

BLUE STAR | HELIUM

**Blue Star Helium Limited
And Controlled Entities**

ABN: 49 623 130 987

ANNUAL REPORT

For the Year Ended 31 December 2025

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DIRECTORS

Neil Rinaldi Non-Executive Chairman
Trent Spry Managing Director and Chief Executive Officer
Gregg Peters Non-Executive Director

SECRETARY

Amanda Wilton-Heald

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AUDITORS

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STOCK EXCHANGE LISTING

Australian Securities Exchange
ASX Code: BNL

OTC Markets
OTC: BSNLF

Dear Shareholders,

On behalf of the Board, I am pleased to present Blue Star Helium's Annual Report for the year ended 31 December 2025. This year marks a defining transition for the Company, culminating in the successful commissioning and initial technical validation of the Pinon Canyon Plant at the Galactica Project.

Following exploration success between 2022 and 2024 and the discovery and appraisal of helium at Galactica-Pegasus, a six-well development drilling program was completed in the first half of 2025 in partnership with Helium One Global. This program delivered consistent helium concentrations across the Lyons Formation, providing the critical reservoir data required to inform the detailed engineering and scaling of our initial facility.

In April 2025, through our wholly owned subsidiary BNL (Enterprise) Inc ('BNLE'), the Company secured the necessary Major Facilities Permit with plant construction commencing in October. Mechanical completion was achieved in December and the Company successfully produced initial volumes of refined helium on 22 December 2025. This milestone transitions Blue Star from pure exploration to initial operational appraisal, allowing us to gather invaluable data to optimise future full-field development.

As we enter 2026, our primary focus is on refining Stage 1 operations at Galactica. We are currently conducting technical readiness checks and stabilizing throughput through additional well tie-ins to ensure the facility performs optimally. This appraisal phase is essential for defining the commercial viability of the broader project, and the Company is targeting the commencement of sustained commercial production by mid-year 2026.

During the year, the Company completed two capital raisings totalling A\$7.24 million, providing the financial flexibility required to construct and commission the Pinon Canyon Plant under a capital-light equipment lease model. We thank shareholders for their continued support as we advance toward our goal of sustained commercial operations.

These milestones have been delivered against tightening global helium supply and sustained structural demand growth across semiconductor manufacturing, aerospace, healthcare, research and emerging technologies. Mature supply sources continue to decline, reserves are depleting, and geopolitical factors have further constrained availability. In parallel, the US merchant market is experiencing increasing tightness in high-purity natural CO₂ supply.

With approximately 303,500 gross acres in Las Animas County, Blue Star is well-positioned to capitalise on these structural market dynamics. Our scalable, capital-light development model supports disciplined expansion and maintains financial flexibility as we progress toward our goal of converting this significant resource base into sustained shareholder value.

As we enter 2026, the Company's focus is on optimising Stage 1 operations at Galactica, increasing throughput through additional well tie-ins and targeted infill drilling, and advancing a mix of spot and longer-term offtake arrangements.

Beyond Stage 1, 20 to 30 additional drilling locations have been identified within the broader Galactica-Pegasus Project area, supported by historical production data from the Lyons Formation. Development sequencing will be guided by operational performance and capital efficiency.

The Board has also strengthened the Company's North American leadership capability. Shane Gillespie has been appointed President of North American Operations and is providing disciplined operational oversight during this scale-up phase. Aleisha Marty has been appointed Vice President of Development Engineering, bringing direct experience from the design and commissioning of the Pinon Canyon Plant.

On behalf of the Board, I thank you for your continued support.



Neil Rinaldi
Non-Executive Chairman

31 March 2026

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The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated Entity') consisting of Blue Star Helium Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2025 ('FY25').

DIRECTORS

The following persons were Directors of Blue Star Helium Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Title
Neil Rinaldi	Non-Executive Chairman
Trent Spry	Managing Director and Chief Executive Officer
Gregg Peters	Non-Executive Director

PRINCIPAL ACTIVITIES

The principal activities of the Consolidated Entity during the year ended 31 December 2025 were helium exploration. The Company is headquartered in Australia and its strategy is to provide its shareholders with exposure to multiple high-value helium projects in North America.

REVIEW OF RESULTS

The loss after tax for the year ended 31 December 2025 was \$8,503,178 (2024: loss of \$13,063,172).

The earnings of the Consolidated Entity for the past financial periods are summarised below:

	31 December 2025 \$	31 December 2024 \$	31 December 2023 \$
Revenue (including other income)	11,537	35,795	68,947
EBITDA	(5,316,667)	(11,079,395)	(3,115,867)
EBIT	(6,483,749)	(11,840,242)	(3,125,607)
Loss after income tax	(8,503,178)	(13,063,172)	(3,125,659)

The factors that are considered to affect total shareholders return are summarised below:

	31 December 2025 \$	31 December 2024 \$	31 December 2023 \$
Share price at financial period end	0.006	0.004	0.022

Operating Review

Galactica-Pegasus Project – Las Animas County, Colorado Development Well Drilling

During the year, Blue Star successfully completed a drilling program targeting six helium development well locations at Galactica, within the highly prospective Lyons Formation. The program was designed to build on the success of the State 16 appraisal well drilled in 2024 (refer to ASX announcement dated 4 June 2024: *Significant Helium Discovery at State 16 Well*).

Under its 50% JV farm-in agreement with Blue Star, Helium One Global Ltd (**Helium One**) agreed to fund the drilling of these six development wells, funding the first US\$450,000 of each well and sharing subsequent drilling costs equally with Blue Star (refer to ASX announcement dated 28 August 2024: *Helium One Farms into Galactica-Pegasus Project*).

The program was completed in June 2025, delivering strong results from all six development wells. All wells encountered helium-bearing gas with consistent flow performance, validating reservoir continuity in the target formation. These results are further supported by the established production performance at the adjacent Red Rocks helium field, which produces from the same Lyons Formation in the region.

Following completion of this program, Helium One satisfied its earn-in obligations and now holds a 50% JV stake in the Galactica-Pegasus Project.

The initial seven Galactica appraisal wells are available for tie-in to the gas gathering system under Blue Star's Stage 1 development. These wells are summarised below:

Well Name	Results Announced	Helium Con. %	CO ₂ Con. %	Projected Stabilised Rate Mcfd	Initial Flow	Max Projected Flow Rate Mcfd
State 16 SWSE 3054	1 Jul 24	2.17*	61.56*	250 – 350		441
Jackson 31 SENW 3054	14 Mar 25	2.20	69.00	300 – 400		500
Jackson 4 L4 3154	1 Apr 25	1.18	85.93	250 – 350		450
Jackson 29 SWNW 3054	22 Apr 25	3.30	48.66	350 – 450		550
Jackson 27 SESW 3054	30 Apr 25	0.41	98.31	350 – 450		550
Jackson 2 L4 3154	15 May 25	1.22	77.77	300 – 400		500
State 9 SWSE 3054	9 Jun 25	1.52	80.48	400 – 500		600

*State 16 SWSE 3054 reported on 6 Mar 25

Table 1: Summary of Galactica helium development well results

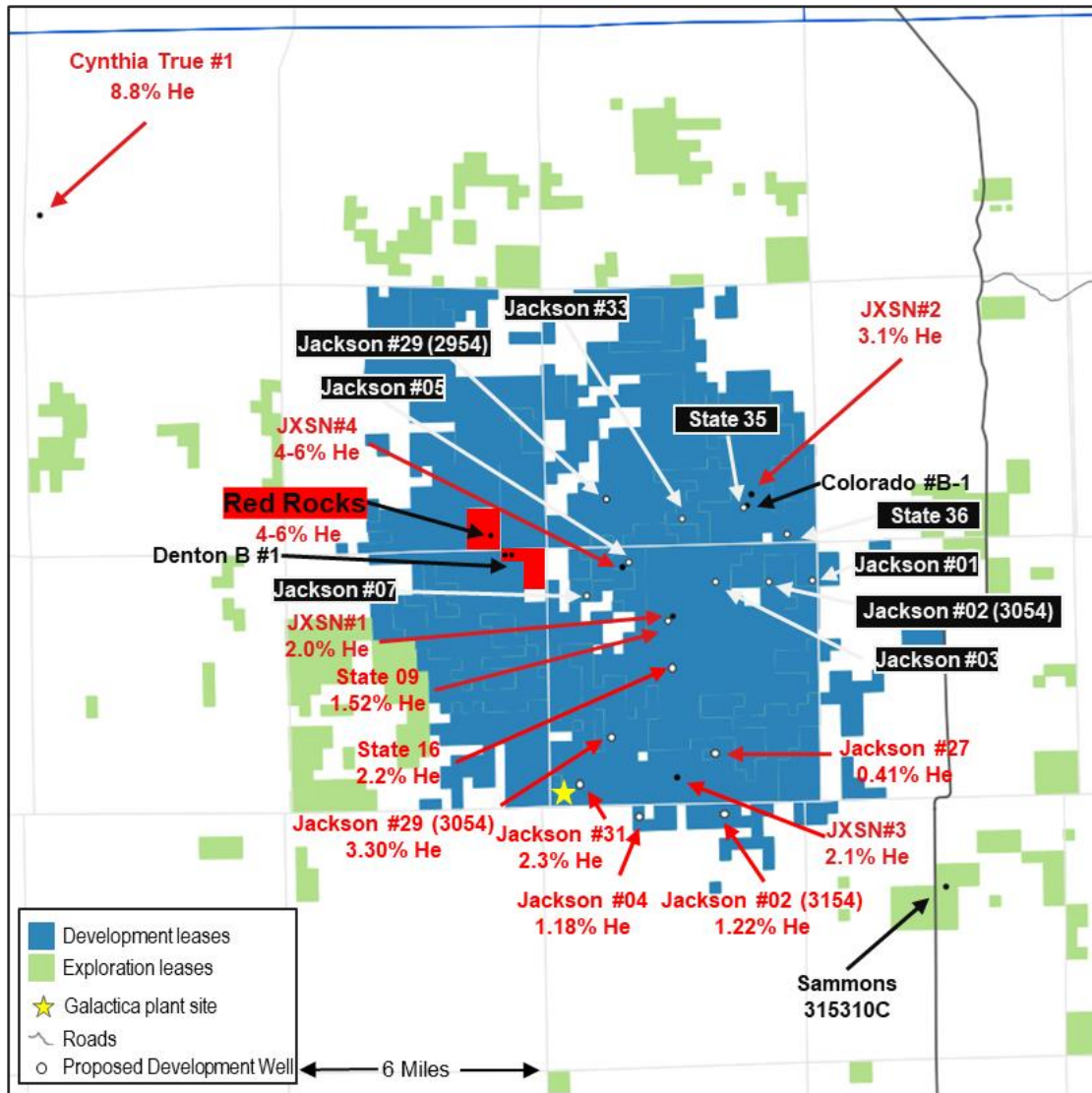


Figure 1: Recent successful development well locations at the Galactica-Pegasus and neighbouring Red Rocks Helium production area

Execution of Stage 1 Development: First Helium Production at Galactica

Blue Star’s primary objective over the reporting period was to initiate the commissioning and testing phase of the Pinon Canyon Plant and the tie-in of its initial group of producing wells at Galactica to this facility. Achieving first gas in December validated years of subsurface evaluation and provides the operational foundation required to inform Stage 2 expansion planning.

Permitting

In April 2025, Blue Star – via its wholly owned subsidiary, BNL (Enterprise) Inc (BNLE) – received a “Major Facilities Permit” from the Board of County Commissioners of Las Animas County.

The approval, formalized through Resolution MF 2025-001 made on 15 April 2025, granted BNLE the necessary authorisation to construct the Pinon Canyon Plant on Lot 6 of Section 31, Township 30 South, Range 54 West, 6th PM.

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Engineering and Pre-Construction

Between the grant of the Major Facilities Permit in April and commencement of physical construction, the Company completed a significant body of engineering and pre-construction work. This included finalisation of the detailed plant engineering design incorporating flow data and gas analysis from the 2025 drilling campaign, contractor selection, surveying of all gathering line routes and the plant site, and completion of technology review and vendor selection for the amine CO₂ recovery unit and helium recovery unit. The lease of a 300 gpm Kinder Morgan amine plant, sized to process up to 4.2 MMscfd of raw gas, was executed during this period.

Construction and Commissioning

With the requisite permits in place and all critical plant equipment secured by lease or purchase, Blue Star commenced the construction and installation of the Pinon Canyon Plant.

By mid-December 2025, assembly of the production facility was mechanically complete with the gathering system successfully tying the initial wells to the facility.

On 22 December, Blue Star completed start-up of the Pinon Canyon Plant and successfully produced first refined helium gas.

The Pinon Canyon Plant is designed with a nameplate capacity of approximately 560,400 Mcf of sales gas per annum, comprising 2,200 Mcf of helium and 44,500 Mcf of CO₂ per month at full capacity. The facility has been developed under a capital-light equipment lease model, with the IACX Energy helium recovery unit, Kinder Morgan amine unit, feed compressor and wellhead compression all secured under lease arrangements. This approach has materially reduced upfront capital expenditure while maintaining operational flexibility. The project has an estimated productive life exceeding 12 years subject to the outcomes of the current appraisal phase.

Achieving first gas at Galactica represents a significant operational and commercial milestone for the Company, validating several years of disciplined subsurface evaluation across its Galactica-Pegasus project and the broader Las Animas acreage.

Blue Star plans to progressively ramp up operations at the Pinon Canyon Plant to full capacity through the tie-in of additional helium wells and drilling a tie-in of infill and expansion wells to the facility.



