
BLUE STAR HELIUM LIMITED
ACN 009 230 835
NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Meeting will be held at:

TIME: 9:00am AWST
DATE: Friday 17 May 2024
PLACE: Level 8, London House
216 St Georges Terrace
Perth, Western Australia

The business of the Meeting affects your shareholding and your vote is important.

This Notice should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5:00pm AWST on 15 May 2024.

BUSINESS OF THE MEETING

AGENDA

1. FINANCIAL STATEMENTS AND REPORTS

To receive and consider the annual financial report of the Company for the financial year ended 31 December 2023 together with the declaration of the Directors, the Director's report, the Remuneration Report and the auditor's report.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **non-binding resolution**:

“That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the financial year ended 31 December 2023.”

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

A voting prohibition statement applies to this Resolution. Please see below.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR GREGG PETERS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 15.3 of the Constitution, Listing Rule 14.4 and for all other purposes, Gregg Peters, a Director who was appointed casually on 10 September 2023, retires, and being eligible, is elected as a Director.”

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – NEIL RINALDI

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purpose of clause 15.3 of the Constitution, Listing Rule 14.5 and for all other purposes, Neil Rinaldi, a Director, retires by rotation, and being eligible, is re-elected as a Director.”

5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

“That, for the purposes of Listing Rule 7.1A and for all other purposes, approval is given for the Company to issue up to that number of Equity Securities equal to 10% of the issued capital of the Company at the time of issue, calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and otherwise on the terms and conditions set out in the Explanatory Statement.”

6. RESOLUTION 5 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 218,925,508 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

7. RESOLUTION 6 – RATIFICATION OF PRIOR ISSUE OF SHARES – LISTING RULE 7.1A

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 114,407,826 Shares on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

8. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 9,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

9. RESOLUTION 8 – RATIFICATION OF PRIOR ISSUE OF PERFORMANCE RIGHTS – LISTING RULE 7.1

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Performance Rights on the terms and conditions set out in the Explanatory Statement.”

A voting exclusion statement applies to this Resolution. Please see below.

Voting Prohibition Statements

Resolution 1 – Adoption of Remuneration Report	<p>A vote on this Resolution must not be cast (in any capacity) by or on behalf of either of the following persons:</p> <ul style="list-style-type: none">(a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or(b) a Closely Related Party of such a member. <p>However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:</p> <ul style="list-style-type: none">(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or(b) the voter is the Chair and the appointment of the Chair as proxy:<ul style="list-style-type: none">(i) does not specify the way the proxy is to vote on this Resolution; and(ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
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Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the Resolution set out below by or on behalf of the following persons:

Resolution 5 and 6 – Ratification of prior issue of Shares	A person who participated in the issue or is a counterparty to the agreement being approved (namely the Placement Participants) or an associate of that person or those persons.
Resolution 7 – Ratification of prior issue of Options	A person who participated in the issue or is a counterparty to the agreement being approved (namely Gregg Peters) or an associate of that person or those persons.
Resolution 8 – Ratification of prior issue of Performance Rights	A person who participated in the issue or is a counterparty to the agreement being approved (namely Shane Gillespie) or an associate of that person or those persons.

However, this does not apply to a vote cast in favour of the Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
 - (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The Chair intends to vote undirected proxies on, and in favour of, all Resolutions.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

You may still attend the Meeting and vote in person even if you have appointed a proxy. If you have previously submitted a Proxy Form, your attendance will not revoke your proxy appointment unless you actually vote at the Meeting for which the proxy is proposed to be used, in which case, the proxy's appointment is deemed to be revoked with respect to voting on that Resolution.

Please bring your personalised Proxy Form with you as it will help you to register your attendance at the Meeting. If you do not bring your Proxy Form with you, you can still attend the Meeting but representatives from the Company will need to verify your identity. You can register from 7:00am AWST on the day of the Meeting.

Should you wish to discuss the matters in this Notice please do not hesitate to contact the Company Secretary on +61 8 9481 0389.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. FINANCIAL STATEMENTS AND REPORTS

In accordance with the Corporations Act, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 31 December 2023 together with the declaration of the Directors, the Directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at <https://www.bluestarhelium.com>.

2. RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

2.1 General

The Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report to be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the company or the directors of the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for a financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

2.2 Voting consequences

A company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to vote. If required, the Spill Resolution must be put to vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the most recent financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

2.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%. Accordingly, the Spill Resolution is not relevant for this Meeting.

