ASX ANNOUNCEMENT
30 October 2026

Activities Report
Quarter Ended 30 September 2026

Blue Star Helium Limited (**Blue Star** or **the Company**) (ASX: BNL, OTC: BSNLF) provides an update on its activities for the quarter ended 30 September 2026.

Highlights

Operations

- **First commercial helium sales and revenue achieved** from the Pinon Canyon processing facility (Galactica Project), marking a significant milestone for the Company
- **5 tube trailers of helium delivered during the quarter** with 1 further trailer delivered since quarter end
- **Plant recovery and uptime improved** throughout the quarter, supporting **increased production and fill rates**
- **First tube trailer delivered at spot market pricing, with subsequent deliveries completed under the helium offtake agreement** with major US industrial gases purchaser
- **Helium offtake agreement extended**, continuing to cover all helium output from Pinon Canyon facility through March 2027
- **Revenue ramp-up expected into 2027,** with helium output growing through further refinement of the plant and gathering system, drilling of additional development wells, and deepening of existing wells to increase gas flow, subject to permitting, equipment and contractor availability.
- **Commercial discussions for co-produced CO_2 continuing.** Commencement of CO_2 sales remains subject to finalising commercial arrangements and completing additional plant modifications.

Corporate

- Cash balance of A$2.509 million (as at 30 September 2026) and no borrowings. In addition, the Company has received A$1.65 million since quarter end from helium sales (100% JV basis) and Helium One for its share of JV costs.
- Cash receipts from helium sales of A$0.46 million during the quarter (100% JV basis, with Blue Star share approximately A$0.19 million after royalties and before production taxes) reflecting the commencement of helium sales

OPERATIONS

Galactica/Pegasus Project – Las Animas County, Colorado

Helium production and sales

During the September quarter, Blue Star and its 50% joint venture (**JV**) partner, Helium One Global Ltd (**Helium One**), achieved first commercial helium sales from the Pinon Canyon Plant, the processing facility for the Galactica project in Las Animas County, Colorado.

Operational ramp-up continued throughout the quarter, with the plant demonstrating stable runtime, shut-in and restart cycles consistent with its expected longer-term operating profile. Improved plant recovery and uptime supported increasing production rates, enabling delivery of the JV's inaugural helium sales into the domestic US market. The first tube trailer was sold under spot pricing, with subsequent deliveries made under the Company's helium offtake agreement announced on 4 June 2026.

The first helium sale represents a significant milestone for the JV, demonstrating its ability to produce, process and market helium into the domestic US supply chain.

After allowing for scheduled servicing of leased plant equipment, sales cadence over the September quarter was broadly in line with the guidance given in the June quarterly report. Tube trailers vary in size, so the number of trailers delivered is not a measure of production volume. Sales for the quarter were as follows:

- 5 tube trailers delivered on a scheduled basis and 1 since quarter end
- Cash receipts from helium sales of A$0.46 million (100% JV basis, Blue Star share approximately A$0.19 million after royalties and before production taxes)

The Pinon Canyon facility is in its production ramp-up phase, which is expected to continue into 2027.

Given sales commenced during the quarter and operations remain in the ramp-up phase, quarterly production and sales volumes may not be indicative of future operating performance.

Extension of helium offtake agreement

On 31 August 2026, Blue Star advised that it extended its helium offtake agreement (**Agreement**). The Agreement was due to expire on 31 August 2026 and now runs to 31 March 2027.

The counterparty, a premier United States corporation and major US industrial gases purchaser, remains unchanged. As previously advised, commercial in confidence pricing and the identity of the purchaser remain confidential in accordance with standard industry practice. The Company confirms it does not consider the identity of the counterparty to be information that a reasonable person would expect to have a material effect on the price or value of the Company's securities.

The extended Agreement continues to cover any and all helium produced at the Pinon Canyon Plant, the JV's processing facility for the Galactica Project. Pricing remains fixed over the

extended term and continues to reflect prevailing United States helium market conditions, brought about by geo-political events relevant to US demand for locally sourced helium. The fixed price under the Agreement is distinct from pricing structures customarily seen in longer term contracts.