Figure 2: Construction of the Pinon Canyon processing plant

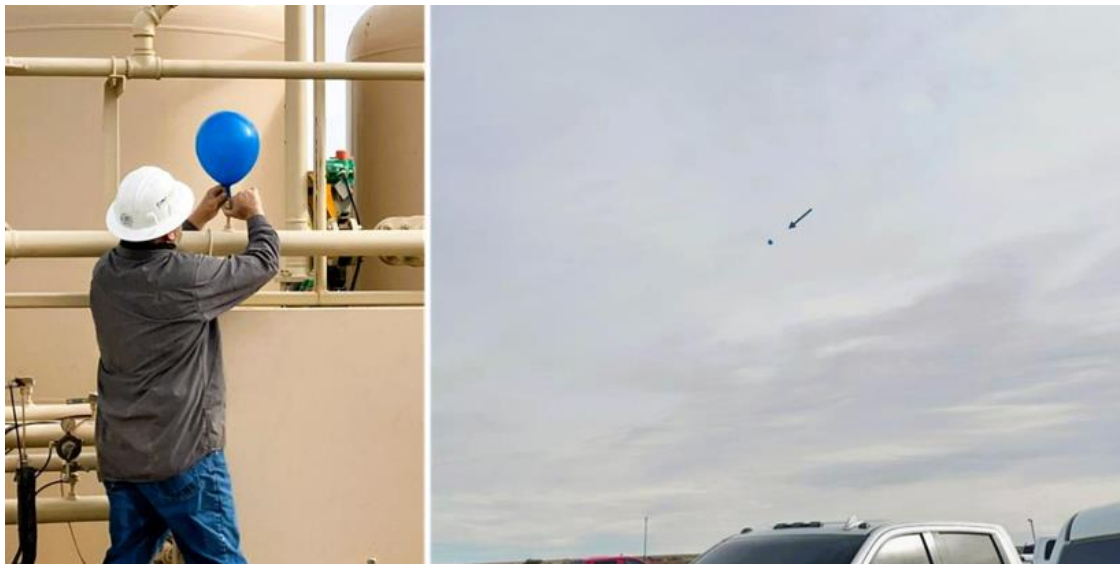


Figure 3: First helium from Pinon Canyon – a major commercial milestone achieved

Next Steps

Subsequent to end of the financial year, Blue Star provided an update on the ongoing ramp-up of operations at the Pinon Canyon Plant.

Following first helium production via the Helium Recovery Unit (HRU) in December 2025, the plant was shut in for integration with the amine unit. Technical teams on-site conducted further operational refinement and optimisation works at Pinon Canyon with the aim of stabilising throughput to meet initial short-term offtake delivery requirements. This phase of operational refinement ensures that the facility — the newest of its kind in the US — is performing optimally as we target sustained commercial operations by mid-year.

In January 2026 the first tube trailer was delivered as the plant underwent planned final technical readiness checks and optimisation. A standard steel helium tube trailer holds approximately 170,000 scf (170 Mscf). Based on the metrics presented in the Company's recent presentation, each filled trailer represents a gross value of between US\$59,500 and US\$102,000, based on gaseous helium pricing of US\$350 to US\$600 per Mcf respectively.

Work in January and February has focused on the amine unit part of the CO₂ train that removes gaseous CO₂ from the inlet stream. With the amine unit operational, gas will be processed through the amine unit, removing CO₂, with the helium enriched stream being processed through the HRU and filled into tube trailers.



Figure 4: First helium tube trailer on site at the Pinon Canyon Plant

The Company has also completed the gathering system for State 9 and State 16 and has started constructing the gathering system to connect Jackson 2, including the T-section for future connection of Jackson 27, providing near-term production growth.

The Company's focus is now on the installation of CO₂ liquefaction and load components along with the finalisation of commercial agreements.

In parallel, planning is well advanced for further tie-in and infill drilling aimed at increasing throughput to the Pinon Canyon Plant, with a clear focus on scaling gas processing and delivering revenue ramp-up through 2026.

Initial commercial helium operations are expected to provide early cash flow generation and produce invaluable operational data which will feed into optimised full-field development plans for both Galactica and the subsequent expansion of operations across the broader Galactica-Pegasus Project.

Safety and Environment

The drilling program and construction of the Pinon Canyon Plant were completed without any recordable safety incidents. Blue Star is committed to conducting its operations in compliance with all applicable environmental regulations and in a manner that minimises impact on the surrounding community and environment. The Company notes that its Galactica operations produce helium and CO₂ with no (trace) hydrocarbon content, resulting in a materially lower environmental footprint compared to conventional oil and gas operations.

Commercial Progress – Offtake Strategy and First Helium Sales

With first helium achieved and an envisaged ramp-up of helium production at Galactica over 2026, Blue Star represents an attractive new supply solution within the US domestic helium market for buyers seeking to diversify their source portfolios.

Blue Star has run a comprehensive market analysis and is implementing a strategy that not only satisfies market demand but also maximises the value of the end product from Galactica.

The Company has made arrangements for spot sales of helium. Discussions regarding long-term contracts with both helium and carbon dioxide off-takers are progressing well.

The Company is targeting a mix of short-term sales arrangements and long-term offtake agreements to match the targeted ramp-up of the Pinon Canyon Plant's capacity.

Blue Star's Staged Development Approach

Stage 2: Galactica-Pegasus Expansion

The current Stage 1 activities provide a "proof of concept" that leverages early operational learnings. Beyond Stage 1, a further 20 to 30 potential drilling locations have been identified within the greater Galactica Pegasus Project area. To date, the initial production wells have been completed within the Upper Lyons sandstone. Future infill and expansion drilling will also consider strategies for accelerating and optimising production from the Lower Lyons formation, in conjunction with the Upper Lyons formation.

The joint venture 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 joint venture parties will assess the potential for establishing further processing facilities at multiple new locations to develop the extensive resources within the Galactica-Pegasus Project area.

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

Stage 3: CO₂ Monetisation

In parallel with its project development activities at Galactica-Pegasus, Blue Star intends to integrate CO₂ purification and liquefaction at the Pinon Canyon Plant to produce and commercialise the significant CO₂ resources within the acreage. This is expected to require additional plant modifications to enable the product to be produced into trailer transport (referred to earlier).

Blue Star remains on schedule to deliver first carbon dioxide in H1 2026.

In addition to realising this by-product potential at Galactica-Pegasus, Blue Star also plans to seek to unlock new super-rich CO₂ discoveries at its Serenity prospect. Serenity represents a proven source of natural, high-grade CO₂ with a previous substantial discovery at Sammons 315310C returning raw gas concentrations approaching 99%¹ CO₂. Up to 20 further locations have been identified and mapped within the Serenity prospect for a targeted expansion of CO₂ commercialization potential.

Stage 4: Acreage-Wide Expansion

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.

Strategic Asset Review

During the reporting period, Blue Star continued to evaluate strategic helium and gas opportunities in Colorado, including prospective helium assets within the Great Plains Field.

In late 2024, Blue Star entered into an option agreement with Wiepking-Fullerton Energy LLC (WFE) for the potential acquisition of its assets in the Great Plains field, Lincoln County, Colorado, and the Kregel well in Cheyenne County, Colorado (refer ASX release dated 23 December 2024).

The Company conducted testing activities at four well locations in the Great Plains field. While technical results from these four wells were encouraging, the Company elected not to proceed with the acquisition following commercial and strategic assessment, enabling management to maintain capital discipline and focus resources on the Galactica development.

On 18 September 2025, Blue Star announced it had elected not to exercise its option over the WFE assets. The Company will continue to seek and evaluate value-accretive opportunities to scale and diversify its portfolio.

Corporate

Successful Capital Raising Activities

During the reporting period, Blue Star successfully completed two capital raisings totalling a combined A\$7.24 million in new proceeds (before costs). These capital raisings were strongly supported by existing sophisticated, professional and institutional shareholders.

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 CO₂ concentrations, up to 98.95%.

On 31 July 2025, Blue Star launched an institutional placement to raise A\$4.50 million (before costs). The placement involved the issue of 908,000,000 new ordinary shares (**New Shares**) to institutional and sophisticated investors at an issue price of A\$0.005 per New Share (**Placement**). The Placement included the issue of 1-for-2 unlisted attaching options, exercisable at A\$0.01 and expiring two years from the date of issue (**New Options**).

The Placement was completed in two tranches:

- **Tranche 1:** 673,000,000 New Shares have been issued pursuant to the Company's existing issuance capacity under ASX Listing Rule 7.1 and Listing Rule 7.1A.
- **Tranche 2:** 235,000,000 New Shares and 454,000,000 New Options approved by shareholders at a general meeting of the Company held in September 2025.

Blue Star launched a second capital raising in late December 2025, consisting of an equity placement and non-renounceable rights issue (**Rights Issue**) to raise \$3.78 million in gross proceeds.

The December 2025 Placement involved the issue of 544,000,000 New Shares to institutional and sophisticated investors at an issue price of A\$0.005 per New Share to raise gross proceeds of A\$2.72 million, with some funds received subsequent to year end. In addition to the Placement, the Company conducted a non-renounceable rights issue to eligible shareholders on the basis of 10 New Share for every 33 existing shares on issue. The Rights Issue closed on 23 January 2026, with subscriptions totalling \$1.06 million.

In addition to being able to apply for Rights Issue Shares, eligible shareholders hold the ability to apply for additional Rights Issue Shares under a top-up facility (**Top-up Facility**). Rights Issue Shares not applied for under the Rights Issue and the Top-up Facility will be offered pursuant to a separate offer (**Shortfall Offer**). The Shortfall Offer will remain open for up to 3 months following closure of the Rights Issue. The allocation policy for the Shortfall Offer is detailed in the offer document.

Cash Position

At 31 December 2025, the Company held cash reserves of A\$2.17 million with no borrowings. Subsequent to year end, Blue Star received additional proceeds of approximately A\$1.68 million, comprising A\$0.62 million from the settlement of the final tranche of the December 2025 placement and A\$1.06 million from the Rights Issue, bringing the post-period adjusted cash position to approximately A\$3.85 million. Subsequent to the Rights Issue and year end, the Company raised A\$10 million by way of a placing of 1,666,666,667 new shares of which 668,992,174 shares will be issued on obtaining shareholder approval at the annual general meeting of the Company.

Business Risks

Our business involves a high degree of risk. If any of the following risks, or any risk described elsewhere in this Annual Report, actually occurs, our business, financial condition, or results of operations could suffer. The risks described below are not the only ones facing us. Additional risks not presently known to us or which we currently consider immaterial also may adversely affect us.

The drilling for and producing of helium and any associated secondary resources, such as CO₂, are high risk activities. There are many uncertainties that could adversely affect our business and financial condition. Many of our decisions to undertake operations are based on geophysical and geological analysis and engineering studies that are often times inconclusive.

The process of estimating helium and CO₂ resources is complex and requires interpretation of incomplete data and many assumptions. The risk that these interpretations differ from actual results can significantly impact the ultimate resource available and the number of potential development well locations. Furthermore, the failure to successfully manage or commercialize CO₂ as a secondary resource may impact the overall economic viability of our projects.

The cost to drill, complete and operate wells and to install and operate a helium processing facility is often uncertain before operations commence. This can lead to budget overruns and result in a particular project being uneconomic. Additionally, the continuing or worsening inflationary pressures, particularly in the United States, could result in increases in our cost of goods, services, and personnel which in turn could cause our capital expenditures and operating costs to rise. With limited production data in our area of operations, well results could differ materially from our expectations.

Our ability to operate is dependent on maintaining valid title and tenure over our leases. In the United States, and specifically within the jurisdictions in which we operate, mineral and surface estates are often severed, and our interests may be subject to various encumbrances. These include potential indigenous or Native American claims, or unregistered agreements and overriding royalty interests that may not be readily apparent during standard record searches. Any successful challenge to our title or the discovery of superior interests could materially impair our rights to explore or develop our assets.

We are highly dependent on many third parties to execute our plans for development of the asset. These third parties include but are not limited to service providers for drilling, completion, production, and construction services, equipment providers, and local, state, and federal regulatory agencies in the United States.

We are subject to health, safety, and environmental laws and regulations that may expose us to significant costs and liabilities.

Evolving legislation or regulatory initiatives, especially in the state of Colorado, could result in increased costs and additional operating restrictions or delays. Specifically, we are required to obtain drilling permits from the Energy and Carbon Management Commission (ECMC). Any delay or failure in obtaining these permits, or the necessity of securing surface use agreements and easements from private landowners for access and infrastructure, could materially delay our development timelines or increase the cost of operations.

The Company reports its financial results in Australian Dollars (AUD), while the majority of its operating and capital costs are denominated in United States Dollars (USD). This exposure to currency risk means that fluctuations in the AUD/USD exchange rate may result in significantly higher costs than budgeted when translated into the reporting currency. Furthermore, to fund ongoing operations and the development of our assets, the Company may require additional capital. Future funding may be obtained through the issue of new shares, which could lead to significant shareholder dilution. If the Company pursues debt financing, such arrangements may involve restrictive covenants that limit our operational flexibility, dictate our capital allocation, or require the pledging of company assets as security.

While the impact of tariffs currently being implemented in the United States is unclear, there is a risk that they could increase operating costs.

Pricing in the helium markets is opaque and largely set by private party contracts. Therefore, the prices we receive are at risk of being significantly different than we assumed. Additionally, changes in the supply/demand balance due to new or returning sources of supply or economic downturns could adversely affect the prices we are able to receive for helium.

The market for all labour in Colorado is competitive and the Company must compete to attract and retain key employees.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Company during the financial year other than the completion of a six-well development drilling program, Helium One Global Ltd satisfying its farm-in obligations and earning a 50% interest in the Galactica-Pegasus Project, the granting of a Major Facilities Permit and construction and initial commissioning of the Pinon Canyon Plant, plus the appointment of new senior employees in North America and the capital raising activities each of which is more fully described in the Review of Operations.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Consolidated Entity is undertaking activities to permit further helium wells. These wells will be drilled and tied in to the Pinon Canyon Facility

The Consolidated Entity is undertaking activities to install carbon dioxide capture, storage and loading facilities at the Pinon Canyon Plant which will enable it to sell carbon dioxide.

