ASX ANNOUNCEMENT

12 September 2022

HELIUM WELL PERMITTING UPDATE

GALACTICA/PEGASUS

Highlights

- Four helium development well locations at Galactica/Pegasus set for approval hearing on 14 September 2022. These wells are located to offset the helium discoveries at JXSN#1 and JXSN#2, which returned concentrations of up to 3.14% helium.
- A further seven development wells are currently in permitting process with the COGCC, which are also located to offset the JXSN#1 and JXSN#2 discovery wells.
- Two additional Oil and Gas Development Plans (OGDPs) for eight additional wells offsetting the JXSN#3 discovery are being finalised for submission to the COGCC.

Blue Star Helium Limited (ASX:BNL, OTCQB:BSNLF) (**Blue Star** or the **Company**) provides an update on helium well permitting at its Galactica and Pegasus helium prospects in Las Animas County, Colorado.

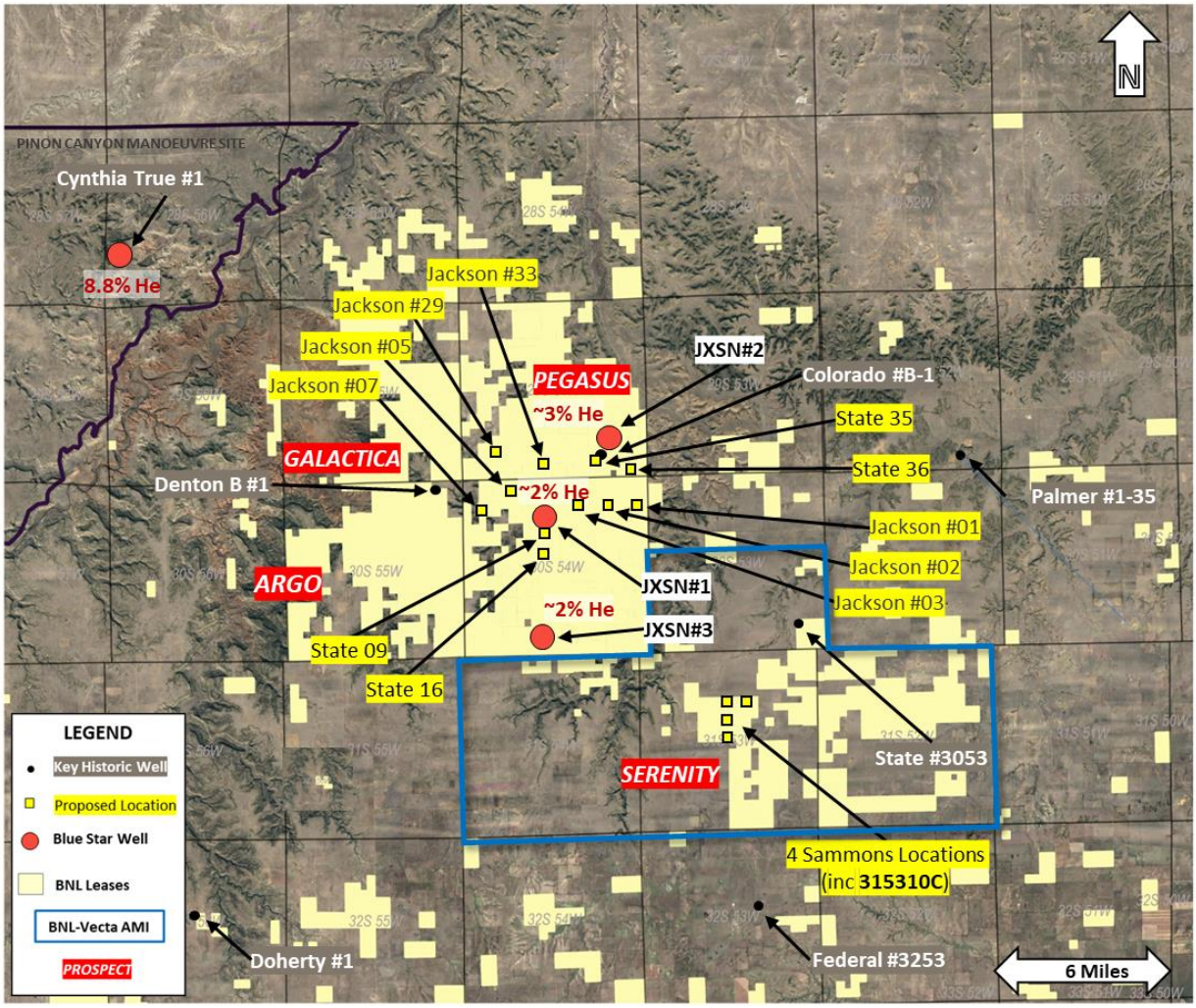
Galactica/Pegasus

The Colorado Oil and Gas Conservation Commission (**COGCC**) has advised that the approval hearing date (Form 2A Oil and Gas Development Plan (**OGDP**)) for four planned helium development wells at Galactica/Pegasus (State 09, 16, 35 and 36) is set for 14 September 2022.

These well locations are the first in the planned development of the helium discoveries at Galactica/Pegasus, which returned helium concentrations of up to 3.14% (see BNL ASX release dated 17 May 2022, *Helium Discoveries at Galactica/Pegasus*). The Company plans to submit final permits to drill (Form 2) for these four wells following location approval at the hearing.

Drilling of these wells will be scheduled as part of the plan of development for the Galactica/Pegasus area. This is likely to include drilling of an early well for additional pressure and flow analysis, with the further three wells being targeted for completion closer to the commissioning of the processing facility. This best practice allows for limited time between drilling and exposing the helium reservoir and shutting the well in prior to tie-in to the production facility.

These four wells (State 09, 16, 35 and 36), as well as the additional seven in process with the COGCC, are shown on the map below. Eight additional development wells associated with the two further OGDPs offsetting the JXSN#3 discovery are not currently shown on the map nor are three additional proposed wells which are currently in preparation.



Helium Well Permitting Summary

The table below outlines the current status of Blue Star's helium well permitting activities in Las Animas County. The principal progress has been made at Galactica/Pegasus, Voyager and Serenity.

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	4	2			**12**
Serenity						3	1	**4**
Voyager	10		3	2				**15**
Total	**15**	**5**	**18**	**9**	**4**	**3**	**2**	**56**

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

For further information, please contact:
Trent Spry
Managing Director & CEO
info@bluestarhelium.com
+61 8 9481 0389

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.