The extension provides continuity of delivery and revenue through to 31 March 2027 while the Company continues to negotiate wider, longer-term offtake arrangements.

Managing Director and CEO, Trent Spry, commented:

"This quarter delivered a number of positives with first revenue, multiple trailers sold under contract, and our major US counterparty extending the offtake agreement through to the end of March 2027. The operations team's work on the plant and gathering system over the period has given us a far better understanding of how the facility performs and sets us up for ramp-up via potential deepening work on existing wells and the next three new production wells once permits are received."

Production outlook

The JV is now focused on increasing production volumes and progressing towards sustained commercial operations.

Alongside increasing helium sales, Blue Star is focused on further enhancing production performance. As plant and gathering system refinement continues, and in line with development planning for this stage of ramp-up, the Company is looking at the potential to deepen existing production wells to expose more reservoir and further increase flow.

Consistent with original development planning, and subject to permitting approvals, the Company plans to drill three new wells for tie-in to the Pinon Canyon Plant. Permitting has taken longer than anticipated with approvals now expected during the December 2026 quarter, and drilling to commence in the March 2027 quarter. Helium One funds 50% of JV development costs and each well is a separate JV investment decision. These new wells are expected to further increase raw gas throughput and helium product output. Based on current estimates, the Company does not expect to need to expand the Pinon Canyon Plant's helium processing capacity to process gas from additional or deepened wells as production ramps up. These expectations are subject to permitting, equipment and contractor availability, and reservoir performance.

The Company's priorities for the December 2026 quarter are progress on the potential deepening of existing wells, receipt of permits and finalisation of the drilling schedule with Helium One, and a decision on the CO_2 commercial arrangements.

The Company continues to ramp the plant toward full capacity. As set out in the 18 August 2026 presentation, the Galactica-Pegasus Project is expected to have a production life exceeding 12 years, and development at Pegasus from 2027 remains subject to adoption of the JV work program and funding.



Figure 1: Pinon Canyon Processing Plant

Helium market context

The North American helium market continues to exhibit strong pricing fundamentals, driven by sustained, structural demand across high-technology manufacturing sectors, particularly semiconductor fabrication, aerospace engineering, and advanced defence technologies. The global helium market continues to be affected by structural supply chain disruptions, rationing and surcharges, particularly resulting from prolonged instability in Middle Eastern supply routes and infrastructure, which the Company believes has increased demand for reliable, US-sourced domestic supply.

With global inventory buffers tightening, pressure on the US domestic supply position supports the strategic positioning of Blue Star's asset base as a domestic source of supply.

CO_2 commercialisation update

The Company is engaged in discussions with multiple parties. The tie-in of the Jackson 27 well, which carries a CO_2 concentration of approximately 98.3%, remains timed to coincide with the commencement of CO_2 sales.

Securing a commercial solution for the CO_2 product would represent a valuable secondary revenue stream for the Company alongside helium sales. Commencement of CO_2 liquefaction and sales remains subject to finalising commercial arrangements and completing additional plant modifications. The Company will update the market as commercial arrangements are finalised.

Galactica-Pegasus expansion

Up to 30 potential drilling locations have been identified within the greater Galactica-Pegasus Project area. All production wells drilled to date are located within the Upper Lyons sandstone. Future infill and expansion drilling will also consider strategies for accelerating and optimising production from the Lower Lyons formation.

The JV parties will evaluate the sequencing and prioritisation of future drilling to maximise efficiency, production scalability, and resource recovery. This multi-staged approach allows for efficient capital deployment and leverages early operational learnings from the Pinon Canyon Plant.

In parallel and based on the performance of the Pinon Canyon Plant and ongoing appraisal drilling success, the JV parties will assess the potential for establishing further processing facilities at multiple new locations to develop the extensive resources within the broader Galactica-Pegasus Project area.

All production forecasts and commissioning timelines remain subject to final engineering, regulatory approvals, equipment availability, and market conditions.

