted to COGCC in first week of May; together with the BBB 33#1 and 34#1 locations, delivers robust inventory from which the initial 3-4 production well locations at Voyager will be selected.
- Commercial discussions for provision of leased helium facility at Voyager highly advanced and expected to conclude in execution of a facilities agreement in coming weeks.
- Blue Star on track for first helium production and sales from Voyager during H2 CY2023.

Blue Star Helium Limited (ASX:BNL, OTCQB:BSNLF) (**Blue Star** or the **Company**) provides an update on progress on its maiden Voyager helium development in Las Animas County, Colorado.

Voyager helium development wells approved for drilling

The Colorado Oil and Gas Conservation Commission (**COGCC**) has approved the Forms 2 relating to each of the BBB 33#1 and BBB 34#1 helium development wells (refer Figure 1). These wells relate to the “BBB 2860” Oil and Gas Development Plan (**OGDP**) located within the Company’s high-grade Voyager helium development. This is the final COGCC approval required to be able to drill these wells.

These two wells offset the BBB#1 helium discovery and are intended to produce into the initial Voyager facility (see BNL announcement dated 19 December 2022). Drilling of the first of these wells is expected to commence in late Q2 or Q3 and is planned to include subsequent flow and pressure testing evaluation.

Additional Voyager helium development wells submission

Following the acquisition of strategic mineral leases and surface access agreements (see BNL release of 11 April 2023), the next planned OGDG submission at Voyager has been expanded to five wells and is planned to be submitted in the first week of May after expiry of mandatory pre-submission notices to the County.

Previously this OGDG included the three eastern wells on the map below (on existing leases shown in blue). Submission of the OGDG was paused to add the two highly regarded well locations associated with the newly acquired strategic minerals leases (shown in yellow). This approach follows COGCC guidance.

Coupled with BBB 33#1 and 34#1, approval of these further locations is expected to deliver a robust inventory of permitted wells from which to select the initial 3-4 production well locations at Voyager.

COGCC advised at the operator meeting on 14 March 2023 that it is implementing a revised permitting process which is designed to shorten the time between submission and hearing to 4.5 months. COGCC says that the current process takes on average 7 months.

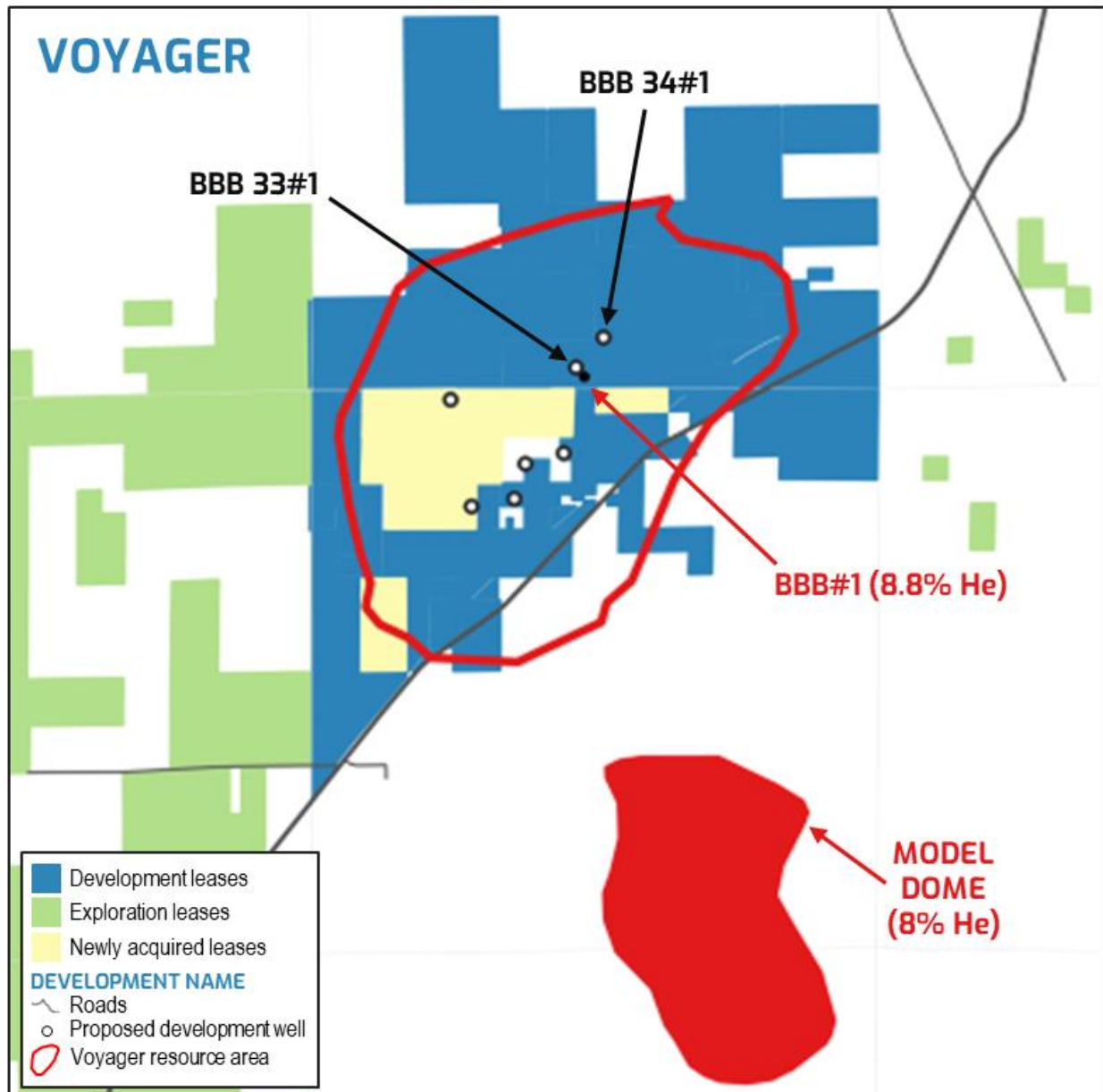


Figure 1: Voyager helium development planned well locations

Helium processing facility commercial discussions

Blue Star is progressing negotiations with a mid-stream company for the lease of a helium processing facility at Voyager (see BNL announcement of 19 December 2022). These discussions are now highly advanced and expected to conclude in execution of a facilities agreement in the coming weeks for supply and operation of the helium processing plant. Accordingly, given the COGCC's revised permitting guidance, Blue Star is continuing to target first helium production and sales from Voyager during H2 CY2023.

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.