3. RESOLUTION 2 – ELECTION OF DIRECTOR – MR GREGG PETERS

3.1 General

The Constitution allows the Directors to appoint at any time a person to be a Director either to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Pursuant to the Constitution and Listing Rule 14.4, any Director so appointed holds office only until the next annual general meeting and is then eligible for election by Shareholders but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Mr Peters, having been appointed by other Directors on 10 September 2023 in accordance with the Constitution, will retire in accordance with the Constitution and Listing Rule 14.4 and being eligible, seeks election from Shareholders.

3.2 Qualifications and other material directorships

Mr Peter's brings a proven track record of commercial leadership in the industrial gas sector with over 30 years of direct market experience. Most recently he was Helium Director, North America for Linde Praxair Incorporated. Mr Peter's managed all aspects of commercial helium operations (from mid-2010), including price strategy, contracting, client portfolios, supply system development, as well as marketing and technical support to operating business units, distributors, and end-users across all modes of supply, liquid and gaseous.

Previously, Mr Peter's spent six years as Director of Industrial Gas for Linde Praxair Incorporated's packaged gas business, responsible for the financial performance and development of all gas products, including atmospherics, fuel gasses, and carbon dioxide (responsible for both the industrial and BevCarb segments), and the rapid expansion of the MicroBulk initiative. Currently he is the Chief Operating Officer for the Edelgas Group and Managing Director of Disruptive Resources, LLC.

Mr Peter's is based in the United States. He holds a Bachelor's degree in marketing from Valparaiso University and a Masters of Business Administration from Loyola University.

3.3 Independence

Mr Peter's has no interests, position or relationship that might influence, or reasonably be perceived to influence, in a material respect his capacity to bring an independent judgement to bear on issues before the Board and to act in the best interest of the Company as a whole rather than in the interests of an individual security holder or other party.

If elected the Board considers Mr Peter's will be an independent Director.

3.4 Other material information

The Company conducts appropriate checks on the background and experience of candidates before their appointment to the Board. These include checks as to a person's experience, educational qualifications, character, criminal record and bankruptcy history. The Company undertook such checks prior to the appointment of insert name of director.

Mr Peter's has confirmed that he considers he will have sufficient time to fulfil his responsibilities as a Non-Executive Director of the Company and does not consider that any other commitment will interfere with his availability to perform his duties as a Non-Executive Director of the Company.

3.5 Technical information required by Listing Rule 14.1A

If Resolution 2 is passed, Mr Peter's will be elected to the Board as an independent Director.

In the event that Resolution 2 is not passed, Mr Peter's will not continue in their role as an independent Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

3.6 Board recommendation

The Board has reviewed Mr Peter's performance since his appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the election of Mr Peter's and recommends that Shareholders vote in favour of Resolution 2.

4. RESOLUTION 3 – RE-ELECTION OF DIRECTOR – NEIL RINALDI

4.1 General

Listing Rule 14.5 provides that an entity which has directors must hold an election of directors at each annual general meeting.

The Constitution sets out the requirements for determining which Directors are to retire by rotation at an annual general meeting.

Mr Rinaldi, who has served as a Director since 14 April 2021 and was last re-elected on 31 May 2022, retires by rotation and seeks re-election.

4.2 Qualifications and other material directorships

Mr Rinaldi is an executive leader and finance professional with over 20 years' experience. He has considerable expertise in capital raising, asset acquisition and disposals, company structuring and positioning companies for growth. Mr Rinaldi is currently the Chief Executive Officer of International Graphite, which is an unlisted downstream graphite processing business with pending operations in Collie, Western Australia. Prior to this, Mr Rinaldi was a non-executive director of Brainchip Holdings Limited, an artificial intelligence business, and an Executive Director of Aziana Limited, a multicommodity exploration business with assets in Madagascar and Louisiana. Prior to that, Mr Rinaldi was the Managing Director of Truestone Capital Limited, a London based corporate advisory firm focused on delivering results for companies in the Australian resources sector. He commenced his professional career as an Investment Advisor at Hartleys Limited.

4.3 Independence

If re-elected the Board considers Mr Rinaldi will be an independent Director.

4.4 Technical information required by Listing Rule 14.1A

If Resolution 3 is passed, Mr Rinaldi will be re-elected to the Board as an independent Director.