DIRECTORS' QUALIFICATIONS AND EXPERIENCE

The Directors' qualifications and experience are set out below.

Current Directors

Director	Details
Neil Rinaldi	
Position	Non-Executive Chairman
Appointment Date	14 April 2021
Resignation Date	N/A
Length of Service	4 years 11 months
Biography	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 was previously the Chief Executive Officer of International Graphite, which is an unlisted downstream graphite processing business with operations in Collie and Springdale (Ravensthorpe), 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 multi-commodity 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.
Current ASX Listed Directorships	None
Former ASX Listed Directorships within last 3 years	None
Trent Spry	
Qualifications	BSc (Hons), AICD
Position	Managing Director and Chief Executive Officer
Appointment Date	29 April 2019
Resignation Date	N/A
Length of Service	6 years 11 months
Biography	Trent brings to the Board significant ASX corporate experience, expertise in geoscience, exploration and project development as well as significant experience in the USA. Trent has over twenty years of experience in the upstream oil, gas and helium industry in exploration, appraisal and development. He holds a Bachelor of Science (Hons) (National Centre for Petroleum Geology & Geophysics, University of Adelaide) and is a graduate of the Australian Institute of Company Directors. He has originated numerous projects from concept or acquisition through to discovery, appraisal, successful development and exit in Australia, SE Asia, the Gulf of Mexico and the US onshore.
Current ASX Listed Directorships	None
Former ASX Listed Directorships within last 3 years	None
Gregg Peters	
Qualifications	Bachelor's degree in marketing from Valparaiso University and an MBA in Operations from Loyola University
Position	Non-Executive Director
Appointment Date	10 September 2023
Resignation Date	N/A
Length of Service	2 years 6 months
Biography	Gregg 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 PLC (Praxair Inc.). Gregg 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, Gregg spent six years as Director of Industrial Gas for Praxair Inc.'s packaged gas business, responsible for the financial performance and development of all gas products, including atmospheric, fuel gases, and CO ₂ (responsible for both the industrial and BevCarb segments), and the rapid expansion of the MicroBulk initiative. Currently, he is COO for the Edelgas Group and Managing Director of Disruptive Resources, LLC. Gregg is based in the United States. He holds a

	Bachelor's degree in Marketing from Valparaiso University and an MBA in operations from Loyola University.
Current ASX Listed Directorships	None
Former ASX Listed Directorships within last 3 years	None

COMPANY SECRETARY

Company Secretary	Details
Amanda Wilton-Heald	
Qualifications	BCom, CA
Position	Company Secretary
Appointment Date	4 September 2020
Resignation Date	N/A
Biography	Amanda Wilton-Heald is a Chartered Accountant with over 25 years of accounting, auditing (of both listed and non-listed companies) and company secretarial experience in both Australia and the UK. Amanda has been involved in the listing of junior explorer companies on the ASX and has experience in corporate advisory and company secretarial services.

MEETINGS OF DIRECTORS

The number of meetings held during the year and the number of meetings attended by each Director was as follows:

	Board Meetings
Number of Meetings Held	5
Number of Meetings Attended:	
Neil Rinaldi	5
Trent Spry	5
Gregg Peters	5

All Directors were eligible to attend all Board Meetings held when they were in office.

SHARE OPTIONS

As at the date of this report:

No. Options	Exercise Price	Expiry Date	Listed / Unlisted
468,914,401	\$0.01	30-Oct-26	Unlisted
9,000,000	\$0.028	11-Sep-27	Unlisted
454,000,000	\$0.01	25-Sep-27	Unlisted
232,857,000	\$0.006	30-Jun-26	Unlisted

PERFORMANCE RIGHTS

As at the date of this report:

No. Performance Rights	Tranche	Listed / Unlisted	Vested / Unvested
14,200,000	3	Unlisted	Vested

Refer to page 25 for the terms and conditions that apply to each of the Performance Rights.

SHARES ISSUED AS A RESULT OF THE EXERCISE OF OPTIONS OR CONVERSION OF PERFORMANCE RIGHTS

37,143,000 shares issued as a result of the exercise of the options were issued as at the date of this report. 2,620,018 shares issued as a result of the conversion of performance rights as at the date of this report.

REMUNERATION REPORT (AUDITED)

The remuneration report below reflects the remuneration policies that were adopted by the Directors of the Company who were in office at the date of this report.

The Remuneration Report is set out under the following main headings:

1. Principles used to determine the nature and amount of remuneration;
2. Key management personnel remuneration;
3. Service agreements; and
4. Shareholding and option holding of Directors and other key management personnel.

The information provided under headings 1 to 4 below in the Remuneration Report has been audited as required by Section 308(3C) of the Corporations Act 2001.

1. Principles used to determine the nature and amount of remuneration (audited)

The Company's Constitution specifies that subject to the initial fixed annual aggregate sum of \$500,000, the aggregate remuneration of Non-Executive Directors shall not exceed the sum determined by the shareholders of the Company in general meeting.

The Company may pay a performance-based bonus based on key performance indicators of the Director and Company, set by the Company from time to time, and any matter that it deems appropriate. \$Nil was paid to an independent remuneration consultant during the year.

Fees and payments to Directors:

- ① are to reflect the demands which are made on, and the responsibilities of, the Directors; and
- ② are reviewed annually by the Board to ensure that Directors' fees and payments are appropriate and in line with the market.

Retirement allowances and benefits for Directors

There are no retirement allowances or other benefits paid to Directors.

Directors' fees

The amount of remuneration of the Directors of the Company (as defined in AASB 124 Related Party Disclosures) are outlined in the table below under the heading Key management personnel remuneration.

Key management personnel

Name	Title
Neil Rinaldi	Non-Executive Chairman
Trent Spry	Managing Director and Chief Executive Officer
Gregg Peters	Non-Executive Director
Ross Warner	President, Commercial & Legal
Shane Gillespie	President
Peter Kondrat	Chief Operating Officer (resigned during the year)
Scott Fenoglio	Chief Financial Officer

2. Key management personnel remuneration

The following table sets out the remuneration of Directors and executives of the Consolidated Entity during the reporting year.

	Year	Fixed			STI	LTI	Total	Proportion of Remuneration		
		Salary fees and leave \$	Bonus \$	Superannuation \$	Incentive Payments \$	Security Based Payments \$		Fixed %	STI %	LTI %
Non-Executive Director										
	2025	85,179	-	4,821	-	-	90,000	100%	-	-
Neil Rinaldi	2024	104,000	-	-	-	(102,400) ²	1,600	6,500%	-	(6,400%)
	2025	60,000	-	-	-	-	60,000	100%	-	-
Gregg Peters ³	2024	60,000	-	-	-	-	60,000	100%	-	-
	2025	145,179	-	4,821	-	-	150,000	100%	-	-
Total Non-Executive Directors	2024	164,000	-	-	-	(102,400)	61,600	266%	-	(166%)
Executive Directors										
	2025	304,152	-	30,718	-	-	334,870	100%	-	-
Trent Spry	2024	295,124	-	29,411	-	(499,200) ¹	(174,665)	(186%)	-	286%
	2025	304,152	-	30,718	-	-	334,870	100%	-	-
Total Executive Directors	2024	295,124	-	29,411	-	(499,200)	(174,665)	(186%)	-	286%

² Resulting from reversal of valuation of tranche 4 unlisted performance rights expiring 7 July 2024 and reversal of valuation of tranche 5 unlisted performance rights expiring 7 January 2025.

³ Appointed 10 September 2023.

2. Key management personnel remuneration (continued)

	Year	Fixed			STI	LTI	Total	Proportion of Remuneration		
		Salary fees and leave \$	Bonus \$	Superannuation \$	Incentive Payments \$	Security Based Payments \$	\$	Fixed %	STI %	LTI %
Key Management Personnel										
Ross Warner ⁴	2025	279,808	-	30,718	-	-	310,526	100%	-	-
	2024	305,127	-	29,411	-	(307,200) ¹	27,338	1,224%	-	(1,124%)
Peter Kondrat	2025	197,760	-	-	-	-	197,760	100%	-	-
	2024	272,876	-	-	-	(120,000) ¹	152,876	178%	-	(78%)
Scott Fenoglio	2025	279,190	-	-	-	(60,000)	219,190	127%	-	(27%)
	2024	272,876	-	-	-	(60,000) ¹	212,876	128%	-	(28%)
Total Key Management Personnel	2025	756,758	-	30,718	-	(60,000)	727,476	108%	-	(8%)
	2024	850,879	-	29,411	-	(487,200)	393,090	224%	-	(124%)
Total Directors & Key Management Personnel	2025	1,206,089	-	66,257	-	(60,000)	1,212,346	105%	-	(5%)
	2024	1,310,003	-	58,822	-	(1,088,800)	280,025	489%	-	(389%)

⁴ Resigned 10 September 2023 as Executive Chairman, appointed as President, Commercial & Legal from 10 September 2023.

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3. Service agreements (audited)

The Directors serve until they resign, are removed, cease to be a Director or are prohibited from being a Director under the provisions of the Corporations Act 2001, or are not re-elected to office. The Directors are remunerated on a monthly basis with three months termination payments payable. As at the date of this report management personnel engaged by the Company other than the Directors include the engagement of the President, Shane Gillespie and the Chief Financial Officer, Scott Fenoglio.

The Non-Executive Directors do not have a service agreement.

The Executive Director entered into a service agreement with effect from 1 July 2021 on the following terms:

- ① Salary (including Director's fees of \$261,432 per annum (excluding superannuation or similar contributions).
- ① The Company will make contributions to the Executive's nominated superannuation fund in accordance with the minimum amount prescribed by relevant superannuation legislation from time to time.
- ① The Company may also, in its absolute discretion, provide a bonus, the value of which, the conditions attached to and the frequency of such a bonus, remains matters over which the Company exercises sole discretion.
- ① Termination of the agreements requires three months' notice in writing other than if the termination is a result of unlawful conduct.

The President, Commercial & Legal, entered into a service agreement with effect on the following terms:

- ① Salary (including fees of \$261,432 per annum (excluding superannuation or similar contributions).
- ① The Company will make contributions to the President's, Commercial & Legal nominated superannuation fund in accordance with the minimum amount prescribed by relevant superannuation legislation from time to time.
- ① The Company may also, in its absolute discretion, provide a bonus, the value of which, the conditions attached to and the frequency of such a bonus, remains matters over which the Company exercises sole discretion.
- ① Termination of the agreements requires three months' notice in writing other than if the termination is a result of unlawful conduct.

The President entered into a service agreement with effect from 6 October 2025 on the following terms:

- ① salary of AU\$299,674 (US\$200,000) per annum
- ① the employment is "at-will" and the agreement may be terminated by either party without notice.

The Chief Financial Officer entered into a service agreement with effect from 6 September 2022 on the following terms:

- ① salary of AU\$272,876 (US\$180,000) per annum
- ① the employment is "at-will" and the agreement may be terminated by either party without notice.

4. Shareholding and option holding of Directors and other Key Management Personnel (audited)

Share holdings of Key Management Personnel

The movement during the reporting period in the number of ordinary shares of the Company held directly, indirectly or beneficially, by each Director or key management personnel, including their personally-related entities is as follows:

Director / Key Management Personnel	No. Shares Held at 31 December 2024	Share Based Payments	Exercise of Options / Conversion of Performance Rights	Other Changes	No. Shares Held at 31 December 2025	No. Shares Held at Date of this Report
Neil Rinaldi						
Directly	-	-	-	-	-	-
Indirectly	2,000,000	-	-	-	2,000,000	2,606,061
Trent Spry						
Directly	11,601,658	-	-	-	11,601,658	11,601,658
Indirectly	9,500,000	-	-	4,500,000	13,500,000	17,590,910
Gregg Peters						
Directly	-	-	-	-	-	-
Indirectly	400	-	-	-	400	400
Ross Warner						
Directly	6,878,172	-	-	-	6,878,172	6,878,172
Indirectly	6,087,661	-	-	4,000,000	10,087,661	10,087,661
Peter Kondrat⁵						
Directly	1,310,009	-	-	-	N/A	N/A
Indirectly	-	-	-	-	-	-
Scott Fenoglio						
Directly	1,310,009	-	-	-	1,310,009	1,310,009
Indirectly	-	-	-	-	-	-
Total	38,687,909	-	-	8,500,000	45,377,900	50,074,871

⁵ Resigned during the year.

Details of options over the ordinary shares in the Company provided to each director and key management personnel of the Consolidated Entity is set out below. When exercisable, each option is convertible into one ordinary share of the Company.

Options held by Key Management Personnel

Director / Key Management Personnel	No. Options Held at 31 December 2024	Share Based Payments	Exercise of Options	Other Changes	No. Options Held at 31 December 2025	No. Options Held at Date of this Report
Neil Rinaldi						
Directly	-	-	-	-	-	-
Indirectly	-	-	-	-	-	-
Trent Spry						
Directly	-	-	-	-	-	-
Indirectly	1,750,000	-	-	2,000,000	3,750,000	3,750,000
Gregg Peters						
Directly	9,000,000	-	-	-	9,000,000	9,000,000
Indirectly	-	-	-	-	-	-
Ross Warner						
Directly	-	-	-	-	-	-
Indirectly	1,750,000	-	-	2,000,000	3,750,000	3,750,000
Peter Kondrat⁶						
Directly	-	-	-	-	-	N/A
Indirectly	-	-	-	-	-	N/A
Scott Fenoglio						
Directly	-	-	-	-	-	-
Indirectly	-	-	-	-	-	-
Total	12,500,000	-	-	4,000,000	16,500,000	16,500,000

⁶ Resigned during the year.