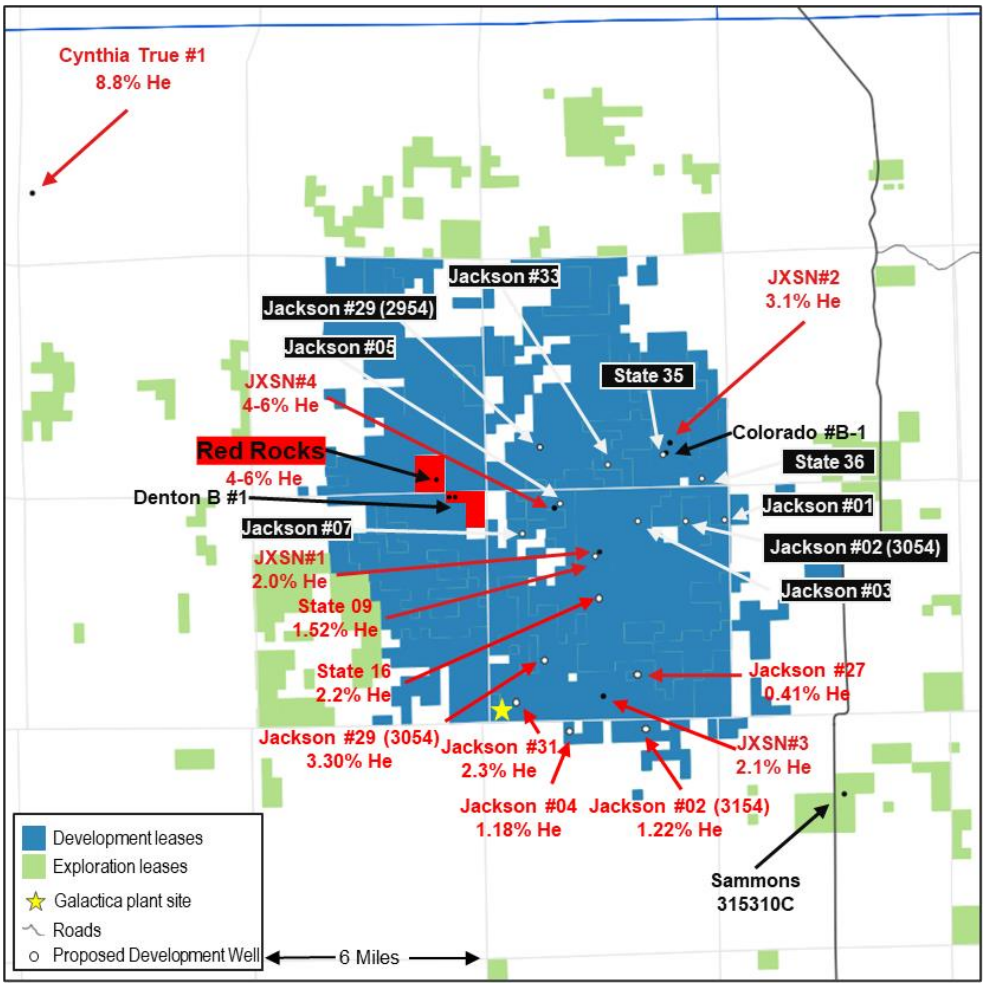


Figure 2: Plan overview of the Galactica/Pegasus project and neighbouring Red Rocks Helium production area

Regional Growth Strategy – Las Animas County, Colorado

Serenity CO_2 prospect

In addition to the by-product potential at Galactica-Pegasus, the Company plans to progress the high-grade CO_2 discovery at its Serenity prospect. Serenity is a demonstrated source of natural, high-grade CO_2 with the previous discovery at Sammons 315310C returning raw gas concentrations of approximately 98.8%[1] CO_2.

Up to 20 further locations have been identified and mapped within the Serenity prospect for a targeted expansion of CO_2 commercialisation potential.