In the event that Resolution 3 is not passed, Mr Rinaldi will not continue in their role as an independent Director. The Company may seek nominations or otherwise identify suitably qualified candidates to join the Company. As an additional consequence, this may detract from the Board and Company's ability to execute on its strategic vision.

4.5 Board recommendation

The Board has reviewed Mr Rinaldi's performance since his appointment to the Board and considers that their skills and experience will continue to enhance the Board's ability to perform its role. Accordingly, the Board supports the re-election of Mr Rinaldi and recommends that Shareholders vote in favour of Resolution 3.

5. RESOLUTION 4 – APPROVAL OF 7.1A MANDATE

5.1 General

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under Listing Rule 7.1A, an eligible entity may seek shareholder approval by way of a special resolution passed at its annual general meeting to increase this 15% limit by an extra 10% to 25% (**7.1A Mandate**).

An 'eligible entity' means an entity which is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300,000,000 or less. The Company is an eligible entity for these purposes.

As at the date of this Notice, the Company is an eligible entity as it is not included in the S&P/ASX 300 Index and has a current market capitalisation of \$11,653,592 (based on the number of Shares on issue and the closing price of Shares on the ASX on 9 April 2024).

Resolution 4 seeks Shareholder approval by way of special resolution for the Company to have the additional 10% placement capacity provided for in Listing Rule 7.1A to issue Equity Securities without Shareholder approval.

For note, a special resolution is a resolution requiring at least 75% of votes cast by shareholders present and eligible to vote at the meeting in favour of the resolution.

If Resolution 4 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 4 is not passed, the Company will not be able to access the additional 10% capacity to issue Equity Securities without Shareholder approval under Listing

Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1.

5.2 Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to Resolution 4:

(a) Period for which the 7.1A Mandate is valid

The 7.1A Mandate will commence on the date of the Meeting and expire on the first to occur of the following:

- (i) the date that is 12 months after the date of this Meeting;
- (ii) the time and date of the Company's next annual general meeting; and
- (iii) the time and date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change in the nature or scale of activities) or Listing Rule 11.2 (disposal of the main undertaking).

(b) Minimum price

Any Equity Securities issued under the 7.1A Mandate must be in an existing quoted class of Equity Securities and be issued for cash consideration at a minimum price of 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the Equity Securities; or
- (ii) if the Equity Securities are not issued within 10 trading days of the date in Section 5.2(b)(i), the date on which the Equity Securities are issued.

(c) Use of funds raised under the 7.1A Mandate

The Company intends to use funds raised from issues of Equity Securities under the 7.1A Mandate for the development of the Company's business and the acquisition of new assets or investments.

(d) Risk of Economic and Voting Dilution

Any issue of Equity Securities under the 7.1A Mandate will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 7.1A Mandate, the economic and voting dilution of existing Shares would be as shown in the table below.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A.2, on the basis

of the closing market price of Shares and the number of Equity Securities on issue as at 9 April 2024.

The table also shows the voting dilution impact where the number of Shares on issue (Variable A in the formula) changes and the economic dilution where there are changes in the issue price of Shares issued under the 7.1A Mandate.

Number of Shares on Issue (Variable A in Listing Rule 7.1A.2)		Shares issued – 10% voting dilution	Dilution		
			Issue Price		
			\$0.003	\$0.006	\$0.01
			50% decrease	Issue Price	50% increase
		Funds Raised			
Current	1,942,265,281 Shares	194,226,528 Shares	\$582,679	\$1,165,359	\$1,748,038
50% increase	2,913,397,922 Shares	291,339,792 Shares	\$874,019	\$1,748,038	\$2,622,058
100% increase	3,884,530,562 Shares	388,453,056 Shares	\$1,165,359	\$2,330,718	\$3,496,077

*The number of Shares on issue (Variable A in the formula) could increase as a result of the issue of Shares that do not require Shareholder approval (such as under a pro-rata rights issue or scrip issued under a takeover offer) or that are issued with Shareholder approval under Listing Rule 7.1.

