

Sapphire Pilot shows increasing gas rates

Blue Energy Limited (ASX: "BLU") provides an update of the Sapphire 5/6 Pilot Production Testing operation (located in the Sapphire Block in ATP 814).

The Sapphire Pilot testing program remains in operation, and the Pilot wells continue to flow gas, and at increased rates. The current gas flow rate of the Sapphire pilot is 150 thousand cubic feet per day (mscfd) (see Figure 1 pilot production plot below) and is showing a steadily increasing gas rate.

The lowest coal seams in both Sapphire pilot sets are now being de-pressured (through continuous dewatering) and effective gas desorption is occurring, as the water levels near the top of these seams. As reported previously, the current average flow rate of wells in the adjacent Moranbah Gas Project area is 200 thousand cubic feet per day (mscfd)*.

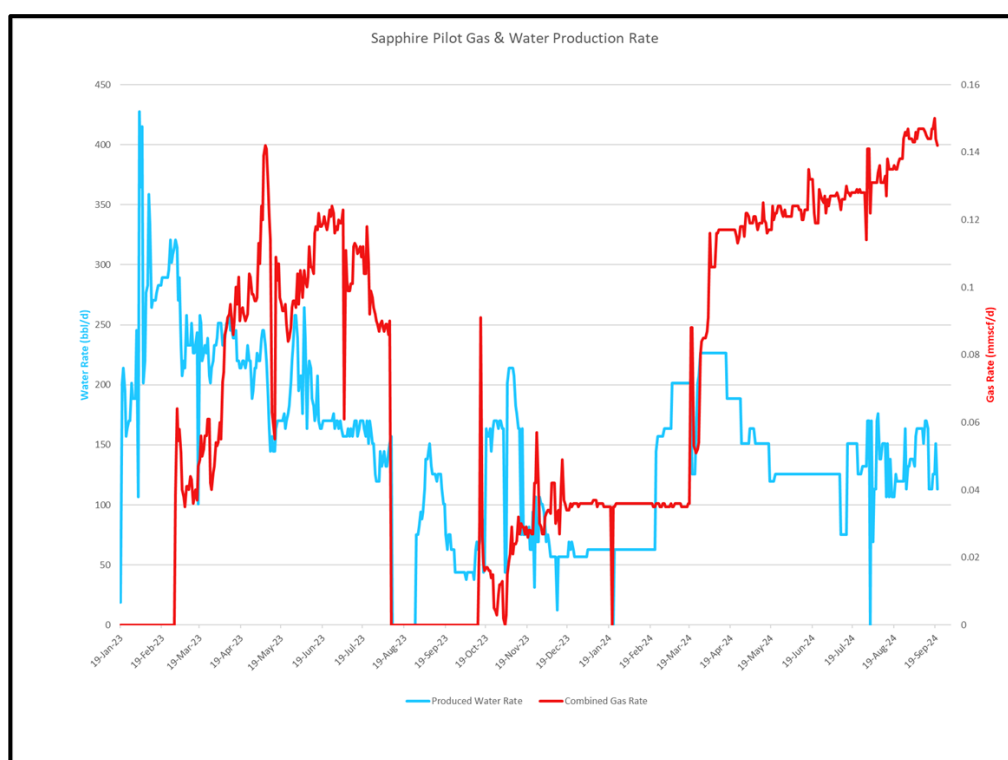


Figure 1: Sapphire Pilot gas and water production chart

*QPME ASX release 9th July 2024 <https://announcements.asx.com.au/asxpdf/20240709/pdf/065f2n9djbw9tm.pdf>

By Authority of the Board per:

John Phillips
Managing Director
 Blue Energy Limited