Details of options over the ordinary shares in the Company provided to each director and key management personnel of the Consolidated Entity is set out below. When exercisable, each option is convertible into one ordinary share of the Company.

Performance Rights held by Key Management Personnel

Director / Key Management Personnel	No. Performance Rights Held at 31 December 2024	Share Based Payments	Conversion of Performance Rights	Other Changes	No. Performance Rights Held at 31 December 2025	No. Performance Rights Held at Date of this Report	No. Vested at 31 December 2025	Fair Value of Grant
Neil Rinaldi								
Directly	3,200,000	-	-	(1,600,000)	1,600,000	1,600,000	1,600,000	\$243,065 ⁷
Indirectly	-	-	-	-	-	-	-	-
Trent Spry								
Directly	15,600,000	-	-	(7,800,000)	7,800,000	7,800,000	7,800,000	\$1,184,942 ⁷
Indirectly	-	-	-	-	-	-	-	-
Gregg Peters								
Directly	-	-	-	-	-	-	-	-
Indirectly	-	-	-	-	-	-	-	-
Ross Warner								
Directly	9,600,000	-	-	(4,800,000)	4,800,000	4,800,000	4,800,000	\$729,195 ⁷
Indirectly	-	-	-	-	-	-	-	-
Peter Kondrat⁸								
Directly	2,000,000	-	-	(2,000,000)	-	-	-	\$286,514 ⁷
Indirectly	-	-	-	-	-	-	-	-
Scott Fenoglio								
Directly	2,000,000	-	-	(2,000,000)	-	-	-	\$263,553 ⁷
Indirectly	-	-	-	-	-	-	-	-
Total	32,400,000	-	-	(18,200,000)	14,200,000	14,200,000	14,200,000	\$2,707,269

⁷ Valued during FY22.

⁸ Resigned during the year.

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The following terms and conditions apply to each of the Performance Rights:

- ① **(Vesting Conditions):** The Performance Rights will vest subject to the satisfaction of the following performance milestones within that timeframe (each a **Milestone**):

Tranche	Milestone	Vesting / Expiry Date	Number of Performance Rights
1	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 ⁹	Directors, COO & Employee: 07-Jan-24 CFO: 18-May-24	20,200,000
2	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 ⁶	Directors, COO & Employee: 07-Jan-24 CFO: 18-May-24	20,200,000
3	Vest and be convertible upon the Company having drilled five (5) separate prospects within two (2) years after issue of the performance right	Directors, COO & Employee: 07-Jul-24 CFO: 18-Nov-24	20,200,000
4	Vest and be convertible upon the Company making a Final Investment Decision (FID) in relation to the development of a facility for the development of a helium project within 2 years after issue of the performance right ⁶	Directors, COO & Employee: 07-Jul-24 CFO: 18-Nov-24	20,200,000
5	Vest and be convertible upon the Company selling helium within 30 months after issue of the performance right ¹⁰	Directors, COO & Employee: 07-Jan-25 CFO: 18-May-25	20,200,000
Total			101,000,000

Transactions with related parties

During the reporting year, there were no related party transactions.

End of Remuneration Report

⁹ Did not vest before expiry date.

¹⁰ 2,000,000 performance rights were cancelled, 16,200,000 performance rights did not vest before expiry date and 2,000,000 performance rights remain in existence.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to payment of dividends.

EVENTS SUBSEQUENT TO REPORTING DATE

There are no matters or circumstances that have arisen since the end of the year which will significantly affect, or may significantly affect, the state of affairs or operations of the Consolidated Entity in future financial years other than the following:

- ① On 2 February 2026 the Company issued 212,741,476 shares at \$0.005 each as part of the entitlements issue announced on 22 December 2025
- ① On 24 March 2026 the Company issued 5,000,000 shares at \$0.006 each as a result of the exercise of options
- ① On 30 March 2026 the Company announced a two tranche placement of 1,666,666,667 shares at \$0.006 each to raise \$10,000,000 of which funds will be received in April 2026 and May 2026
- ① On 30 March 2026 the Company issued 32,143,000 shares at \$0.006 each as a result of the exercise of options

INDEMNIFICATION OF DIRECTORS & COMPANY SECRETARY

The Company has agreed to indemnify the current Directors and Company Secretary of the Consolidated Entity against all liabilities that may arise from their position as directors or officers of the Group to the maximum extent permitted by law.

INDEMNIFYING OFFICERS

During the year, the Company paid a premium to insure officers of the Consolidated Entity. The officers of the Consolidated Entity covered by the insurance policy include all directors, the CFO, senior officers and the company secretary. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Consolidated Entity, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Consolidated Entity or other otherwise excluded by the policy.

PROCEEDINGS ON BEHALF OF COMPANY


There are no proceedings.

AUDITOR'S DECLARATION OF INDEPENDENCE

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this Directors' report. Total fees paid or payable to the Company's auditors Stantons Corporate Finance Pty Ltd for non-audit services provided to the Company during the year ended 31 December 2025 are \$Nil (2024: \$Nil).

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the Corporation Act 2001.

Signed in accordance on behalf of the Directors.



Trent Spry
Managing Director and Chief Executive Officer

31 March 2026

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The Board is committed to achieving and demonstrating the highest standards of corporate governance. Blue Star Helium Limited and its subsidiaries have adopted the third edition of the Corporate Governance Principles and Recommendations released by the ASX Corporate Governance Council.

The Company's corporate governance statement reflects the corporate governance policies that were adopted by the directors of the Company who were in office at the date of this report. These policies have applied since 29 March 2019.

The Company's current Corporate Governance Statement is available on Blue Star Helium Limited's website at: <https://www.bluestarhelium.com/corporate/governance/>

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31 March 2026

Board of Directors
Blue Star Helium Limited
Level 8, London House
216 St Georges Terrace
Perth WA 6000

Dear Directors

RE: BLUE STAR HELIUM LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Blue Star Helium Limited.

As Audit Director for the audit of the financial statements of Blue Star Helium Limited for the year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours sincerely

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

A handwritten signature in black ink, appearing to read "Samir Tirodkar", written over a light blue horizontal line.

Samir Tirodkar
Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
Revenue	3	4,960	8,661
Cost of goods sold	4	-	(94,856)
Gross profit / (loss)		4,960	(86,195)
Other income	3	6,577	(198,101)
Other Expenses	4	(256,843)	(937,929)
Depreciation, depletion, amortisation & accretion	10 & 11	(1,128,390)	(760,847)
Exploration and evaluation expense		(809,191)	(738,368)
Impairment of exploration and evaluation assets	12	-	(2,906,961)
Write-off of exploration and evaluation expenditure	12	(1,234,658)	(3,832,121)
Rehabilitation costs		8,228	16,843
Impairment: right of use assets	11	(996,416)	(1,584,198)
Employment expenses		(1,864,754)	(1,698,902)
Foreign exchange		(85,164)	-
Interest expense		(2,026,006)	(1,222,930)
Share based payment expense	17	60,000	1,194,846
Business development expenses		(131,743)	(168,184)
Legal expenses		(49,778)	(140,125)
(Loss) before tax		(8,503,178)	(13,063,172)
Income tax expense	5	-	-
Net (loss) for the year from operations		(8,503,178)	(13,063,172)
Other comprehensive income			
Exchange differences on translation of foreign entities		(585,801)	(379,838)
Total comprehensive (loss) for the year		(9,088,979)	(13,443,010)
Basic and diluted (loss) per share (cents)	6	(0.28)c	(0.61)c

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents	7	2,164,502	2,691,224
Trade and other receivables	8	1,592,450	202,650
Other assets	9	130,299	344,646
Total Current Assets		3,887,251	3,238,520
Non-Current Assets			
Other assets	9	789,641	156,473
Plant and equipment	10	150	1,196,354
Right of use assets	11	22,404,373	9,023,395
Exploration and evaluation assets	12	13,550,730	9,126,526
Total Non-Current Assets		36,744,894	19,502,748
Total Assets		40,632,145	22,741,268
LIABILITIES			
Current Liabilities			
Trade and other payables	13	5,608,200	472,016
Lease liabilities	14	1,177,807	423,413
Provisions	15	285,876	231,166
Total Current Liabilities		7,071,883	1,126,595
Non-Current Liabilities			
Lease liabilities	14	25,400,117	11,025,689
Provisions	15	247,323	163,658
Total Non-Current Liabilities		25,647,440	11,189,347
Total Liabilities		32,719,323	12,315,942
Net Assets		7,912,822	10,425,326
EQUITY			
Contributed equity	16	44,006,241	36,110,610
Reserves	17	704,942	2,728,304
Accumulated losses		(36,798,361)	(28,413,588)
Total Equity		7,912,822	10,425,326

The accompanying notes form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2025**

Consolidated Entity	Contributed Equity	Foreign Currency Translation Reserve	Share Option Reserve	Share Based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 January 2025	36,110,610	412,455	1,377,561	938,288	(28,413,588)	10,425,326
Loss for the year	-	-	-	-	(8,503,178)	(8,503,178)
Other comprehensive income:						
Foreign exchange on translation of operations	-	(585,801)	-	-	-	(585,801)
Total comprehensive loss for the year	-	(585,801)	-	-	(8,503,178)	(9,088,979)
Transactions with owners in their capacity as owners:						
Equity issues	7,240,000	-	-	-	-	7,240,000
Equity issue expenses	(603,525)	-	-	-	-	(603,525)
Share based payments (net)	-	-	-	(60,000)	-	(60,000)
Adjustments ¹¹	1,259,156	-	(1,377,561)	-	118,405	-
Balance at 31 December 2025	44,006,241	(173,346)	-	878,288	(36,798,361)	7,912,822
Consolidated Entity	Contributed Equity	Foreign Currency Translation Reserve	Share Option Reserve	Share Based Payments Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$	\$
Balance at 1 January 2024	33,411,947	32,617	1,377,561	2,068,200	(14,970,578)	21,919,747
Loss for the year	-	-	-	-	(13,063,172)	(13,063,172)
Other comprehensive income:						
Foreign exchange on translation of operations	-	379,838	-	-	(379,838)	-
Total comprehensive loss for the year	-	379,838	-	-	(13,443,010)	(13,063,172)
Transactions with owners in their capacity as owners:						
Equity issues	3,000,000	-	-	-	-	3,000,000
Equity issue expenses	(301,337)	-	-	-	-	(301,337)
Share based payments	-	-	-	(1,129,912)	-	(1,129,912)
Balance at 31 December 2024	36,110,610	412,455	1,377,561	938,288	(28,413,588)	10,425,326

The accompanying notes form part of these financial statements.

¹¹ Relating to options granted in prior financial years, expired in prior years being reversed during current financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
Cash flows from operating activities			
Receipts from customers		4,931	8,661
Payments to suppliers and employees		(3,127,536)	(2,851,129)
Interest received		6,577	27,134
Interest paid		(2,251)	(2,774)
Net cash (used in) operating activities	7	<u>(3,118,279)</u>	<u>(2,818,108)</u>
Cash flows from investing activities			
Payment for plant and equipment		-	(281,435)
Exploration, evaluation and development expenditure (including licenses acquisition costs)		(6,260,297)	(4,583,452)
Proceeds from farmin to helium assets		4,923,996	2,271,585
Net cash (used in) investing activities		<u>(1,336,301)</u>	<u>(2,593,302)</u>
Cash flows from financing activities			
Proceeds from share issues		6,620,000	3,000,000
Payment for costs of equity issues		(520,167)	(222,449)
Repayment of leases		(2,140,456)	(1,462,224)
Net cash from financing activities		<u>3,959,377</u>	<u>1,315,327</u>
Net (decrease) in cash held		(495,203)	(4,096,083)
Cash and cash equivalents at beginning of the year		2,691,224	6,869,070
Foreign exchange effect on cash and cash equivalents		(31,519)	(81,763)
Cash and cash equivalents at the end of the year	7	<u>2,164,502</u>	<u>2,691,224</u>

The accompanying notes form part of these financial statements.

1. Corporate information

This Annual Report covers Blue Star Helium Limited and the entities it controlled at the end of, or during, the year ended 31 December 2025 (the "Consolidated Entity"). The presentation currency of the Consolidated Entity is Australian Dollars ("A\$"). A description of the Consolidated Entity's operations is included in the review and results of operations in the Directors' Report. The Directors' Report is not part of the financial statements. The Consolidated Entity is a for-profit entity and limited by shares incorporated in Australia whose shares are traded under the ASX code "BNL". The financial statements were authorised for issue on 31 March 2026 by the Directors. The Directors have the power to amend and reissue the financial statements. The principal accounting policies adopted in the preparation of the financial statements are set out below.

2. Material accounting policies

a. Basis of preparation

These general purpose financial statements for the year ended 31 December 2025 have been prepared in accordance with applicable Australian Accounting Standards, the Corporations Act 2001 and other mandatory professional reporting requirements, as appropriate for for-profit oriented entities. These financial statements are to be read in conjunction with any public announcements made by the Company during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001. The principal accounting policies adopted are consistent with those of the previous financial year. The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board.

b. Going concern – material uncertainty

For the year ended 31 December 2025 the consolidated entity incurred a total comprehensive loss of \$9,088,979 (31 December 2024: total comprehensive loss of \$13,443,010) and had working capital deficit of \$3,184,632 (31 December 2024: \$2,111,925 working capital). As a result of these matters, there is a material uncertainty related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial report. The Directors reviewed the cash flow forecasts and working capital requirements of the Consolidated Entity in view of the Consolidated Entity's existing cash resources of \$2,164,502 (31 December 2024: \$2,691,224). On this basis, the Directors consider there are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable, and therefore the going concern basis of preparation is considered to be appropriate for the 31 December 2025 annual financial report. The Company launched a second capital raising in late December 2025, consisting of an equity placement and non-renounceable Rights Issue to raise \$3.78 million in gross proceeds, part funds received during the year and subsequent to year end. Subsequent to the year end, the Company raised a further \$11.06 million in gross proceeds pursuant to an entitlements issue and placing of which funds will be received in April 2026 and May 2026. In the event that the Consolidated Entity is not able to continue as a going concern, it may be required to realise assets and extinguish liabilities other than in the normal course of business and perhaps at amounts different to those stated in its financial report. At this time, the Directors are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 31 December 2025.