The table above uses the following assumptions:

1. There are currently 1,942,265,281 Shares on issue.
2. The issue price set out above is the closing market price of the Shares on the ASX on 9 April 2024 (being \$0.006).
3. The Company issues the maximum possible number of Equity Securities under the 7.1A Mandate.
4. The Company has not issued any Equity Securities in the 12 months prior to the Meeting that were not issued under an exception in Listing Rule 7.2 or with approval under Listing Rule 7.1.
5. The issue of Equity Securities under the 7.1A Mandate consists only of Shares. It is assumed that no Options are exercised into Shares before the date of issue of the Equity Securities. If the issue of Equity Securities includes quoted Options, it is assumed that those quoted Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
6. The calculations above do not show the dilution that any one particular Shareholder will be subject to. All Shareholders should consider the dilution caused to their own shareholding depending on their specific circumstances.
7. This table does not set out any dilution pursuant to approvals under Listing Rule 7.1 unless otherwise disclosed.
8. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
9. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 7.1A Mandate, based on that Shareholder's holding at the date of the Meeting.

Shareholders should note that there is a risk that:

- (i) the market price for the Company's Shares may be significantly lower on the issue date than on the date of the Meeting; and
- (ii) the Shares may be issued at a price that is at a discount to the market price for those Shares on the date of issue.

(e) **Allocation policy under the 7.1A Mandate**

The recipients of the Equity Securities to be issued under the 7.1A Mandate have not yet been determined. However, the recipients of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the recipients at the time of the issue under the 7.1A Mandate, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue, share purchase plan, placement or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

(f) **Previous approval under Listing Rule 7.1A**

The Company previously obtained approval from its Shareholders pursuant to Listing Rule 7.1A at its annual general meeting held on 26 May 2023 (**Previous Approval**).

During the 12-month period preceding the date of the Meeting, being on and from 17 May 2023, the Company issued 114,407,826 Shares pursuant to the Previous Approval (**Previous Issue**), which represent approximately 7% of the total diluted number of Equity Securities on issue in the Company on 26 May 2022, which was 1,620,559,510.

Further details of the issue of Equity Securities by the Company pursuant to Listing Rule 7.1A.2 during the 12 month period preceding the date of the Meeting are set out below.

The following information is provided in accordance with Listing Rule 7.3A.6(b) in respect of the Previous Issue:

Date of Issue and Appendix 2A	Date of Issue: 23 October 2023 Date of Appendix 2A: 23 October 2023
Recipients	Professional and sophisticated investors as part of a placement announced on 16 October 2023. The Placement Participants were identified through a bookbuild process, which involved Canaccord seeking expressions of interest to participate in the placement from non-related parties of the Company. None of the participants in the placement were material investors that are required to be disclosed under Guidance Note 21.
Number and Class of Equity Securities Issued	114,407,826 Shares ²
Issue Price and discount to Market Price¹ (if any)	\$0.021 per Share (at a discount 22.2% to Market Price on 10 October 2023 ¹).
Total Cash Consideration and Use of Funds	Amount raised: \$2,402,564 Amount spent: \$978,487 Use of funds: (a) Activities relating to the Voyager Helium production facility and associated works including production wells and the gathering system; (b) production development studies at Galactica and Pegasus Projects; advancing the exploration portfolio; and (d) general working capital. Amount remaining: \$1,424,077 Proposed use of remaining funds³: To drill an additional well at the Galactica/Pegasus project and ongoing working capital.

Notes:

1. Market Price means the closing price of Shares on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: BNL (terms are set out in the Constitution).
3. This is a statement of current intentions as at the date of this Notice. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way the funds are applied on this basis.

5.3 Voting Exclusion Statement

As at the date of this Notice, the Company is not proposing to make an issue of Equity Securities under Listing Rule 7.1A. Accordingly, a voting exclusion statement is not included in this Notice.

6. RESOLUTIONS 5 AND 6 – RATIFICATION OF PRIOR ISSUE OF SHARES - LISTING RULES 7.1 AND 7.1A

6.1 General

As announced on 16 October 2023, the Company secured firm commitments from institutional, professional and sophisticated investors (**Placement Participants**) to raise \$7,000,000 (before costs) through the issue of 333,333,334 Shares at an issue price of \$0.021 per share (**Placement Shares**) (**Placement**).

On 23 October 2023 and pursuant to the Placement, the Company issued 218,925,908 Placement Shares pursuant to the Company's capacity under Listing Rule 7.1 (being, the subject of Resolution 5) and 114,407,826 Placement Shares pursuant to the Company's 7.1A mandate which was approved by Shareholders at the annual general meeting held on 26 May 2023 (being the subject of Resolution 6).

The Company intends to apply proceeds raised under the Placement towards:

- (a) Activities relating to the Voyager helium production facility and associated works including production wells and the gathering system;
- (b) Production development studies at the Galactica and Pegasus projects;
- (c) Advancing the Company's exploration portfolio; and
- (d) General working capital.