Exploration potential

Upon the successful development of helium producing assets at Galactica-Pegasus, the Company plans to pursue regional drilling to capture further resource upside across its broader Las Animas acreage. This drilling is planned to target new prospect developments and the installation of additional modular plants outside of Galactica-Pegasus to complement and expand its existing operations.

The scope, timing and funding of any further processing facilities remain at a conceptual stage. Any progression is subject to further exploration, drilling and appraisal results, engineering and regulatory approvals, and the availability of funding.

CORPORATE

Share Consolidation

In September 2026, Blue Star announced a consolidation of its issued capital on the basis of every 50 securities into one (1-for-50), including ordinary shares, options and performance rights. The consolidation was approved by shareholders at the General Meeting held on 20 October 2026 and took effect on 21 October 2026. Post-consolidation securities commenced trading on a deferred settlement basis on 22 October 2026, the record date was 23 October 2026, and holding statements are scheduled to be despatched by 30 October 2026, with normal T+2 trading from 2 November 2026. The consolidation is intended to reduce the minimum price step relative to the share price, remove the sub-$0.01 restriction applied by a number of institutional mandates, and support a move from OTCID back to the OTCQB Venture Market.

[1] Combined average composition from both the upper and lower Lyons reservoirs: 98.77% carbon dioxide, 1.15% nitrogen, and 0.09% helium. The lower Lyons reservoir consistently shows higher CO_2 concentrations, up to 98.95%.

The table below sets out the Company's securities on a pre-consolidation basis, together with the post-consolidation equivalents per the Appendix 3A.3 lodged on 28 October 2026

Details	No. Shares	No. Options	No. Performance Rights
Balance: 30-Jun-26 (pre-consolidation)	6,152,915,037	931,914,401	122,200,000
Performance rights cancelled (14 July 2026)	-	-	(6,000,000)
Balance: 30-Sep-26 (pre-consolidation)	6,152,915,037	931,914,401	116,200,000
Post consolidation equivalent (1-for-50)	123,059,114	18,638,297	2,324,000

Post-consolidation figures reflect rounding of fractional entitlements.

Cash and funding

The Company closed the September 2026 quarter with a cash balance of A$2.509 million and no borrowings. Since quarter end the Company has received A$0.29 million from helium sales (100% JV basis) and A$1.36 million from Helium One for its share of JV costs.

Blue Star received A$0.46 million in cash receipts from helium sales during the quarter (100% JV basis, with Blue Star share approximately A$0.19 million after royalties and before production taxes).

Net cash used in operating activities was A$0.76 million for the quarter (June quarter was A$2.4 million), reflecting the commencement of helium sales receipts and the receipt of A$0.9 million (US$0.64 million) from Helium One for its share of JV costs which is offset against production payments in the Appendix 5B.

The cash balance decreased from A$5.09 million at 30 June 2026 to A$2.509 million at 30 September 2026 after the operating outflow, lease payments of A$1.1 million for the Pinon Canyon Plant and leased equipment, tenement payments of A$0.2 million, A$0.43 million of gross collateral posted for a surety bond and A$0.07 million of capitalised development expenditure, net of Helium One contributions (June quarter was A$1.88 million). A further approximately A$1.55 million (US$1.08 million) was receivable from Helium One for its share of JV costs at quarter end.

The Company's funding requirements over the coming period include its share of the potential well deepening and development drilling programme, the additional plant modifications associated with CO_2 processing, and ongoing operating and equipment lease costs at the Pinon Canyon Plant. Helium One funds 50% of JV costs, and each development well is a separate JV investment decision.

The Company expects to fund these activities from existing cash reserves, cash flow from helium sales as sales cadence builds and, if required, further capital raisings, and will continue to align the pace of the development programme with available funding.

Events subsequent to the end of the quarter

On 20 October 2026, shareholders approved the consolidation of the Company's issued capital, which took effect on 21 October 2026 (refer above).

Since quarter end, the Company has received A$0.29 million from helium sales in the period (100% JV basis) and A$1.36 million from Helium One for its share of JV costs and it has delivered one further tube trailer of helium.