2. Accounting policies (continued)

Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Consolidated Entity not continue as a going concern.

c. Principles of consolidation

The consolidated financial statements comprise the financial statements of Blue Star Helium Limited and its subsidiaries during the year ended 31 December 2025 ("the Consolidated Entity"). The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated Entity and cease to be consolidated from the date on which control is transferred out of the Consolidated Entity.

d. Foreign currency translation

Both the functional and presentation currency of Blue Star Helium Limited and its Australian subsidiaries is in Australian dollars (\$). Entities within the Consolidated Entity that are based and operate outside of Australia use the functional currency of the country in which they operate, provided the local economy is not subject to hyperinflation. Each entity in the Consolidated Entity uses its specific functional currency to measure the items included in the financial statements of that entity. Transactions in foreign currency are recorded in the functional currency by applying the exchange ruling at the average monthly rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Non-monetary items that are measured in terms of historic cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate as at the date when fair value was determined. The functional currency of the Consolidated Entity's foreign operations, Blue Star USA Holdings Inc, BNL (Enterprise) Inc and Las Animas Leasing Inc is United States dollars (USD). As at the reporting date the assets and liabilities of these subsidiaries were translated into the presentation currency of Blue Star Helium Limited at the rate of exchange ruling at the balance date and their profit or loss is translated at the average monthly exchange rate. The exchange differences arising on the translation are taken directly to the consolidated statement of profit or loss and other comprehensive income. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the statement of profit or loss and other comprehensive income.

e. Critical accounting estimates, assumptions and judgements

Estimates and assumptions are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Equally, the Consolidated Entity continually employs judgement in the application of its accounting policies.

2. **Accounting policies (continued)**

Critical Accounting Estimates and Assumptions

The Consolidated Entity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

① Impairment of exploration and evaluation assets

The Consolidated Entity's accounting policy for impairment is set out at Note 12. Unless otherwise identified, the following discussion of impairment testing is applicable to the assessment of the recoverable amount of all of the Consolidated Entity's Exploration and Evaluation assets. The Company has valued these assets at the fair value or market price for these assets less impairment.

① Lease accounting

On 30 June 2023 the Company announced that it had entered into a Gas Processing Services Agreement with a third-party midstream company based in the US, IACX Energy LLC. The Company sought out the opinion of a third-party consulting firm as to the accounting treatment for this agreement. This agreement is accounted for as a lease in accordance with AASB 16 requirements now that payments have commenced. During the year, the Company entered into further lease agreements with various lessors and has accounted for these leases in a similar way.

① Restoration obligations

Where a restoration obligation exists, the Consolidated Entity estimates the future removal costs of production facilities, wells and pipelines at the time of installation of the assets. In most instances, removal of assets occurs many years into the future. This requires judgemental assumptions regarding removal date, future environmental legislation, the extent of reclamation activities required, the engineering methodology for estimating cost, future removal techniques in determining the removal cost and asset. For more detail regarding this policy in respect of the provision for restoration refer to Note 15.

① Share based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the options issued are determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

f. Accounting Standards that are mandatorily effective for the current reporting year

The Consolidated Entity has considered the implications of new and amended Accounting Standards which have become applicable for the current financial reporting period.

2. Accounting policies (continued)

There are no changes to accounting policies in period as a result of new accounting standards.

New and Amended Accounting Policies Not Yet Adopted by the Entity

The Consolidated Entity has considered the implications of new and amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material except for:

AASB 18 Presentation and Disclosure in Financial Statements

Effective date of 1 January 2027

AASB 18 Presentation and Disclosure in Financial Statements aims to provide greater consistency in presentation of the income and cash flow statements, and more disaggregated information. The standard will change how companies present their results on the face of the income statement and disclose information in the notes to the financial statements. Certain 'non-GAAP' measures – management performance measures (MPMs) – will now form part of the audited financial statements. There will be three new categories of income and expenses, two defined income statement subtotals and one single note on management-defined performance measures.

The Directors have reviewed other new standards available for adoption and deemed them not to be material as at 31 December 2025.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
3. Revenue and other income		
Royalty	4,960	8,661
Interest income	6,577	27,134
Loss on farmin to helium assets	-	(225,235)
	11,537	(189,440)

Accounting policy:

Revenue is recognised when the Consolidated Entity transfers control of goods to a customer at the amount to which the Consolidated Entity expects to be entitled. Where the consideration promised includes a variable amount, the Consolidated Entity estimates the amount of consideration to which it will be entitled to at the time the revenue is recognised. The following specific recognition criteria must also be met before revenue is recognised:

① *Royalty Revenue – Oil and gas sales*

Revenue from royalties is recognised in the period of production of the underlying oil or gas being produced. Royalty agreements that are based on production, sales and other measures are recognised by reference to the underlying arrangements.

① *Interest*

Revenue is recognised as the interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant year using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

① *Loss on farmin to helium assets*

On 28 August 2024 Blue Star finalized a farm-in agreement with Helium One for a 50% interest in the Galactica/Pegasus Project. Helium One paid US\$1.5 million to Blue Star for prior costs incurred in the project and agreed to fund the drilling of six wells (up to US\$450,000 per well). The loss on farmin to helium assets arose from the US\$1.5 million received compared to 50% of the historical project costs as of the date of the agreement, being US\$1,648,573, resulting in a loss of US\$148,573 at an exchange rate of 0.659635.

4. Cost of goods sold and other expenses

Cost of sales: other production costs	-	(94,856)
	-	(94,856)

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
4. Cost of goods sold and other expenses (continued)		
Other expenses: compliance costs	654,766	747,510
Other expenses: operating expenses ¹²	(1,425,947)	94,856
Other expenses: other	1,028,024	95,563
	<u>256,843</u>	<u>937,929</u>
5. Income tax		
<u>Income tax expense / (benefit)</u>		
Current tax	-	-
Deferred tax	-	-
Under / (over provision) in prior years	-	-
	<u>-</u>	<u>-</u>
<u>Amounts recognised directly in equity</u>		
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity		
Current tax	-	-
Net deferred tax	-	-
	<u>-</u>	<u>-</u>

¹² The credit balance is a result of partner contributions relating to the right of use assets under AASB 16.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
5. Income tax (continued)		
<u>Reconciliation of income tax expense to prima facie tax payable</u>		
Loss from continuing operations before income tax expense	(8,503,178)	(13,063,172)
Tax at the Australian tax rate of 30% (2024: 30%)	(2,550,953)	(3,918,952)
Tax effect of amounts which are non-deductible (taxable) in calculating taxable income:		
• Non-deductible expenses / assessable income ¹³	2,369,337	3,736,277
• Deferred tax asset not brought to account	166,227	163,067
• Movement in unrecognised temporary differences	15,389	19,608
• Non-assessable income	-	-
• Deductible equity raising costs	-	-
	-	-
The applicable weighted average effective tax rates	0%	0%
<u>Unrecognised deferred tax asset</u>		
Tax losses- revenue	16,341,826	16,176,221
Property, plant and equipment	129	-
Expenses taken into equity	619	949
Other temporary differences	111,449	95,871
Temporary differences – tax capital losses	1,265	1,250
	16,455,288	16,274,291
Off-set of deferred tax liabilities	-	(56)
Net deferred tax assets unrecognised	16,455,288	16,274,235

In addition to the Australian carried forward losses and related unrecognised deferred tax assets above, the carried forward tax losses in the US total \$26,558,856 (US\$17,725,168) (31 December 2024: \$19,802,548 (US\$12,275,936)). Both amounts are subject to final lodgement and assessment with their respective tax authorities and any amendments as a result of that process.

¹³ Included in non-deductible expenses / assessable income are expenses related to Helium operations in the US. At the time of this report these are still in the process of assessment with the local tax authorities. Once this is complete it is anticipated a portion of these costs will be recoverable in future taxable periods.

5. *Income tax (continued)*

Accounting policy:

Income tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date. Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax liabilities are recognised for all taxable temporary differences; except:

- ① when the deferred income tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- ① when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised; except:

- ① when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- ① when the deductible temporary difference is associated with investments in subsidiaries, associates and interests in joint ventures, in which case the deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted at the balance date. Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- ① when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- ① receivables and payables which are stated with the amount of GST included.

5. *Income tax (continued)*

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position. Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
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6. *Basic and diluted loss per share*

The following reflects the income and share data used in the basic and diluted loss per share computations:

Net (loss) attributable to ordinary equity holders of the parent (used in calculating basic and diluted loss per share)

(8,503,178)	(13,063,172)
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Consolidated Entity 31 December 2025 No.	Consolidated Entity 31 December 2024 No.
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Weighted average number of ordinary shares outstanding during the year used in calculating basic and dilutive EPS

3,031,062,895	2,130,640,435
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Accounting policy:

Basic EPS is calculated as net profit attributable to members of the parent, adjusted to exclude costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element. Diluted EPS is calculated as the net profit attributed to members of the parent, adjusted for:

- ① costs of servicing equity (other than dividends);
- ① the after-tax effect of dividends and interest associated with the dilutive potential ordinary shares that have been recognised as expenses; and
- ① other non-discretionary changes in revenue and expenses during the year that would result from the dilution of potential ordinary shares;

divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

6. **Basic and diluted loss per share (continued)**

The Consolidated Entity is in a loss position therefore the share-based incentive plans do not affect the diluted earnings per share calculation as potential ordinary shares will be treated as dilute when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share from continuing operations.

Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
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7. **Cash and cash equivalents**

Cash at bank and on hand	2,164,502	2,691,224
	<u>2,164,502</u>	<u>2,691,224</u>

Accounting policy:

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

Reconciliation of net (loss) after tax to net operating cash flows:

Net (loss) for the year	(8,503,178)	(13,063,172)
Exploration expenditure	2,043,849	882,386
Impairment	996,416	8,323,280
Loss on sale of helium assets	-	225,234
Depreciation, depletion and amortisation	1,128,390	760,847
Interest on lease liabilities	2,023,755	1,220,157
Share based payments	(60,000)	(1,194,846)
Foreign exchange	(522,147)	(77,303)
(Increase)/Decrease in receivables and prepayments	(787,766)	65,899
Increase/(Decrease) in creditors and payables	501,305	(33,110)
Increase/(Decrease) in provisions	61,097	72,520
	<u>(3,118,279)</u>	<u>(2,818,108)</u>
Net cash (outflows) from operating activities	(3,118,279)	(2,818,108)

8. **Trade and other receivables**

Other receivables (Helium One partner receivables and other)	1,533,689	184,291
GST refunds	58,761	18,359
	<u>1,592,450</u>	<u>202,650</u>

There are no receivables that are past due.

8. *Trade and other receivables (continued)*

Accounting policy:

An estimate for expected credit loss is made when there is objective evidence that the Consolidated Entity will not be able to collect the full debt. Expected credit losses are written off when identified. Financial difficulties of the debtor and default payments are likely to be considered objective evidence of impairment.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
9. <i>Other assets</i>		
<u>Current</u>		
Inventory ¹⁴	18,560	57,740
Prepaid expenses	111,739	286,906
	<u>130,299</u>	<u>344,646</u>
<u>Non-Current</u>		
Bonds	145,342	156,473
Leased equipment deposit	644,299	-
	<u>789,641</u>	<u>156,473</u>
10. <i>Plant and equipment</i>		
Computer equipment and asset under construction		
- At cost	31,146	1,226,088
- Accumulated depreciation	(30,996)	(29,734)
	<u>150</u>	<u>1,196,354</u>
<i>Reconciliation of the movements in plant and equipment:</i>		
Balance at beginning of year	1,196,354	931,718
Additions	-	205,406
Disposals	-	(644)
Reclassification to exploration and evaluation assets	(1,109,506)	-
Depreciation	(1,729)	(7,529)
Exchange difference on translation: depreciation	-	514
Exchange difference translation: cost	(84,969)	66,889
	<u>150</u>	<u>1,196,354</u>

¹⁴ Inventory relates to spare parts and other sundries to be used in future drilling programs.

10. Plant and equipment (continued)

Accounting policy:

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Property, plant and equipment, other than freehold land, is depreciated to their residual values at rates based on the expected useful lives of the assets concerned. The remaining assets use the straight-line approach at 50%.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate the carrying value may be impaired. The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value. Impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount. For property, plant and equipment, impairment losses are recognised in profit or loss.

Disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
11. Right of use asset		
Right of use asset		
At cost	26,797,659	11,495,523
Accumulated depreciation	(1,831,074)	(786,418)
Provision for impairment	(2,562,212)	(1,685,710)
	22,404,373	9,023,395

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
11. Right of use asset (continued)		
Balance at beginning of year	9,023,395	-
Recognition ¹⁵ / adjustments	16,119,872	11,495,523
Amortisation	(1,100,598)	(786,418)
Exchange difference on translation: amortisation	55,942	32,586
Exchange difference translation: cost	(817,735)	(32,586)
Exchange difference translation: impairment	119,913	-
Provision for impairment	(996,416)	(1,685,710)
	<u>22,404,373</u>	<u>9,023,395</u>
Balance at end of year		

During the period the Consolidated Entity entered into various leases with initial terms of 1 to 6 years. However these leases include options to extend, management have assessed under AASB 16 and reflected the expected the term of the lease including option periods where applicable.