The Company engaged the services of Canaccord Genuity (Australia) Limited (ACN 075 071 466) (**Canaccord**) and Hannam & Partners (**Hannam**), to manage the issue of the Placement Shares. The Company has paid Canaccord and Hannam a fee of \$420,000 (exclusive of GST) (being, 6.00% of the amount raised under the issue of the Placement Shares).

6.2 The issue of the Placement Shares did not breach Listing Rule 7.1 at the time of the issue. Listing Rules 7.1 and 7.1A

As summarised in Section 5.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period. Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company obtained approval to increase its limit to 25% at the annual general meeting held on 26 May 2023.

The issue of the Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Placement Shares.

6.3 Listing Rule 7.4

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the

issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

Resolutions 5 and 6 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Placement Shares.

6.4 Technical information required by Listing Rule 14.1A

If Resolutions 5 and/or 6 are passed, the Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

If Resolutions 5 and/or 6 are not passed, the Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of Equity Securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Placement Shares.

Resolutions 5 and 6 are independent of each other.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of Equity Securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

6.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolutions 5 and 6:

- (a) the Placement Shares were issued to professional and sophisticated investors who are clients of Canaccord. The recipients were identified through a bookbuild process, which involved Canaccord seeking expressions of interest to participate in the capital raising from non-related parties of the Company;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 333,333,334 Placement Shares were issued on the following basis:
 - (i) 218,925,508 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 5); and

- (ii) 114,407,826 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 6);
- (d) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
 - (i) the Placement Shares were issued on 23 October 2023;
 - (ii) the issue price was \$0.021 per Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (e) the purpose of the issue of the Placement Shares was to raise \$7,000,000 (before costs), which will be applied towards the purposes set out in section 6.1;
- (f) the Placement Shares were not issued under an agreement; and
- (g) a voting exclusion statement is included in Resolutions 5 and 6 of the Notice

7. RESOLUTION 7 – RATIFICATION OF PRIOR ISSUE OF OPTIONS TO GREGG PETERS – LISTING RULE 7.1

7.1 General

On 11 September 2023, the Company issued 9,000,000 Options to Gregg Peters as part of his agreement to become a Director of the Company (**Director Options**).

The issue of the Director Options did not breach Listing Rule 7.1 at the time of the issue.

7.2 Listing Rule 7.1

As summarised in Section 5.1 above, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of Equity Securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

The issue of the Director Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Director Options.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of Equity Securities after it has been made or agreed to be made. If they do, the

issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further Equity Securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional Equity Securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Director Options.

Resolution 7 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Director Options.

7.3 Technical information required by Listing Rule 14.1A

If Resolution 7 is passed, the Director Options will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of Equity Securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Director Options.

If Resolution 7 is not passed, the Director Options will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of Equity Securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Director Options.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of Equity Securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

7.4 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 7:

- (a) the Director Options were issued to Gregg Peters;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 9,000,000 Director Options were issued and the Director Options were issued on the terms and conditions set out in Schedule 1;
- (d) the Director Options were issued on 11 September 2023;
- (e) the Director Options were issued at a nil issue price, as part of Gregg Peter's agreement to become a Director of the Company. The Company has not and will not receive any other consideration for the issue of the Director Options (other than in respect of funds received on exercise of the Director Options);

- (f) on 10 September 2023, Greg Peters entered into an appointment letter with the Company to act in the capacity of non-executive director (**NED Agreement**). The Director Options were issued under the NED Agreement. A summary of the material terms of the NED Agreement is set out in Schedule 3; and ;
- (g) a voting exclusion statement is included in Resolution 7 of the Notice.

Resolution 8 – ratification of prior issue of performance rights to shane gillispie – Listing rule 7.1
Resolution 8 – ratification of prior issue of performance rights to Shane gillespie – listing rule 7.1

7.5 General

On 30 October 2023, the Company issued 10,000,000 Performance Rights to Shane Gillespie as incentives for his role as the Company's 'Landman' in North America (**Gillespie Performance Rights**).

The issue of the Gillespie Performance Rights did not breach Listing Rule 7.1 at the time of the issue.

7.6 Listing Rule 7.1

As summarised in Section 5.1 above, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to increase this 15% limit by an extra 10% to 25%.

The Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

The issue of the Gillespie Performance Rights does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Gillespie Performance Rights.

