

Blue Energy and Origin Energy sign Heads of Agreement for up to 300 PJ of new long term gas supply

Blue Energy Limited (ASX: "BLU") is pleased to advise that it has executed a non-binding Heads of Agreement (HOA) with **Origin Energy Limited (ASX: "ORG")** for the supply of up to 300 PJ of gas at Wallumbilla over 10 years from Blue Energy's Northern Bowen Basin ATP814 coal seam gas tenure.

Key Points

Annual Contract Quantity:	20-30 PJ per annum
Term:	10 years
Indicative Start Date:	2024

This is the second such HOA executed by Blue Energy which facilitates North Bowen Basin gas to be delivered into the main East Coast domestic market to the south from Moranbah. As previously announced (ASX: BLU 2 Dec 2020), Blue Energy and EnergyAustralia signed a similar agreement for the delivery of 100 PJ of gas from the North Bowen basin into Wallumbilla. This now brings the total gas under HOA from Blue Energy's North Bowen Basin acreage to 400 PJ's.

This latest agreement with Origin represents another foundation gas volume that will contribute to the underpinning of the proposed gas pipeline from the North Bowen Basin into the Wallumbilla "Hub", and for the development of Blue Energy's North Bowen Basin gas resources.

Blue Energy's independent reserve certifier, Netherland Sewell and Associates Inc of Dallas Texas (NSAI) has identified the areas where the Company can develop its resources, and these areas coincide with Blue's Production Licence Applications lodged with and currently being processed by the Queensland Government.

Blue Energy's 100% owned permit, ATP814, has been assessed by NSAI to contain 3,248 PJ⁺ of Contingent Resource (recoverable) around Moranbah. In addition to this volume, there is currently 71 PJ of 2P reserves and 298 PJ of 3P reserves in close proximity to the existing gas field infrastructure in the North Bowen Basin.

Blue Energy's Managing Director Mr John Phillips commented that "the momentum for development of the North Bowen Basin gas resource for domestic east coast gas consumers continues to build, following the high grading of this significant gas resource by both Federal and State Governments. This prioritisation continues to give east coast gas buyers the confidence to secure long term gas supply agreements from this producing gas basin."

By Authority of the Board per:

John Phillips
Managing Director
Blue Energy Limited

About Blue Energy Limited

Blue Energy is a Brisbane Based Australian exploration company focused on the discovery and development of gas resources in the North Bowen, Galilee, Beetaloo/ Greater McArthur Basins in the Northern Territory. Blue has independently certified gas reserves and resources of 71 PJ of 2P reserves; 298 PJ of 3P reserves and 4,129 PJ of Contingent Resources as assessed by Netherland Sewell and Associates of Dallas Texas.

Blue Energy Gas Reserves and Resources

Permit	Block	Assessment Date	Announcement Date	Methodology	Certifier	1P (PJ)	1C (PJ)	2P (PJ)	2C (PJ)	3P (PJ)	3C (PJ)
ATP854P		30/06/2012	19/03/2013	SPE/PRMS	NSAI	0	22	0	47	0	101
ATP813P		29/10/2014	30/10/2014	SPE/PRMS	NSAI	0	0	0	61	0	830
ATP814P	Sapphire	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	66	59	108	216	186
ATP814P	Central	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	50	12	99	75	306
ATP814P	Monslatt	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	0	0	619	0	2,054
ATP814P	Lancewood	5/12/2015	8/12/2015	SPE/PRMS	NSAI	0	5	0	23	1	435
ATP814P	Hillalong	6/02/2019	7/02/2019	SPE/PRMS	NSAI	0	0	0	182	0	237
ATP814P	South	30/06/2013	29/07/2013	SPE/PRMS	NSAI	0	15	0	27	6	30
Total (PJ)						0	158	71	1,166	298	4,179
Total						0	27	12	199	51	714

Table 1: Blue Energy net Reserves and Resources

*Listing Rule 5.42 Disclosure

The estimates of reserves and contingent resources noted throughout this announcement have been provided by Mr John Hattner of Netherland, Sewell and Associates Inc (NSAI) and were originally reported in the Company's market announcements 25 January 2012, 26 February 2013, 19 March 2013, 8 December 2015 and 28 February 2019. NSAI independently regularly reviews the Company's Reserves and Contingent Resources. Mr Hattner is a full time employee of NSAI, has over 30 years' of industry experience and 20 years' of experience in reserve estimation, is a licensed geologist and a member of the Society of Petroleum Engineers (SPE), and has consented to the use of the information presented herein. The estimates in the reports by Mr Hattner have been prepared in accordance with the definitions and guidelines set forth in the 2007 Petroleum and Resource Management System (PRMS) approved by the SPE, utilizing a deterministic methodology. Blue Energy confirms that it is not aware of any new information or data that materially affects the information included in any of the announcements relating to ATP 813, 814 or 854 referred to in this announcement and that all of the material assumptions and technical parameters underpinning the estimates in the announcements continue to apply and have not materially changed.