TENEMENT TABLE

Tenements held at the end of the quarter and changes thereof. **Project Name**	**Acreage held at the beginning of the Quarter**	**Acreage held at the end of the Quarter**	**Acreage acquired (disposed/lapsed)**
Helium Project, Las Animas, Colorado, USA*	Circa 276,355 gross (158,964 net) acres	Circa 249,166 gross (146,445 net) acres	Circa (27,189) gross and (12,519) net acres

5B COMMENTARY

Description of Selected Items in Appendix 5B

Appendix 5B Reference		**Commentary**
1.1	Receipts from customers	Receipts from the sale of helium produced at the Pinon Canyon Plant (100% JV basis, received by Blue Star as operator).
1.2 (a)	Expensed exploration and evaluation costs	Expenditures associated with delay rentals and G&G studies.
1.2 (c)	Payments for production	Expenditures associated with the production of company operated wells and the operation of the Pinon Canyon Plant site, net of Helium One's contributions to JV costs received during the quarter.
2.1 (b)	Payments to acquire tenements	Costs associated with the acquisition of helium leases in Colorado, USA including land manager fees.
2.1 (d)	Capitalised exploration, evaluation and development costs	Capitalised expenditures associated with exploration, evaluation and development of the Company's helium acreage in Colorado USA. Includes drilling, permitting, subsurface evaluation and field costs. Net of Helium One's contributions to JV costs received during the quarter.
2.1 (f)	Payments for other non-current assets	A$431k of payments relates to surety bond collateral posted gross.
3.6	Repayment of borrowings	Payments of lease liabilities (principal) under AASB 16 in respect of the Pinon Canyon Plant gas processing services agreement and leased plant equipment.
6.1 and 6.2	Payments to Related Parties	Includes directors' fees and superannuation paid to directors.

The Board has authorised the release of this announcement to ASX.

For further information, please contact:

Trent Spry

Managing Director & CEO

info@bluestarhelium.com

About Blue Star Helium:

Blue Star Helium Ltd (ASX: BNL, OTC: 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 provide its shareholders with exposure to multiple high-value helium projects in North America. For further information please visit the Company's website at www.bluestarhelium.com

Cautionary Statement

This announcement contains forward-looking statements. Forward-looking statements are subject to known and unknown risks and uncertainties that may cause Blue Star's actual results, performance, or achievements, to differ materially from those expressed or implied in any of the forward-looking statements, which are not guarantees of future performance. Actual results may differ materially from those in the statements in this announcement. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date they are made.

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 manufacturing 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.






Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity	
Blue Star Helium Limited	
ABN	**Quarter ended ("current quarter")**
75 009 230 835	30 September 2026

	Consolidated statement of cash flows	**Current quarter $A'000**	**Year to date (9 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	459	463
1.2	Payments for		
	(a) exploration & evaluation	(20)	(253)
	(b) development	-	-
	(c) production	(312)	(1,673)
	(d) staff costs	(484)	(1,642)
	(e) administration and corporate costs	(409)	(1,172)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	10	18
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(756)**	**(4,259)**
2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements / leases	(204)	(234)
	(c) property, plant and equipment	-	-
	(d) exploration, evaluation and development	(65)	(3,374)
	(e) investments	-	-
	(f) other non-current assets	(431)	(431)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements / leases	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (farmin share of well drilling costs)	-	-
2.6	**Net cash from / (used in) investing activities**	**(700)**	**(4,039)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	11,309
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	760
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(29)	(383)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(1,100)	(3,085)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**(1,129)**	**8,601**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	5,093	2,165
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(756)	(4,259)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(700)	(4,039)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,129)	8,601

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
4.5	Effect of movement in exchange rates on cash held	1	41
4.6	**Cash and cash equivalents at end of period**	**2,509**	**2,509**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	2,509	5,093
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (outstanding cheques)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,509**	**5,093**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	152
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

N/A

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(756)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(65)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(821)
8.4	Cash and cash equivalents at quarter end (item 4.6)	2,509
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	2,509
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	3.1

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 30 October 2026

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.