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, the Company is seeking Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Gillespie Performance Rights.

Resolution 8 seeks Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Gillespie Performance Rights.

7.7 Technical information required by Listing Rule 14.1A

If Resolution 8 is passed, the Gillespie Performance Rights will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Gillespie Performance Rights.

If Resolution 8 is not passed, the Gillespie Performance Rights will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities that the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Gillespie Performance Rights.

It is noted that the Company's ability to utilise the additional 10% capacity provided for in Listing Rule 7.1A for issues of equity securities following this Meeting remains conditional on Resolution 4 being passed at this Meeting.

7.8 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to Resolution 8:

- (a) the Gillespie Performance Rights were issued to Shane Gillespie;
- (b) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the recipients were:
 - (i) related parties of the Company, members of the Company's Key Management Personnel, substantial holders of the Company, advisers of the Company or an associate of any of these parties; and
 - (ii) issued more than 1% of the issued capital of the Company;
- (c) 10,000,000 Gillespie Performance Rights were issued and the Gillespie Performance Rights were issued on the terms and conditions set out in Schedule 2;
- (d) the Gillespie Performance Rights were issued on 30 October 2023;
- (e) the Gillespie Performance Rights were issued at a nil issue price as incentives for his role as the Company's 'Landman' in North America. The Company has not and will not receive any other consideration for the issue of the Gillespie Performance Rights;
- (f) the purpose of the issue of the Gillespie Performance Rights was to act as incentive for Shane Gillespie's role as the Company's 'Landman' in North America;
- (g) the Gillespie Performance Rights were not issued under an agreement; and
- (h) a voting exclusion statement is included in Resolution 8 of the Notice

GLOSSARY

\$ means Australian dollars.

7.1A Mandate has the meaning given in Section 5.1.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Canaccord has the meaning given in Section 6.1.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Blue Star Helium Limited (ACN 009 230 835).

Constitution means the Company's constitution.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Director Options has the meaning given in Section 7.1.

Equity Securities includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.

Exercise Period has the meaning given in Schedule 1.

Exercise Price has the meaning given in Schedule 1.

Exercise Date has the meaning given in Schedule 1.

Expiry Date has the meaning given in Schedule 1.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Prohibition has the meaning given in Schedule 2.

Hannam has the meaning given in Section 6.1.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Listing Rules means the Listing Rules of ASX.

Meeting means the meeting convened by the Notice.

Milestone has the meaning given in Schedule 2.

NED Agreement has the meaning given in Section 7.4.

Notice means this notice of meeting including the Explanatory Statement and the Proxy Form.

Notice of exercise has the meaning given in Schedule 1.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Placement has the meaning given in Section 6.1.

Placement Participants has the meaning given in Section 6.1.

Placement Shares has the meaning given in Section 6.1.

Previous Approval has the meaning given in Section 5.2.

Previous Issue has the meaning given in Section 5.2.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 31 December 2023.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Section means a section of the Explanatory Statement.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

Spill Meeting has the meaning given in Section 2.2.

Spill Resolution has the meaning given in Section 2.2.

Variable A means "A" as set out in the formula in Listing Rule 7.1A.2.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (i), the amount payable upon exercise of each Option will be \$0.028 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 11 September 2027 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

Subject to the continued employment of Gregg Peters as a Director of the Company, the Options shall vest as follows:

- (i) **Tranche 1:** 3,000,000 Options on the first anniversary of issue, being 11 September 2024;
- (ii) **Tranche 2:** 3,000,000 Options on the second anniversary of issue, being 11 September 2025; and
- (iii) **Tranche 3:** 3,000,000 Options on the third anniversary of issue, being 11 September 2026.

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within five Business Days after the Exercise Date, the Company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;

- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

SCHEDULE 2

1. General Terms of the Performance Rights

(a) **Milestones**

The Performance Rights shall convert to Shares upon the Company achieving the applicable Milestone for that Class of Rights, prior to the applicable expiry date of that Class of Rights.

The Milestones and expiry dates for each Class of Rights is set out in section 2 below.

(b) **Notification to holder**

The Company shall notify the holder in writing when the Milestone has been satisfied.

(c) **Conversion**

Subject to paragraph (m), upon vesting, each Performance Right will, at the election of the holder, convert into one (1) Share.

(d) **Share ranking**

All Shares issued upon the vesting of Performance Rights will upon issue rank pari passu in all respects with other Shares.

