



BIG STAR ENERGY

31 July 2019

Activities Report Quarter Ended 30 June 2019

HIGHLIGHTS

HELIUM INITIATIVE

- First helium prospect “Enterprise” confirmed
- Negotiating mineral leases at Enterprise prospect and initial leases expected to be signed imminently
- Geophysical and geochemical work programs underway across area of interest holding 30 prospects and leads

PERCY CREEK

- Farmin and option agreement gives Big Star rights to 100% working interest over 75mmbbl prospective resources in 5,228 leased acres
- Permitting and preparation for seismic program is well underway

CORPORATE

- Mr Trent Spry was appointed to the Board of Big Star on 29 April 2019
- Subscriptions received for 138,598,228 new shares to raise \$692,991
- Cash on hand at end of quarter was \$0.45million
- \$0.33million in tranche 2 funds were received subsequent to the end of the quarter

OPERATIONS

Percy Creek Oil Exploration Project – Wyoming, USA

As announced on 29 April 2019, Big Star entered into a farmin and drilling option agreement (“Agreement”) to acquire interests in the Percy Creek oil exploration project. At the end of the quarter, Big Star advised Percy Creek Partners that conditions precedent had been met and the Agreement was unconditional.

The 5,228 leased acres at Percy Creek contain 75mmbbl of unrisks best case prospective resources* in 4 stacked oil prospects which can all be evaluated with a single vertical well. The Company currently holds nil interest and intends to acquire 2D and 3D seismic to earn 20% working interest and an overriding royalty interest in the leases. Subject to the seismic results confirming the structure and drilling location, and further funding, Big Star currently plans to exercise the drilling option and secure 100% working interest with a well in 2020.

During the quarter, the Company made significant progress in the planning and preparation for the seismic acquisition program. The permitting process is expected to conclude shortly.

The Company is currently engaged with potential farmin partners in relation to funding the Percy Creek project in return for a proportion of Big Star's working interests to be earned under the Agreement.

*The estimated quantities of petroleum that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons. The prospective resources were calculated using the deterministic method at an evaluation date of 26 April 2019 and announced on 29 April 2019.

Big Star Project – Texas, USA

During the quarter, production continued from the Simmons well.

Helium Initiative – Mountain States, USA

During the quarter, Big Star accelerated its helium gas exploration initiative. Reprocessing of geophysical data in the area commenced and is expected to be delivered in the September quarter for integration with the regional geologic and prospect specific studies. A geochemical program targeting helium anomalies at surface was designed during the quarter for in-field activity during the September quarter.

The Company has ascertained the mineral ownership at the "Enterprise" prospect and initiated a leasing program over 5,000 gross acres. The first leases from this package are expected to be signed imminently.

New Ventures

The Company continues to actively pursue upstream oil, gas and helium opportunities in accordance with its stated strategy.

CORPORATE

On 29 April 2019, Mr Trent Spry was appointed to the Board as an Executive Director. Mr Spry brings to the Board substantial ASX corporate experience, expertise in geoscience and exploration as well as significant recent experience in the USA. The Company has granted Mr Spry 16,875,000 options to subscribe for ordinary shares in the Company at an exercise price of 1 cent. The options expire on 30 June 2020.

During the quarter, the Company received subscriptions for 138,598,228 new ordinary shares at 0.5c per share to raise \$692,991.14 (before costs). The placement was to complete in two tranches. The first tranche of 65,875,000 shares was issued on 13 June 2019.

Subsequent to the end of the quarter on 29 July 2019, the second tranche of 72,723,228 shares was approved by shareholders and will be issued shortly, raising \$363,616 (before costs).

Big Star's cash at the end of the June 2019 quarter was approximately \$0.45million, including \$0.035million Tranche 2 monies held in trust. Subsequent to the end of the quarter, a further \$0.329 million in Tranche 2 monies were received from subscribers.

TENEMENT TABLE

Tenements held at the end of the quarter and changes thereof:

Permit	Acreage held at the beginning of the Quarter	Acreage held at the end of the Quarter	Acreage acquired (disposed/lapsed)
Held By Production Acreage, Big Star Project, Texas, USA	160 acres	80 acres	(80 acres)

For further information, please contact:

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About Big Star:

Big Star Energy Ltd (ASX:BNL) is an independent oil, gas and helium exploration and production company, headquartered in Australia, with operations and exploration in North America. For further information, please visit the Company's website at www.bigstarenergy.com.au

Competent Persons Statement:

The estimates of prospective resources in this announcement are based on and fairly represent information and supporting documentation prepared by, or under the supervision of, Mr Trent Spry who is employed as an Executive Director of Big Star Energy Limited and a member of the American Association of Petroleum Geologists (AAPG) and the Petroleum Exploration Society of Australia (PESA). Mr Spry meets the requirements of qualified petroleum reserves and resources evaluator as defined in Chapter 19 and rule 5.41 of the ASX Listing Rules and consents to the inclusion of this information in the form and context in which it appears in this announcement. The estimates of prospective resources have been prepared in accordance with the Petroleum Resources Management System (PRMS) sponsored by the Society of Petroleum Engineers (SPE) and American Association of Petroleum Geologists (AAPG).