Accounting policy:

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset. Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

¹⁵ Relates to right of use asset, being the Gas Processing Services Agreement with a third-party midstream company based in the US, IACX Energy LLC in the prior year. Relates to the new leases accounted under AASB 16 entered into during the year.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
12. Exploration and evaluation assets		
Capitalised expenditure		
- At cost	14,199,946	8,848,778
- Accumulated amortisation and impairment	-	-
- Exchange difference translation	(649,216)	277,748
	13,550,730	9,126,526
<i>Reconciliation of the movements in capitalised expenditure:</i>		
Balance at beginning of year	9,126,526	14,098,072
Exploration and evaluation expenditure incurred during the year	5,198,572	1,489,788
Reclassification from plant and equipment	1,109,506	-
Impairment and abandonment of exploration and evaluation assets	-	(2,906,961)
Write-off of exploration and evaluation expenditure	(1,234,658)	(3,832,121)
Exchange difference translation: cost	(649,216)	277,748
Balance at end of year	13,550,730	9,126,526

Blue Star Helium Limited has secured leases in Las Animas County, Colorado, USA over a number of prospects and leads to develop and deliver its helium strategy. This leased acreage is intended to support a drilling programme in 2026 and beyond. Currently Blue Star Helium Limited has expended certain funds in connection with acquiring and exploring the lands for helium.

During the year, the Consolidated Entity wrote off costs related to expenditure associated with the Wiepking-Fullerton Energy LLC agreement and certain acreage leases that were not extended. As at 31 December 2025 there was a total of \$13,550,730 (31 December 2024: \$9,126,526) of expenditure directly connected with this asset which has been capitalised from 1 October 2019 in accordance with AASB 6 Exploration and Evaluation of Mineral Resources. During 2024 the Company impaired and wrote off Exploration and Evaluation costs related to the drilling of the BBB #33 and Bolling #4, historical G&G costs, and leasehold delay rentals.

12. *Exploration and evaluation assets (continued)*

Accounting policy:

Expenditure on exploration and evaluation is accounted for in accordance with the "area of interest" method. Exploration licence acquisition costs are capitalised and subject to half-yearly impairment testing. All exploration and evaluation costs, including general permit activity, geological and geophysical costs and new venture activity costs are expensed as incurred except where:

- ① The expenditure relates to an exploration discovery where, at balance date, an assessment of the existence or otherwise of economically recoverable reserves is not yet complete and significant operations in, or in relation to, the area of interest are continuing; or
- ② An assessment has been made and it is expected that the expenditure will be recouped through successful exploitation of the area of interest, or alternatively, by its sale.

The costs of drilling exploration wells are initially capitalised pending the results of the well. Costs are expensed where the well does not result in the successful discovery of economically recoverable hydrocarbons or helium. Areas of interest may be recognised at either the field or the well level, depending on the nature of the project. Subsequent to the recognition of an area of interest, all further costs relating to the area of interest are capitalised. Each potential or recognised area of interest is reviewed half-yearly to determine whether economic quantities of reserves have been found or whether further exploration and evaluation work is underway or planned to support the continued carry forward of capitalised costs. Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to oil, gas and helium properties. The recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Impairment

At each reporting date, the Consolidated Entity assesses whether there is any indication that an asset may be impaired. If any such indication of impairment exists, or when annual impairment testing for an asset is required, the Consolidated Entity makes a formal estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of fair value less costs to sell and its value in use.

It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases, the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash generating unit is considered impaired and is written down to its recoverable amount. In assessing value in use, an assessment is made as to whether the Company intends to make substantive expenditures on the asset and the carrying amount of the assets is assessed against the market capitalisation of the Company.

The Board has considered the current status of technical commissioning and concluded that the Consolidated Entity remains in a critical operational appraisal phase. Accordingly, the Board has determined that these assets continue to meet the definition of exploration and evaluation expenditure in accordance with IFRS 6.

12. Exploration and evaluation assets (continued)

Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at a revalued amount (in which case the impairment loss is treated as a revaluation decrease). Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit).

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
13. Trade and other payables		
Trade creditors and other accruals	<u>5,608,200</u>	472,016
	<u>5,608,200</u>	<u>472,016</u>

Accounting policy:

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year that are unpaid and arise when the Consolidated Entity becomes obliged to make future payments in respect of the purchase of these goods and services. There are no amounts past due.

14. Lease liabilities

Current

Lease liabilities ¹⁶	<u>1,177,807</u>	423,413
	<u>1,177,807</u>	<u>423,413</u>

Non-Current

Lease liabilities ¹⁶	<u>25,400,117</u>	11,025,689
	<u>25,400,117</u>	<u>11,025,689</u>

Each of BNL (Enterprise) Inc and Las Animas Leasing Inc granted security interests over their interests in the Voyager project mineral leases to IACX Energy LLC to secure amounts payable to it pursuant to the Master Services Agreement (for gas processing) entered into between IACX Energy LLC and BNL (Enterprise) Inc. Interest expense on lease liabilities for the year totalled \$2,023,755 (31 December 2024: \$1,220,157) and cash outflows for lease repayments for the year totalled \$2,140,456 (31 December 2024: \$1,462,224).

¹⁶ The lease is for the IACX Energy processing plant with an initial term of 3 years with the option to extend for a further 7 years using an interest rate of 1.25% in the prior year. Relates to the new leases accounted under AASB 16 entered into during the year. Refer to Note 18.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
15. Provisions		
<u>Current</u>		
Employee benefits	285,876	231,166
	285,876	231,166
<u>Non-Current</u>		
Employee benefits	28,358	21,971
Restoration	218,965	141,687
	247,323	163,658
<i>Reconciliation of the movements in the restoration provision:</i>		
Balance at start of year	141,687	72,136
Additions during the year	95,894	112,235
Utilisation of provision	(13,882)	(12,113)
Reversal of provision	5,345	(37,700)
Foreign exchange movements	(10,079)	7,129
Balance at end of year	218,965	141,687

The restoration obligations are expected to be incurred over a period from 1 to 15 years. The Company has recognised a provision for restoration related to the estimated cost of restoration work required at the end of the useful life of the wellbores it owns, including removal of facilities and equipment required or intended to be removed. These provisions have been created based on the Company's estimate. These estimates are reviewed regularly to consider any material changes to the assumptions. However actual decommissioning costs will ultimately depend upon future market prices for the necessary decommissioning works required which will reflect market conditions at the relevant time. These estimates of restoration are subject to significant estimates and assumptions which are outlined in the accounting policy note.

Accounting policy:

Provisions are recognised when the Consolidated Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

15. *Provisions (continued)*

Liabilities for wages and salaries, and other short-term benefits expected to be settled within 12 months of the reporting date are recognised in current provisions in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

Restoration provision

The Consolidated Entity records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the year in which the obligation arises. The nature of restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas. Typically, the obligation arises when the asset is installed at the production location. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related oil and gas properties. Costs incurred that relate to an existing condition caused by past operations, and do not have future economic benefit, are expensed.

	Consolidated Entity 31 December 2025		Consolidated Entity 31 December 2024	
	No.	\$	No.	\$
16. <i>Contributed equity</i>				
Balance at beginning of year	2,694,885,299	36,110,610	1,942,265,281	33,411,947
Share issue from performance rights conversion: 28-Jun-24	-	-	2,620,018	-
Share issue from placement: 16-Sep-24	-	-	486,221,323	1,944,885
Share issue from placement: 30-Oct-24	-	-	263,778,677	1,055,115
Share issue from placement: 07-Aug-25	673,000,000	3,365,000	-	-
Share issue from placement: 25-Sep-25	235,000,000	1,175,000	-	-
Share issue from placement: 30-Dec-25	540,000,000	2,700,000	-	-
Adjustments ¹⁷	-	1,259,156	-	-
Share issue costs	-	(603,525)	-	(301,337)
Balance at end of year	4,142,885,299	44,006,241	2,694,885,299	36,110,610

Accounting policy:

Issued and paid-up capital is recognised at the fair value of the consideration received by the Consolidated Entity. Any share issue costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the proceeds received.

¹⁷ Arising from options granted in prior financial years, expired in prior years being reversed during current financial year.

16. *Contributed equity (continued)*

Capital management

When managing capital, the Board's objective is to ensure the Consolidated Entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. Management monitors capital by reviewing the level of cash on hand, cash flow forecasts and working capital requirements of the Consolidated Entity in view of the Consolidated Entity's existing cash resources of \$2,164,502 (31 December 2024: \$2,691,224) and ability of the Company to raise capital as needed.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
17. Reserves		
<u>Foreign currency translation reserve</u>		
Balance at beginning of year	412,455	32,617
Foreign exchange on translation of operations	(585,801)	379,838
Balance at end of year	(173,346)	412,455
<u>Options reserve</u>		
Balance at beginning of year	1,377,561	1,377,561
Adjustments ¹⁸	(1,377,561)	-
Balance at end of year	-	1,377,561

¹⁸ Arising from options granted in prior financial years, expired in prior years being reversed during current financial year.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
17. Reserves (continued)		
<u>Share based payments</u>		
Balance at beginning of year	938,288	2,068,200
Options granted	-	78,888
Performance rights granted ¹⁹	-	-
Performance rights cancelled	-	(120,000)
Performance rights expired	(60,000)	-
Revaluation of performance rights	-	(1,088,800)
Balance at end of year	878,288	938,288
Total reserves	704,942	2,728,304
	Consolidated Entity 31 December 2025 No.	Consolidated Entity 31 December 2024 No.
<u>Unlisted options</u>		
Balance at beginning of year	477,914,401	26,194,726
Options granted	-	93,914,401
Options free-attaching	724,000,000	375,000,000
Options expired	-	(17,194,726)
Balance at end of year	1,201,914,401	477,914,401

¹⁹ A total of 24,000,000 tranche 1-5 unlisted performance rights expiring 7 January 2024 to 7 January 2025 were granted to Ross Warner; a total of 39,000,000 tranche 1-5 unlisted performance rights expiring 7 January 2024 to 7 January 2025 were granted to Trent Spry; a total of 8,000,000 tranche 1-5 unlisted performance rights expiring 7 January 2024 to 7 January 2025 were granted to Neil Rinaldi; and a total of 10,000,000 tranche 1-5 unlisted performance rights expiring 7 January 2024 to 7 January 2025 were granted to Peter Kondrat on 7 July 2022. A total of 10,000,000 tranche 1-5 unlisted performance rights expiring 18 May 2024 to 18 May 2025 were granted to Scott Fenoglio on 18 November 2022. A total of 10,000,000 tranche 1-5 unlisted performance rights expiring 7 January 2024 to 7 January 2025 were granted to an employee on 27 October 2023. The performance rights granted to Ross Warner, Trent Spry and Neil Rinaldi were approved by shareholders at the 31 May 2022 annual general meeting. The performance rights granted to Peter Kondrat, Scott Fenoglio and the employee were issued using the Company's ASX LR 7.1 (15%) capacity.

	Consolidated Entity 31 December 2025 No.	Consolidated Entity 31 December 2024 No.
17. Reserves (continued)		
<u>Unlisted performance rights</u>		
Balance at beginning of year	32,400,000	101,000,000
Performance rights granted	-	-
Performance rights expired	(18,200,000)	(59,979,982)
Performance rights cancelled	-	(6,000,000)
Performance rights converted	-	(2,620,018)
	<hr/>	<hr/>
Balance at end of year	14,200,000	32,400,000
	<hr/>	<hr/>

17. Reserves (continued)

Inputs	Director Performance Rights	Employee Performance Rights	Employee Performance Rights	Employee Performance Rights
Number of performance rights at year end	28,400,000	2,000,000	2,000,000	Nil
Exercise price	\$Nil	\$Nil	\$Nil	\$Nil
Expiry date	Varies between 7 July 2024 & 7 January 2025	Varies between 7 July 2024 & 7 January 2025	Varies between 18 November 2024 & 18 May 2025	Expires 7 January 2025, cancelled 12 April 2024
Grant date	7 July 2022	7 July 2022	18 November 2022	27 October 2023
Vesting date	Upon vesting conditions being met and convertible at the holders' discretion	Upon vesting conditions being met and convertible at the holders' discretion	Upon vesting conditions being met and convertible at the holders' discretion	Upon vesting conditions being met and convertible at the holders' discretion
Vesting conditions	Tranche 1: vest and be convertible upon: the Company publicly reporting two (2) independently certified helium discoveries; and the Company's achieving a 20-day VWAP of \$0.10 or more, within 18 months after issue of the performance right Tranche 2: vest and be convertible upon the Company publicly reporting: Independently certified helium reserves; and 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	Tranche 1: vest and be convertible upon: the Company publicly reporting two (2) independently certified helium discoveries; and the Company's achieving a 20-day VWAP of \$0.10 or more, within 18 months after issue of the performance right Tranche 2: vest and be convertible upon the Company publicly reporting: Independently certified helium reserves; and 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	Tranche 1: vest and be convertible upon: the Company publicly reporting two (2) independently certified helium discoveries; and the Company's achieving a 20-day VWAP of \$0.10 or more, within 18 months after issue of the performance right Tranche 2: vest and be convertible upon the Company publicly reporting: Independently certified helium reserves; and 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	Tranche 1: vest and be convertible upon: the Company publicly reporting two (2) independently certified helium discoveries; and the Company's achieving a 20-day VWAP of \$0.10 or more, within 18 months after issue of the performance right Tranche 2: vest and be convertible upon the Company publicly reporting: Independently certified helium reserves; and 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

