

ASX Release

5 June 2023

Noble Helium to raise \$13.5 million for upcoming North Rukwa Project drilling

Highlights

- Firm commitments received for a Placement of new Shares at \$0.18 per Share to raise gross proceeds of \$13.5 million (before costs).
- Strong support from new institutional and sophisticated investors, including existing shareholders.
- Funds will be used to drill and test the first well and purchase long lead items for the second well at the North Rukwa Project.
- Farmout HOA terminated in favour of significantly less dilutive and strongly supported equity raising.

Noble Helium Limited (ASX:NHE) (“Noble Helium” or “the Company”) has received firm commitments from institutional and sophisticated investors including existing shareholders to raise \$13.5 million (before costs).

The Company is pleased to announce that it has received firm commitments from institutional and sophisticated investors, including existing shareholders to raise \$13.5 million (before costs) through a two-tranche placement of a total of 75.0 million fully paid ordinary shares in the capital of the Company (**Placement Shares**) at an issue price of \$0.18 each (**Placement**).

The proceeds from the Placement will be used to drill the Company’s first exploration well and purchase long lead items for the second exploration/appraisal well at its North Rukwa Helium Project in Tanzania in Q3 2023. The contracts for Sofori’s HH102 rig and third-party services can now be finalised for execution, ahead of the rig being mobilised to Tanzania later this month. Our initial target will be to drill and test the Mbelele Basin Margin Fault Closure (BMFC) in September 2023.

Through the outstanding work of our drilling team, the identification of a fit-for-purpose rig, the cost sharing arrangement with Helium One (AIM:HE1) and the simple shallow vertical well designs, the costs to drill and test these wells is considerably less than estimated at the time of starting the farmout process in November 2022.

Prudently, the Company has continued to analyse the alternative of raising equity in parallel with the farmout discussions, carefully considering the Company’s operationally-driven funding requirements and the significant 50% dilution of the North Rukwa Project under the terms of the HOA. With the

benefit of the recently completed and highly encouraging exploration program results and strong interest from investors, the decision was made to terminate the farmout HOA in favour of an equity funded solution. On a fully diluted basis the Placement represents an 18.6% dilution to shareholders and importantly, the Company retains 100% control of the North Rukwa and all of its Prospecting Licences in Tanzania.

The wells to be drilled in Q3 2023 will be onshore, targeting BMFC plays with simple, vertical designs to ensure minimum execution risk. The Company estimates a mean Prospective Helium Resource of 16.5Bcf within the structures. The BMFC play is a proven, highly successful trapping mechanism, with a 100% discovery rate to date from 14 oil and gas exploration wells in other basins of the East African Rift System in Uganda and Kenya.

Noble Helium Chief Executive and Co-founder, Mr Justyn Wood, said:

“Since announcing our maiden drilling campaign in March, the phenomenal growth in investor interest in Noble Helium and our North Rukwa Project brought a capital raising firmly into view which, on balance, offers a number of better outcomes for shareholders in comparison to a farmout.

“It not only provides Noble with greater control over timing, it allows the Company to retain 100% of a project which has the potential to host one of the world’s most significant primary helium resources.

“The costs to drill the wells proved to be considerably less than originally estimated at the start of the farmout process, as a result of our 50/50 co-operation agreement with Helium One, the simplicity of the wells, the suitability of the rig, and the innovative, cost-saving, approach taken by our in-house drilling team who have over 20 years of experience working within the East African Rift System.

“The farmout process elicited strong interest from many large industry players, who have remained engaged. Controlling 100% of all of our projects creates significant scope for further engagement with these parties in the post-drilling stage.”

Inbound enquiry from potential off-takers and industry participants also remains high as the Company develops early monetisation options post discovery, as a steppingstone to larger medium term production options, including lease or tolling arrangements of rental or existing liquid helium production plant that could be quickly mobilised to site.

Placement Details

The Placement will be undertaken in two tranches:

- (a) **Tranche 1:** 33,574,029 Placement Shares will be issued from the Company’s placement capacity under Listing Rule 7.1 and 9,898,188 Placement Shares will be issued from the Company’s placement capacity under Listing Rule 7.1A; and
- (b) **Tranche 2:** The Company will seek shareholder approval at an extraordinary general meeting (**EGM**), which is expected to be held prior to the end of August 2023, for the issue of the remaining 31,527,783 Placement Shares. Details of the EGM will be announced once confirmed and a notice of meeting will be dispatched as soon as practicable.

Subject to obtaining shareholder approval at the EGM, the Directors of the Company have agreed to subscribe for a total of 5,861,112 Placement Shares under the Placement (representing a total subscription amount of \$1,055,000).

The issue price of \$0.18 represents a 25.0% discount to the last trading price of \$0.240 on 31 May 2023 and a discount of 11.5% to the 10-day volume weighted average price of \$0.203.

Wilsons Corporate Finance Limited and MST Financial Services Pty Ltd acted as Joint Lead Managers to the Placement.

This announcement has been authorised for release on ASX by Noble Helium's Board of Directors.

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Forward-looking statements

This announcement may contain certain "forward-looking statements". Forward looking statements can generally be identified by the use of forward-looking words such as, "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" and other similar expressions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance.

Competent Persons Statement

The technical information provided in this announcement has been compiled by Mr. Ashley Howlett, Exploration Manager, Professor Andrew Garnett, Non-Executive Director, and Mr. Justyn Wood, Chief Executive Officer, all of Noble Helium Limited. The resource estimates have been prepared in accordance with the definitions and guidelines set forth in the Petroleum Resources Management System, 2018, approved by the Society of Petroleum Engineers.

Mr Howlett is a qualified geologist with over 20 years technical, and management experience in exploration for, appraisal and development of, oil and gas resources. Mr Howlett has reviewed the results, procedures and data contained in this announcement and consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears.

Cautionary Statement for Prospective Resource Estimates

With respect to the Prospective Resource estimates contained within this report, it should be noted that the estimated quantities of gas that may potentially be recovered by the future application of a development project relate to undiscovered accumulations. These estimates have an associated risk of discovery and risk of development. Further exploration and appraisal is required to determine the existence of a significant quantity of potentially moveable helium.

Green helium for a high-tech world.

Noble Helium is answering the world's growing need for a primary, ideally carbon-free, and geo-politically independent source of helium. Located along Tanzania's East African Rift System, the Company's four projects are being advanced according to the highest ESG benchmarks to serve the increasing supply chain fragility and supply-demand imbalance for this scarce, tech-critical and high-value industrial gas.

Our flagship North Rukwa Project has an independently certified, summed unrisked mean Prospective Helium Resource of 176 billion cubic feet (equivalent to approximately 30 years' supply). The project lies within the Rukwa Basin, which has the potential to be the world's third largest helium reserve behind USA and Qatar.

Priced at up to 50 times the price of LNG in liquid form, helium is now essential to many modern applications as an irreplaceable element in vital hi-tech products such as computer and smartphone components, MRI systems, medical treatments, superconducting magnets, fibre optic cables, microscopes, particle accelerators, and space rocket launches – NASA is a major consumer. Rising demand and constrained supply are fuelling growth prospects within the global marketplace, particularly for cleaner "green helium" sourced from non-carbon environments. At present, more than 95% of the world's helium is produced as a by-product of the processing of hydrocarbon-bearing gas.

Additionally, Noble Helium has commissioned the first ever Helium Atlas, with an exclusive five-year agreement allowing the Company to identify additional prospective areas to target for diversification. The Atlas uniquely positions Noble Helium as a world leading helium explorer.

