

ASX ANNOUNCEMENT

13 December 2024

DEVELOPMENT DRILLING UPDATE GALACTICA PROJECT

Highlights

- Weather-induced ground conditions do not currently permit construction of well sites and access roads at Galactica locations.
- Blue Star and its construction partners stand ready for mobilisation as soon as conditions permit.
- The Company has decided to reschedule the start of drilling into January to avoid standby costs over the Christmas period.
- The delay to the start of drilling is not expected to affect the overall project development timeline or targeted production commencement (which remains H1 2025).
- Work is advancing on the engineering related to CO₂ removal, purification and sale prior to helium processing via the IACX helium recovery unit.

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

Site works for the Stage 1 development drilling have been delayed by adverse weather conditions, with the ground currently water saturated and not suitable for construction. Blue Star is monitoring snow melt and ground saturation conditions closely with its landowner and construction partners. All services stand ready to mobilise as soon as conditions permit. Without further snow or precipitation, construction could start prior to year end.

The Company has decided not to mobilise the rig and drilling equipment to site prior to the Christmas break to avoid unnecessary standby costs over that period. Drilling is now expected to start, subject to weather, in mid-January 2025.

The change in timing for drilling of the initial development wells at Galactica is not expected to affect the overall timeline of the project, with production commencement still forecast in H1 2025.

In parallel, Blue Star has been advancing engineering work on Galactica related to CO₂ removal, purification and sale prior to helium processing via the IACX helium recovery unit. The Company has also now selected its preferred power generation solution for the project.

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 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.