

ASX ANNOUNCEMENT  
16 October 2023

## A\$7M EQUITY RAISE TO FUND VOYAGER INTO FIRST PRODUCTION

- A\$7 million equity raising will support development of Blue Star's Voyager helium production plant which is targeted for completion Q4 2023
- Opportunity for existing eligible shareholders to participate via a Share Purchase Plan targeting a further A\$2 million

Blue Star Helium Limited (ASX:BNL, OTCQB:BSNLF) (**Blue Star** or the **Company**) is pleased to advise that it has received firm commitments to raise A\$7 million in gross proceeds via an institutional placement of 333,333,334 new ordinary shares (**New Shares**) to institutional and sophisticated investors at an issue price of A\$0.021 per share (**Placement**).

The Placement was strongly supported by existing shareholders and new domestic and global institutional investors. The funds raised from the Placement enable Blue Star to advance helium development and exploration evaluation activities across its world-class Las Animas County acreage in Colorado.

Funds raised from the Placement are to be directed towards:

- Activities relating to the Voyager helium production facility and associated works including production wells and the gathering system;
- Production development studies at Galactica and Pegasus projects;
- Advancing the exploration portfolio; and
- General working capital.

### **Blue Star's Managing Director and Chief Executive Officer, Trent Spry, commented:**

*"We are very pleased to have received such encouraging support from existing shareholders and I would like to welcome the new shareholders to the register."*

*"We look forward to an exciting quarter of activity culminating in production at our maiden helium development Voyager."*

### **Details of the Placement**

The Placement price of A\$0.021 per New Share represents:

- a 22.2% discount to the Blue Star last close price on 10 October 2023 (A\$0.027 per share); and
- a 21.7% discount to the 10-day VWAP of Blue Star shares up to close on 10 October 2023 (A\$0.0268 per share).

The Placement will be completed in a single tranche pursuant to the Company's existing issuance capacity with 218,925,508 shares issued under ASX Listing Rule 7.1 and 114,407,826 shares issued under ASX Listing Rule 7.1A. New Shares will rank equally in all respects with the existing fully paid ordinary shares in the Company.

Settlement is expected to occur on Friday 20 October 2023, with quotation of the new shares expected on Monday 23 October 2023.

Canaccord Genuity (Australia) Limited acted as Sole Lead Manager and Book Runner to the Placement with Hannam & Partners acting as UK Placing Agent.

## Details of the proposed Share Purchase Plan (SPP)

Subject to receiving the necessary waiver from ASX, it is also proposed that existing eligible shareholders, being those shareholders that are residents in Australia or New Zealand that held Blue Star shares as at 7:00pm (Sydney time) on 13 October 2023 (“Eligible Shareholders”) will be invited to participate in an SPP. Eligible Shareholders will have the opportunity to apply for up to A\$30,000 of additional Blue Star shares. The SPP will be at the Placement offer price of A\$0.021 per share. Proceeding with the SPP at the intended price will require a waiver from the ASX Listing Rules to enable the price of the SPP to be \$0.021. Where the Company is unsuccessful in applying for the waiver, the Company will either decide not to proceed with the SPP, whereby the additional \$2 million will not be raised, or will seek the approval of shareholders to undertake the SPP at the \$0.021 price.

The SPP is targeted to raise up to A\$2 million (before costs) and is not underwritten. Blue Star retains the right to accept oversubscriptions or to scale back applications (in whole or in part) at its absolute discretion (subject to the limit prescribed in the ASX Listing Rules), which may result in the SPP raising more or less than A\$2 million.

Shares issued under the SPP will rank equally with existing fully paid ordinary Blue Star shares. The SPP offer booklet, containing further details on the SPP, is expected to be released on the ASX and sent to Eligible Shareholders on 20 October 2023\*. The SPP is subject to the terms and conditions in the SPP Offer Booklet.

Indicative Timetable	AEDT (2023)
<b>Placement</b>	
Placement announcement	Monday, 16 October
Settlement of tranche 1 shares	Friday, 20 October
Expected quotation of tranche 1 shares	Monday, 23 October
<b>Share Purchase Plan</b>	
Record date	13 October 2023
Despatch of offer booklet	Friday, 20 October 2023*
Close of Share Purchase Plan	Friday, 3 November 2023*
Announcement of results of Share Purchase Plan	Tuesday 6 November 2023*
Issue of Share Purchase Plan shares	Friday 10 November 2023*

\* The timetable is indicative only and remains subject to change at Blue Star’s discretion, subject to compliance with applicable laws and the ASX Listing Rules. Blue Star reserves the right to

*change the timetable or cancel the SPP at any time before new Shares are issued, subject to regulatory requirements. Blue Star encourages Eligible Shareholders who wish to participate to act promptly in submitting their application forms. The Company reserves the right to close the SPP early, in its sole and absolute discretion, should it be considered necessary to do so, by making an announcement to the ASX.*

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

**For further information, please contact:**

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**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](http://www.bluestarhelium.com)

**Cautionary Statement**

This announcement contains forward-looking statements. Forward-looking statements are subject to known and unknown risks and uncertainties that may cause Blue Star's actual results, performance, or achievements, to differ materially from those expressed or implied in any of the forward-looking statements, which are not guarantees of future performance. Actual results may differ materially from those in the statements in this announcement. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.