(e) **Application to ASX**

The Performance Rights will not be quoted on ASX. The Company must apply for the official quotation of a Share issued on conversion of a Performance Right on ASX within the time period required by the ASX Listing Rules.

(f) **Transfer of Performance Rights**

The Performance Rights are not transferable.

(g) **Lapse of a Performance Right**

If the Milestone attached to the relevant Performance Right has not been satisfied within the time period set out in paragraph (a), the relevant Performance Rights will automatically lapse.

(h) **Participation in new issues**

A Performance Right does not entitle a holder (in their capacity as a holder of a Performance Right) to participate in new issues of capital offered to holders of Shares such as bonus issues and entitlement issues.

(i) **Reorganisation of capital**

If at any time the issued capital of the Company is reconstructed, all rights of a holder will be changed in a manner consistent with the applicable ASX Listing Rules and the Corporations Act at the time of reorganisation.

(j) **Adjustment for bonus issue**

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) the number of Shares or other securities which must be issued on the conversion of a Performance Right will be increased by the number of Shares or other securities which the holder would have received if the holder had converted the Performance Right before the record date for the bonus issue.

(k) **Dividend and Voting Rights**

The Performance Rights do not confer on the holder an entitlement to vote (except as otherwise required by law) or receive dividends.

(l) **Change in Control**

Subject to paragraph (m), upon:

- (i) a takeover bid under Chapter 6 of the Corporations Act having been made in respect of the Company and:
 - (A) having received acceptances for not less than 50.1% of the Company's Shares on issue; and
 - (B) having been declared unconditional by the bidder.
- (ii) a Court granting orders approving a compromise or arrangement for the purposes of or in connection with a scheme of arrangement for the reconstruction of the Company or its amalgamation with any other company or companies,

then, to the extent Performance Rights have not converted into Shares due to satisfaction of the Milestone, Performance Rights will accelerate vesting conditions and will automatically convert into Shares on a one-for-one basis.

(m) **Deferral of conversion if resulting in a prohibited acquisition of Shares**

If the conversion of a Performance Right under paragraph (c) or (l) would result in any person being in contravention of section 606(1) of the *Corporations Act 2001* (Cth) (**General Prohibition**) then the conversion of that Performance Right shall be deferred until such later time or times that the conversion would not result in a contravention of the General Prohibition. In assessing whether a conversion of a Performance Right would result in a contravention of the General Prohibition:

- (i) holders may give written notification to the Company if they consider that the conversion of a Performance Right may result in the contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition; and
- (ii) the Company may (but is not obliged to) by written notice to a holder request a holder to provide the written notice referred to in paragraph (m)(i) within seven days if the Company considers

that the conversion of a Performance Right may result in a contravention of the General Prohibition. The absence of such written notification from the holder will entitle the Company to assume the conversion of a Performance Right will not result in any person being in contravention of the General Prohibition.

(n) **No rights to return of capital**

A Performance Right does not entitle the holder to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

(o) **Rights on winding up**

A Performance Right does not entitle the holder to participate in the surplus profits or assets of the Company upon winding up.

(p) **No other rights**

A Performance Right gives the holder no rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

2. Conversion of the Performance Rights

(a) **Milestones**

Subject to sub-paragraph (b), each Performance Right will vest and be convertible into one (1) Share on the achievement of the following milestones:

- (i) 2,000,000 of Performance Rights will vest and be convertible upon:
 - (A) the Company publicly reporting two (2) independently certified helium discoveries; and
 - (B) the Company's achieving a 20-day VWAP of \$0.10 or more, within 18 months after issue of the Performance Right;
- (ii) 2,000,000 Performance Rights will vest and be convertible upon the Company publicly reporting:
 - (A) Independently certified helium reserves; and
 - (B) Independently certified helium reserves and resources including net recoverable helium meeting at least one of the following metrics: (i) P90 greater than 10 Bcf; or (ii) P50 greater than 20 Bcf; or (iii) P10 greater than 30 Bcf, within 18 months after issue of the Performance Right;
- (iii) 2,000,000 Performance Rights will vest and be convertible upon the Company having drilled five (5) separate prospects within two (2) years after issue of the Performance Right;
- (iv) 2,000,000 Performance Rights will vest and be convertible upon the Company making a final investment decision in relation to

the development of a facility for the development of a helium project within 2 years after issue of the Performance Right; and

- (v) 2,000,000 Performance Rights will vest and be convertible upon the Company selling helium within 30 months after issue of the Performance Right,

(each referred to as a **Milestone**).

