

ASX ANNOUNCEMENT

5 December 2023

VOYAGER DEVELOPMENT UPDATE

Highlights

- Site works at BBB #33 complete and ready to receive rig.
- Hydro spudder rig is due on site this week to set conductor.
- Hydro advises of a delay to main rig arriving on site. Bluestar now advises that completion of drilling is expected in January 2024.
- Form 2 applications lodged for an addition four wells at Voyager with expectations of approvals in January 2024.
- IACX plant installation being optimised to align with drilling in January 2024 at the election of Blue Star.

Blue Star Helium Limited (ASX:BNL, OTCQB:BSNLF) (**Blue Star** or the **Company**) provides an update on drilling at its high-grade Voyager helium project in Las Animas County, Colorado.

Final site works are complete at the planned BBB #33 development well location, with the spudder rig expected to arrive this week. The drilling contractor, Hydro Resources Rocky Mountain Inc (**Hydro**), has notified Blue Star that the main rig has been delayed by 2 weeks due to prolonged operations at their current job. Incorporating Hydro's Christmas break period, Blue Star now anticipates that drilling of BBB #33 is likely to complete in the new year.

Therefore, first helium product gas output from the Voyager development is now expected during Q1 CY2024. Blue Star is working with IACX to align the plant installation with the new anticipated drilling activity to more closely align the capital outlay associated with the gathering system and plant installation to the revenue generated by the development well drilling.

The Company has filed the Form 2 for the additional four Voyager development wells (refer BNL ASX release dated 30 November 2023, *Second Helium OGDPA Approved at Voyager*). These further approvals will bring our initial production drilling inventory to 6 wells and the flexibility to optimise drilling of the discovered resource at Voyager. Should these Form 2 approvals be received during January, then it is Blue Star's current intention to expand its initial Voyager development well drilling program early Q1 CY2024.

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

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About The Voyager Project

Voyager is Blue Star's maiden development project. The BBB#1 well tested the Voyager prospect in November 2021 and encountered a calculated air-free gas concentration of 8.8% helium in a 134ft gas column interpreted in the Lyons formation (see BNL ASX release of 17 November 2021).

Voyager is located only 6 miles from the historic Model Dome analogue production which produces a similar high helium gas composition, averaging 8% concentration.

A significant independent contingent resource of 2C 643 MMcf helium net to Blue Star has been declared (see BNL ASX release of 27 September 2022). Aside from the information contained in the Company's ASX release dated 11 April 2023 regarding the acquisition of additional mineral leases, the Company is not aware of any new information or data that materially affects the information included in that announcement and all the material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.

It is expected that Voyager will ultimately utilise a 20 well development inventory to maximise the contingent resource.

A midstream solution has been selected for gas processing where IACX will provide gas processing services via an owned and operated helium recovery plant.

Total field and plant operating cost is highly attractive at around US\$100-120/Mcf of helium product gas (full capacity) with targeted helium production of 38 MMcf in first full capacity year (see BNL ASX release of 30 June 2023).

Discussions for distributor and end user relationships are in progress.

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.