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	20 Bcf; or (iii) P10 greater than 30 Bcf, within 18 months after issue of the performance right Tranche 3: vest and be convertible upon the Company having drilled five (5) separate prospects within two (2) years after issue of the performance right Tranche 4: vest and be convertible upon the Company making a Final Investment Decision (FID) in relation to the development of a facility for the development of a helium project within 2 years after issue of the performance right Tranche 5: vest and be convertible upon the Company selling helium within 30 months after issue of the performance right	20 Bcf; or (iii) P10 greater than 30 Bcf, within 18 months after issue of the performance right Tranche 3: vest and be convertible upon the Company having drilled five (5) separate prospects within two (2) years after issue of the performance right Tranche 4: vest and be convertible upon the Company making a Final Investment Decision (FID) in relation to the development of a facility for the development of a helium project within 2 years after issue of the performance right Tranche 5: vest and be convertible upon the Company selling helium within 30 months after issue of the performance right	20 Bcf; or (iii) P10 greater than 30 Bcf, within 18 months after issue of the performance right Tranche 3: vest and be convertible upon the Company having drilled five (5) separate prospects within two (2) years after issue of the performance right Tranche 4: vest and be convertible upon the Company making a Final Investment Decision (FID) in relation to the development of a facility for the development of a helium project within 2 years after issue of the performance right Tranche 5: vest and be convertible upon the Company selling helium within 30 months after issue of the performance right	20 Bcf; or (iii) P10 greater than 30 Bcf, within 18 months after issue of the performance right Tranche 3: vest and be convertible upon the Company having drilled five (5) separate prospects within two (2) years after issue of the performance right Tranche 4: vest and be convertible upon the Company making a Final Investment Decision (FID) in relation to the development of a facility for the development of a helium project within 2 years after issue of the performance right Tranche 5: vest and be convertible upon the Company selling helium within 30 months after issue of the performance right
Share price at grant date	\$0.03	\$0.03	\$0.03	\$0.02
Risk free interest rate	2.725%	2.725%	3.053%	4.282%
Volatility	85%	85%	85%	80%
Performance rights value (total)	\$Nil (Tranche 1 and 2 did not vest and Tranche 4 expired subsequent to the period end and the fair value has been adjusted to reflect updated probabilities)	\$Nil (Tranche 1 and 2 did not vest and Tranche 4 expired subsequent to the period end and the fair value has been adjusted to reflect updated probabilities)	\$Nil (Tranche 1 and 2 did not vest and Tranche 4 expired subsequent to the period end and the fair value has been adjusted to reflect updated probabilities)	\$Nil

17. Reserves (continued)

Non-performance based options

Inputs	Director Options	Free-attaching Placement Options	Broker Options	Free-attaching Placement Options
Number of options	9,000,000	375,000,000	93,914,401	454,000,000
Exercise price	\$0.028	\$0.01	\$0.01	\$0.01
Expiry date	11-Sep-27	30-Oct-26	30-Oct-26	25-Sep-27
Grant date	10-Sep-23	30-Oct-24	30-Oct-24	25-Sep-25
Vesting date	3,000,000 – 10-Sep-24 3,000,000 – 10-Sep-25 3,000,000 – 10-Sep-26	30-Oct-24	30-Oct-24	25-Sep-25
Share price at grant date	\$0.025	\$0.004	\$0.004	\$0.007
Risk free interest rate	3.85%	N/A	3.99%	N/A
Volatility	251%	N/A	80%	N/A
Option value	\$0.025	\$Nil	\$0.00084	\$Nil

Accounting policy:

The Consolidated Entity provides benefits to directors and employees of the Consolidated Entity in the form of equity, whereby directors and employees render services in exchange for shares, options to acquire shares or rights over shares. The cost of these equity-settled transactions with employees and directors is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using an appropriate model. In valuing equity-settled transactions, account is taken of performance conditions where the conditions are linked to the price of the shares of Blue Star Helium Limited. The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the year in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) for non-market-based hurdles, the extent to which the hurdle has been satisfied. Consolidated Entity's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for changes in the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of the fair value at grant date. The profit or loss charge or credit for a year represents the movement in cumulative expense recognised as at the beginning and end of that year. The dilutive effect, if any, of outstanding securities is reflected as additional share dilution in the computation of earnings per share.

Options / performance rights reserve

The options / performance rights reserve is used to record the value of share-based payments and other options purchased by/provided to Key Management Personnel, and other parties as part of their remuneration, or for the provision of services.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the conversion of the financial statement of foreign subsidiaries.

18. Financial risk management objectives and policies

The Company and the Consolidated Entity have exposure to the following risks from their use of financial instruments:

- market risk;
- liquidity risk; and
- credit risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is responsible for developing and monitoring risk management policies. The Consolidated Entity's principal financial instruments comprise cash at bank. The main purpose of these financial instruments is to provide working capital for the Consolidated Entity's operations. The Consolidated Entity has various other financial instruments such as trade creditors, which arise directly from its operations. Throughout the year under review, the Consolidated Entity's policy is that no trading in financial instruments shall be undertaken. The main risks arising from the Consolidated Entity's financial instruments are market risk (which includes equity price risk, interest rate risk, foreign currency risk and commodity risk), liquidity risk and credit risk. The Board reviews and agrees on policies for managing each of these risks and they are summarised below:

○ **Market risk**

Equity price risk

As at 31 December 2025 there is no material equity risk for the Company.

Interest rate risk

At balance date the Consolidated Entity's exposure to market risk for changes in interest rates relates primarily to the Company's cash at bank. As at 31 December 2025 there is no material interest rate risk for the Company. Leases repayments do not include interest and the interest charge for period is calculated under AASB 16 but Consolidated Entity is not exposed to external interest rates.

Foreign currency risk

As a result of the Company's operations in the USA being denominated in USD, the Consolidated Entity's Statement of Financial Position can be affected significantly by movements in the USD/AUD exchange rates. The Company does not hedge this translational risk exposure. The Consolidated Entity manages its foreign exchange risk by constantly reviewing its exposure to commitments payable in foreign currency and ensuring appropriate cash balances are maintained in United States Dollars, to meet current operational commitments. At 31 December 2025 the Consolidated Entity had no forward foreign exchange contracts in place.

Commodity price risk

The Consolidated Entity is exposed to commodity price fluctuations through the sale of petroleum products denominated in US dollars – specifically the natural gas, condensate and oil prices in the USA. The Consolidated Entity will have a future price risk to helium and CO₂ prices once wells enter production. There are no contracts for sales, no off take agreement, no future contracts in place, thus at year end, no exposure to commodity risk.

18. *Financial risk management objectives and policies (continued)*

🕒 **Liquidity risk**

The Consolidated Entity's objective is to maintain a balance between continuity of funding and flexibility through the use of its cash and funding alternatives. The Consolidated Entity manages liquidity risk by maintaining adequate funds through the monitoring of future rolling cash flow forecasts of its operations, which reflect management's expectations of the settlement of financial assets and liabilities. The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of any netting agreements.

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
0-6 months	(2,542,623)	(1,431,822)
6-12 months	(2,543,126)	(1,161,446)
1-5 years	(20,978,386)	(11,695,114)
> 5 years	(24,141,478)	(7,549,398)
	(50,205,613)	(21,837,780)

The following table discloses the contractual maturity analysis of financial assets and liabilities as at the end of the financial year:

	<6 Months	6-12 Months	1-5 Years	>5 Years	Total
31 December 2025					
<u>Financial assets</u>					
Cash and cash equivalents	2,164,502	-	-	-	2,164,502
Trade and other receivables	1,592,450	-	-	-	1,590,450
Deposits	-	-	-	789,641	789,641
	3,756,952	-	-	789,641	4,546,593
<u>Financial liabilities</u>					
Trade and other payables	(5,608,200)	-	-	-	(5,608,200)
Lease liabilities	(2,542,623)	(2,543,126)	(20,978,386)	(24,141,478)	(50,205,613)
	(8,150,823)	(2,543,126)	(20,978,386)	(24,141,478)	(55,813,813)
Net inflow / (outflow)	(4,393,871)	(2,543,126)	(20,978,386)	(23,351,837)	(51,267,220)

18. *Financial risk management objectives and policies (continued)*

	<6 Months	6-12 Months	1-5 Years	>5 Years	Total
31 December 2024					
<u>Financial assets</u>					
Cash and cash equivalents	2,691,224	-	-	-	2,691,224
Trade and other receivables	202,650	-	-	-	202,650
Deposits	-	156,473	-	-	156,473
	2,893,874	156,473	-	-	3,050,347
<u>Financial liabilities</u>					
Trade and other payables	(472,016)	-	-	-	(472,016)
Lease liabilities	(959,806)	(1,161,446)	(11,695,114)	(7,549,398)	(21,365,764)
	(1,431,822)	(1,161,446)	(11,695,114)	(7,549,398)	(21,837,780)
Net inflow / (outflow)	1,462,052	(1,004,973)	(11,695,114)	(7,549,398)	(18,787,433)

○ **Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. Credit risk arises from the financial assets of the Consolidated Entity, which comprise cash and cash equivalents, trade and other receivables. The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Consolidated Entity's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained. Exposure at balance date is addressed in each applicable note. The Consolidated Entity does not hold any credit derivatives to offset its credit exposure. The Consolidated Entity trades only with recognised, creditworthy third parties and has adopted a policy of dealing with creditworthy counterparts and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. Specific concentration of credit risk exists primarily within cash and cash equivalents. As at 31 December 2025 receivables consist of receivables from the partner in the Galactica/Pegasus project and GST receivable. The Consolidated Entity does have a significant credit risk exposure to the provider of its helium facility (IACX Energy LLC) as that facility will be the sole source of helium revenue in Las Animas county in the near term. The carrying amount of financial assets recorded in the financial statements, net of any allowance for impairment losses, represents the Consolidated Entity's maximum exposure to credit risk.

○ **Fair value**

All assets and liabilities for which fair value is disclosed in the financial statements are categorised within the fair value hierarchy, described below as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

18. **Financial risk management objectives and policies (continued)**

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The Directors consider that the carrying amount of the financial assets and liabilities recorded in the financial statements approximate their fair values.

19. **Operating segments**

For management purposes, the Company is organised into one main operating segment, which involves helium (including oil and gas) exploration, development and production in the USA. All the Company's activities are interrelated, and discrete financial information is reported to the Chairman and the management team as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Company as one segment. The financial results from this segment are equivalent to the financial statements of the Consolidated Entity as a whole. The Consolidated Entity derives its revenue from the sale of gas, condensate & NGL's produced in the USA. During the reporting periods ended 31 December 2025 and 31 December 2024 external sales of gas, condensate & NGL's were made to customers solely located in the USA.

	US	Corporate	Total
31 December 2025			
Segment revenue	4,960	6,577	11,537
Segment assets	37,744,285	2,267,860	40,012,145
Segment liabilities	(32,112,828)	(606,495)	(32,719,323)
31 December 2024			
Segment revenue	(216,574)	27,134	(189,440)
Segment assets	20,169,978	2,571,290	22,741,268
Segment liabilities	(11,927,634)	(388,308)	(12,315,942)

Consolidated Entity	Consolidated Entity
31 December 2025	31 December 2024
\$	\$

20. **Auditor's remuneration**

The auditor of Blue Star Helium Limited is Stantons International. Amounts received or due and receivable in relation to the entity or any other entity in the Consolidated Entity:

Audit or review of the financial report	62,818	55,369
	62,818	55,369

20. Auditor's remuneration (continued)

Total fees paid or payable to the entity related to the Company's auditors Stantons Corporate Finance Pty Ltd for non-audit services provided to the Company during the year ended 31 December 2025 were \$Nil (2024: \$Nil).

21. Director and KMP disclosures

The following persons were either Directors or key management personnel of Blue Star Helium Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Title
Neil Rinaldi	Non-Executive Chairman
Trent Spry	Managing Director and Chief Executive Officer
Gregg Peters	Non-Executive Director
Ross Warner	President, Commercial & Legal
Shane Gillespie	President
Peter Kondrat	Chief Operating Officer (resigned during the year)
Scott Fenoglio	Chief Financial Officer

	Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
<u>Compensation by Category: Key Management Personnel</u>		
Short-Term (including bonus)	1,206,089	1,310,003
Post-Employment	66,257	58,822
Long-Term	-	-
Share-based Payments	(60,000)	(1,088,800)
	1,212,346	280,025

During the year ended 31 December 2025 and the year ended 31 December 2024 there were no loans provided to Key Management Personnel. There was an amount of \$Nil accrued at 31 December 2025 (2024: \$Nil) relating to business expenses incurred by Directors. There were no transactions with Key Management Personnel other than those described above. At 31 December 2025 and 31 December 2024 there were no balances outstanding in relation to Key Management Personnel other than those described above and in the Remuneration Report.

	Company 31 December 2025 \$	Company 31 December 2024 \$
22. Parent Entity information		
Current Assets	2,887,709	2,569,411
Non-Current Assets	150	1,880
Total Assets	2,887,859	2,571,291
Current Liabilities	578,137	366,338
Non-Current Liabilities	28,358	21,971
Total Liabilities	606,495	388,309
Net Assets	2,281,364	2,182,982
EQUITY		
Contributed equity	44,006,241	36,110,610
Reserves	878,288	2,315,849
Accumulated losses	(42,603,165)	(36,243,477)
Total Equity	2,281,364	2,182,982
(Loss) for the year	(6,478,092)	(5,327,156)
Total comprehensive (loss) for the year	(6,478,092)	(5,327,156)

There are no commitments or contingencies other than those disclosed in this report. There are no cross guarantees with subsidiaries.