The terms "P10", "P50", "P90", "discovery", "resource" and "reserve" shall have the meaning given to them in the Petroleum Resources Management System sponsored by the Society of Petroleum Engineers, the American Association of Petroleum Geologists, the World Petroleum Council and the Society of Petroleum Evaluation Engineers as determined by the independent certifier. "Bcf" means billion cubic feet. The resources estimates prepared by the independent certifier shall be presented on an unrisks basis and resource totals shall be arithmetically added.

For the avoidance of doubt, all calculations for the purposes of satisfying the Milestones will be based on the relevant accounting standards and will exclude:

- (i) one off or extraordinary revenue items;
- (ii) revenue received in the form of government grants, allowances, rebates or other hand-outs; and
- (iii) revenue or profit that has been manufactured to achieve the Milestone.

(b) **Conversion of Performance Rights**

- (i) Subject to paragraph (b)(ii) below, in the event a Milestone is satisfied, the Performance Rights held by the holders will convert into an equal number of the Company Shares if the holder provides the Company with:
 - (A) the certificate for the Performance Rights or, if the certificate for the Performance Rights has been lost, mutilated or destroyed, a declaration to that effect, accompanied by an indemnity in favour of the Company against any loss, costs or expenses which might be incurred by the Company as a consequence of its relying on the declaration that the certificate has been lost, mutilated or destroyed; and
 - (B) a notice in the form provided in the incentive performance rights plan addressed to the Company and signed by the Participant stating that the Participant request to convert the Performance Rights and specifying the number of Performance Rights which are to be converted.
- (ii) If the exercise of the Performance Rights into the Company Shares would result in the holder being in contravention of section 606(1) of the Corporations Act, then the conversion of such number of Performance Rights that would cause the contravention will be deferred until such time or times thereafter the conversion would not result in such a breach.

(c) **After Conversion**

The Shares issued on conversion of the Performance Rights will, as and from 5:00pm (WST) on the date of issue, rank equally with and confer rights identical with all other Shares then on issue and application will be made by the Company to ASX for official quotation of the Shares issued upon conversion.

(d) **Conversion Procedure**

The Company will issue the holders with a new holding statement for the Shares as soon as practicable following the conversion of the Performance Rights into shares.

SCHEDULE 3

Remuneration	A\$60,000 per annum (gross) inclusive of superannuation
Term	Commences on 10 September 2023 and ceases at the end of any meeting at which Mr Peters' is not re-elected as a Director by the Shareholders of the Company or otherwise ceases in accordance with the Constitution.
Termination by Company	<p>The Company may terminate the NED Agreement if any of the following events prescribed in the Constitution occur:</p> <ul style="list-style-type: none">(a) Mr Peters' ceases to be a Director by virtue of section 203D of the Corporations Act or any other provision of the Corporations Act;(b) Mr Peters' becomes bankrupt or insolvent or makes any arrangement or composition with creditors generally;(c) Mr Peters' becomes prohibited from being a Director by reason of any order made under the Corporations Act;(d) Mr Peters' becomes of unsound mind or a person whose person or estate is liable to be dealt with in any way under the law relating to mental health;(e) Mr Peters' resigns by notice in writing to the Company;(f) Mr Peters' is removed from office under clause 15.5 of the Constitution; and(g) Mr Peters' is absent for more than six months, without permission of the Directors, from meetings of the Directors held during that period.
Termination by Mr Peters	Resignation by notice in writing to the Chair or another Director if Mr Peters' is the chair.

If you are attending the Meeting in person, please bring this with you for Securityholder registration.

Blue Star Helium Limited | ABN 75 009 230 835

Your proxy voting instruction must be received by **09.00am (AWST) on Wednesday, 15 May 2024**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

SUBMIT YOUR PROXY

Complete the form overleaf in accordance with the instructions set out below.

YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

SIGNING INSTRUCTIONS

Individual: Where the holding is in one name, the Shareholder must sign.

Joint holding: Where the holding is in more than one name, all Shareholders should sign.

Power of attorney: If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

Companies: To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

Email Address: Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

Lodging your Proxy Voting Form:

Online

Use your computer or smartphone to appoint a proxy at <https://investor.automic.com.au/#/loginsah> or scan the QR code below using your smartphone

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting Form.



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