

ASX ANNOUNCEMENT

19 February 2025

JACKSON 31 DRILLING SPUD AT GALACTICA PROJECT

Highlights

- Jackson 31 well spudded at the Galactica helium project.
- Current operations preparing to drill intermediate hole section.

Blue Star Helium Limited (ASX:BNL, OTC:BSNLF) (**Blue Star** or the **Company**) is pleased to announce the spudding of the Jackson 31 SENW 3054 development well at its Galactica helium project in Las Animas County, Colorado.

The shallow conductor section has been set. BOPs are being installed and tested to drill through the intermediate hole section. After casing at the base of the intermediate section, the well will target the Lyons formation, with TD planned within the upper Lyons gas reservoir.



At TD wireline logging will then be conducted, followed by flow and pressure readings at the wellhead. This data will be used to estimate the production potential of the well based on the model built from existing data collected from the field as described below and public information available from the adjacent Red Rocks development.

Jackson 31 is anticipated to be completed and ultimately tied-in to production facilities.

Galactica/Pegasus Development

The Galactica project forms part of the broader Galactica/Pegasus development, discovered by Blue Star in 2022. This large-scale project offers multiple potential product streams. Four existing discoveries at Galactica/Pegasus (JXSN#1 to JXSN#4) have delivered gas flows of 125 - 412 mcf/d with high helium concentrations (2.0 - 6.1% He).

The Company further appraised the discovery with the State 16 well drilled in June 2024. Independent engineering consultants advised the company that State 16 is capable of a maximum rate of 441 Mscfd with more stabilised rates constrained for production optimisation projected to be between 250 Mscfd and 350 Mscfd. The well tested 1.9% helium and logs identified 96+ feet of gas column in the Lyons Sandstone.

The third-party owned Red Rocks helium project adjoins Blue Star's Galactica project (see map below). Development of Red Rocks further supports the successful commercialization of the Galactica project.

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. Engineering and market analysis continues to optimize development configurations, production forecasts, and cost estimates.

Blue Star is advancing the Galactica project in joint venture with Helium One Global Ltd. Under the farm-in agreement, Helium One will fund the first US\$450,000 of this well.

This 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, OTC:BSNLF) is an independent helium exploration company with operations and exploration in North America. Blue Star's strategy is to find and develop new supplies of low-cost, high-grade helium.

About Helium:

Helium is a unique industrial gas with applications in various high-tech industries, including MRI and semiconductor manufacturing, fiber optics, and space exploration. Helium is primarily sourced as a by-product of natural gas extraction.

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