23. Events after the end of the reporting period

There are no matters or circumstances that have arisen since the end of the period which will significantly affect, or may significantly affect, the state of affairs or operations of the Consolidated Entity in future financial years other than the following:

- ① On 2 February 2026 the Company issued 212,741,476 shares at \$0.005 each as part of the entitlements issue announced on 22 December 2025
- ① On 24 March 2026 the Company issued 5,000,000 shares at \$0.006 each as a result of the exercise of options
- ① On 30 March 2026 the Company announced a two tranche placement of 1,666,666,667 shares at \$0.006 each to raise \$10,000,000 of which funds will be received in April 2026 and May 2026
- ① On 30 March 2026 the Company issued 32,143,000 shares at \$0.006 each as a result of the exercise of options

Consolidated Entity 31 December 2025 \$	Consolidated Entity 31 December 2024 \$
---	---

24. Commitments and contingencies

The Consolidated Entity is planning to undertake a drilling programme in 2026 but as at 31 December 2025 it is not formally committed. The material commitments relating to operating and exploration expenditure include leasehold and surface rental payments and monthly service payments for the Helium Recovery Unit:

< 1 year	286,521	510,891
1 – 5 years	964,830	1,918,317
> 5 years	56,743	119,636
	1,308,094	2,548,844

On 30 June 2023 the Company announced that it had entered into a Gas Processing Services Agreement with a third-party midstream company based in the US, IACX Energy LLC. The Company sought out the opinion of a third-party consulting firm as to the accounting treatment for this agreement. The agreement is accounted for as a lease in accordance with AASB 16 requirements now that payments have commenced. During the year, the Company entered into further lease agreements with various lessors and has accounted for these leases in a similar way. Refer to Notes 14 and 18.

a. Contingent assets

There are no contingent assets as at 31 December 2025.

b. Contingent liabilities

There are no contingent liabilities as at 31 December 2025.

Company Name	Entity Type	Place of Incorporation	Place of Tax Residency	31 December 2025 % Ownership	31 December 2024 % Ownership
<u>Controlled by Blue Star Helium Limited:</u>					
BNL (USA Helium) Pty Ltd	Company	Australia	Australia	100%	100%
<u>Controlled by BNL (USA Helium) Pty Ltd:</u>					
Blue Star USA Holdings Inc ²⁰	Company	USA	USA	100%	100%
<u>Controlled by Blue Star USA Holdings Inc:</u>					
BNL (Enterprise) Inc	Company	USA	USA	100%	100%
Las Animas Leasing Inc	Company	USA	USA	100%	100%

Blue Star Helium Limited (the “parent entity”) and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime.

Basis of preparation

Key assumptions and judgements

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* requires that the tax residency of each entity which is included in the Consolidated Entity Disclosure Statement (CEDS) be disclosed. For the purposes of this section, an entity is an Australian resident at the end of a financial year if the entity is:

- a. an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- b. a partnership, with at least one partner being an Australian resident (within the meaning of the *Income Tax Assessment Act 1997*) at that time; or
- c. a resident trust estate (within the meaning of Division 6 of Part III of the *Income Tax Assessment Act 1936*) in relation to the year of income (within the meaning of that Act) that corresponds to the financial year.

²⁰ Blue Star USA Holdings Inc was incorporated 21 November 2023.

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**CONSOLIDATED ENTITY DISCLOSURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

The determination of tax residency involves judgment as the determination of tax residency is highly fact dependent and there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. In determining tax residency, the consolidated entity has applied the following interpretations:

- *Australian tax residency*

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Commissioner of Taxation's public guidance in Tax Ruling TR 2018/5.

- *Foreign tax residency*

The consolidated entity has applied current legislation and where available judicial precedent in the determination of foreign tax residency. Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

In accordance with a resolution of Directors of Blue Star Helium Limited, the Directors declare that:

- ① they are of the opinion that the Consolidated financial statements and Notes of Blue Star Helium Limited, and the remuneration disclosures contained in the Remuneration Report for the year ended 31 December 2025 are in accordance with the Corporations Act 2001, including:
 - giving a true and fair view of the financial position as at 31 December 2025 and the performance for the year ended on that date of the Consolidated Entity; and
 - complying with Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and
- ① the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and
- ① apart from items described in Note 2(b), in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

The consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of the Directors.

On behalf of the directors



Trent Spry
Managing Director and Chief Executive Officer

31 March 2026

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF
BLUE STAR HELIUM LIMITED****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Blue Star Helium Limited ("the Company") and its subsidiaries ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board (the Code) that are relevant to our audits of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

As referred to in Note 2(b) to the financial statements, the consolidated financial statements have been prepared on the going concern basis. At 31 December 2025, the Group had an working capitals deficit of \$3,184,632 and incurred a loss after income tax of \$8,503,178.

These events or conditions, along with other matters as set forth in Note 2(b), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. The ability of the Group to continue as a going concern and meet its planned exploration, administration and other commitments is dependent upon the Group raising further working capital and/or successfully exploiting its mineral assets. In the event that the Group is not successful in raising further equity or successfully exploiting its mineral assets, the Group may not be able to meet its liabilities as and when they fall due and the realisable value of the Group's current and non-current assets may be significantly less than book values.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be Key Audit Matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in the audit
<p>Carrying Value of Exploration and Evaluation Assets</p> <p>As at 31 December 2025, Exploration and Evaluation Assets totalled \$13,550,730 (refer to Note 12 of the financial report).</p> <p>The carrying value of exploration and evaluation assets is a key audit matter due to:</p> <ul style="list-style-type: none"> • The significance of the expenditure capitalised representing 33% of total assets; • The necessity to assess management's application of the requirements of the accounting standard Exploration for and Evaluation of Mineral Resources ("AASB 6"), in light of any indicators of impairment that may be present; and • The assessment of significant judgements made by management in relation to the capitalised exploration and evaluation expenditure. 	<p>Inter alia, our audit procedures included the following:</p> <ol style="list-style-type: none"> i. Assessing the Group's right to tenure over exploration assets by corroborating the ownership of the relevant licences for mineral resources on a sample basis; ii. Reviewing the director's assessment of status of its Helium exploration project and its compliance with AASB 6, iii. Reviewing the directors' assessment of the carrying value of the capitalised exploration and evaluation costs, ensuring the veracity of the data presented and assessing management's consideration of potential impairment indicators, and the stage of the Group's projects also against AASB 6; iv. Evaluation of Group documents for consistency with the intentions for continuing exploration and evaluation activities in areas of interest and corroborated in discussions with management. The documents we evaluated included: <ul style="list-style-type: none"> ▪ Minutes of the board and management; and ▪ Announcements made by the Group to the Australian Securities Exchange; and v. Consideration of the requirements of accounting standard AASB 6 and reviewed the financial statements to ensure appropriate disclosures are made.

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Lease Accounting

As disclosed in note 11 of the financial report, the company agreed during the year to various new lease agreements which are capitalised in addition to its existing lease Right of use of assets..

The application of AASB 16 ("Leases") required management to assess each active contract to which the company is party to and to identify whether it is, or it contains, a lease. Further, management was also required to make significant judgements in the initial accounting for, and subsequently measurement of, these leases, including:

- determining the commencement date of the lease and its term;
- establishing the lease term including any renewal options that are reasonably certain to be elected;
- the evaluation of subsequent contract modifications, including impairment of Right of use assets; and
- determining the incremental borrowing rate to be applied to historic leases.

We considered this area to be a key audit matter given the magnitude of the amounts involved, the complex nature of these transactions and the significant judgements in the application of lease accounting.

Inter alia, our audit procedures included the following:

- i. Examining the various lease agreements.
- ii. Reviewing and assessing management assumptions on the application of the lease contracts under AASB 16 including terms of the lease agreements;
- iii. Reviewing and assessing the Right of Use asset calculation and lease liabilities
- iv. Considering the adequacy of the financial report disclosures contained in Note 11 in relation to AASB 16.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and for such internal control as the directors determine is necessary to enable the preparation of:
 - i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
 - ii) the consolidated entity disclosure statement that is true and correct and is free from misstatement whether due to fraud and error.



In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal control that we identify during our audit.

The Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements. We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report of Blue Star Helium Limited for the year ended 31 December 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(An Authorised Audit Company)

Stantons International Audit and Consulting Pty Ltd
Samir

Samir Tirodkar
Director
West Perth, Western Australia
31 March 2026

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As at 24 March 2026

Issued Securities

	Listed on ASX	Unlisted	Total
Fully paid ordinary shares	4,360,626,775	-	4,360,626,775
\$0.006 unlisted options expiring 30-Jun-26	-	265,000,000	265,000,000
\$0.01 unlisted options expiring 31-Oct-26	-	468,914,401	468,914,401
\$0.028 unlisted options expiring 11-Sep-27	-	9,000,000	9,000,000
\$0.028 unlisted options expiring 25-Sep-27	-	454,000,000	454,000,000
Tranche 3 performance rights expiring 07-Jul-24	-	14,200,000	14,200,000
Total	4,360,626,775	1,211,114,401	5,571,741,176

Distribution of Listed Ordinary Fully Paid Shares

Spread of Holdings	Number of Holders	Number of Units	% of Total Issued Capital
1 - 1,000	168	41,529	0.00%
1,001 - 5,000	39	95,409	0.00%
5,001 - 10,000	87	783,570	0.02%
10,001 - 100,000	1,220	57,600,018	1.32%
100,001 - and over	1,524	4,302,106,249	98.66%
Total	3,038	4,360,626,775	100.00%

Top 20 Listed Ordinary Fully Paid Shareholders

Rank	Shareholder	Shares Held	% Issued Capital
1.	MR KIE CHIE WONG	233,809,524	5.36%
2.	CITICORP NOMINEES PTY LIMITED	226,892,466	5.20%
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	223,241,001	5.12%
4.	FERNSHA PTY LIMITED	213,116,992	4.89%
5.	BINVID PTY LTD <B&D SUPER FUND A/C>	140,014,048	3.21%
6.	FINCLEAR SERVICES NOMINEES PTY LIMITED <ACCUM A/C>	105,596,390	2.42%
7.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	78,516,397	1.80%
8.	EQUITY SUPER ENTERPRISE PTY LTD <EQUITY ENTERPRISE SUPER A/C>	70,393,936	1.61%
9.	PETO PTY LTD <1953 SUPER FUND A/C>	70,000,000	1.61%
10.	SHARESIES AUSTRALIA NOMINEE PTY LIMITED	66,051,004	1.51%
11.	MR KOK KEEN CHONG & MRS HUE NGHI CHONG	51,250,000	1.18%
12.	HAARETZ PTY LTD <ALEPH SUPER FUND A/C>	50,766,003	1.16%
13.	MR STANISLAV MICHAEL KOLENC	50,000,000	1.15%
13.	EMICHROME PTY LTD	50,000,000	1.15%
14.	TT-DD PTY LIMITED <THE DD SUPER FUND A/C>	44,992,856	1.03%
15.	BNP PARIBAS NOMS PTY LTD	40,892,512	0.94%
16.	ONE MANAGED INVESTMENT FUNDS LIMITED <TI GROWTH A/C>	40,000,000	0.92%
16.	BLAMNCO TRADING PTY LTD	40,000,000	0.92%
16.	MR STEVE VAN DER VEEKEN <VAN DER VEEKEN FAMILY A/C>	40,000,000	0.92%
17.	MR SEBASTIAN ANDREW MARR	39,360,715	0.90%
18.	WILLEC HOLDINGS PTY LTD <THE LECHNER FAMILY A/C>	36,153,537	0.83%
19.	123 259 932 PTY LTD	35,850,565	0.82%
20.	MR FREDERICK BART	30,529,907	0.70%
Total		1,977,427,853	45.35%

The number of shareholdings held in less than marketable parcels is 1,151.

The Company has the following substantial shareholders listed in its register as at 24 March 2026:

Rank	Shareholder	Shares Held	% Issued Capital
1.	MR KIE CHIE WONG	233,809,524	5.36%
2.	CITICORP NOMINEES PTY LIMITED	226,892,466	5.20%
3.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	223,241,001	5.12%

The Company has the following unquoted option holders with >20% holding listed in its register as at 24 March 2026:

Rank	Option Holder	Option Details	Options Held	% Issued Capital
1.	<i>No holders with >20%</i>	\$0.006 unlisted options expiring 30-Jun-26		
Total				
1.	CG NOMINEES (AUSTRALIA) PTY LTD	\$0.01 unlisted options expiring 31-Oct-26	93,914,401	20.03%
Total			93,914,401	20.03%
1.	GREGG WALTER PETERS	\$0.028 unlisted options expiring 11-Sep-27	9,000,000	100.00%
Total			9,000,000	100.00%
1.	<i>No holders with >20%</i>	\$0.01 unlisted options expiring 25-Sep-27		
Total				

The Company has the following unquoted performance right holders with >20% holding listed in its register as at 24 March 2026:

Rank	Performance Right Holder	Performance Right Details	Performance Right Held	% Issued Capital
1.	TRENT SPRY	Tranche 3 performance rights expiring 07-Jul-24	7,800,000	54.93%
2.	MR ROSS WARNER	Tranche 3 performance rights expiring 07-Jul-24	4,800,000	33.80%
Total			12,600,000	88.73%

Ordinary Shares Voting Rights - Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- ① each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- ① on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- ① on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the Share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

The Company has no restricted securities on issue as at the date of this report.

Schedule of Licences

Helium Project, Colorado, USA

Counterparty	Location	Operator	Total Net Acres	Working Interest	Net Revenue Interest
Fee Minerals Owners	Las Animas, CO	Blue Star Group	107,900	91%	80.0% - 87.5%
Colorado State	Las Animas, CO	Blue Star Group	19,237	100%	80%
Bureau of Land Management	Las Animas, CO	Blue Star Group	69,903	100%	85% -87.5%

Hawkeville Overriding Royalty Interest

Well Name	Area	Royalty Interest
Donnell 457 1&2	McMullen, TX	0.125000%
Donnell C-1H	McMullen, TX	0.993450%
Donnell C-2H	McMullen, TX	0.993450%
Donnell-Mullholland Unit 1&2	McMullen, TX	0.059553%