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Mendell Helium PLC
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Mendell Helium plc

("Mendell Helium" or the "Company")

Update on progress

Mendell Heliumis pleased to provide the following overview of M3 Helium Corp.'s ("**M3 Helium**") assets following a visit in October 2024 by Nick Tulloch, Chief Executive Officer of the Company, to Kansas, USA.

As announced on 27 June 2024, the Company has an option to acquire M3 Helium Corp., a producer of helium which is based in Kansas and holds an interest in nine wells. There is no certainty that the Company's option to acquire M3 Helium will be exercised, nor that the enlarged group will successfully complete its re-admission to trading on the AQSE Growth Market.

Highlights
M3 Helium has three potential "company maker" projects

- Farm in to252 square miles of Scout Energy Partners' Hugoton acreage
- 5.1% helium in its high pressure Rost 1-26 well
- "Big frack" at its Nilson well is producing rising flow rates

Farm in to Hugoton acreage

As announced on 6 November 2024, M3 Helium entered into a farm in agreement with Scout Energy Partners ("**Scout Energy**") covering 161,280 acres (252 square miles) of the Hugoton field, one of the best known gas fields in the world. The agreement includes a minimum target of 25 new wells but M3 Helium estimates a potential 100 - 200 well opportunity within this acreage.

All production from new wells will be delivered to Scout Energy's gathering system and the Jayhawk processing facility (which processes 4% of the world's helium). The offtake is based on a fixed helium price with an annual price escalator based on the consumer price index through to the end of 2029. The partnership with Scout Energy also includes discounted royalties and operating expenses. No payments are due from M3 Helium until the later of the date that drilling commences or 31 March 2025. However, there are no penalties on M3 Helium in the event that it does not proceed with the agreement.

In addition, this exclusive agreement with Scout Energy includes a right of first refusal over any other farm outs in Scout Energy's 1 million acres in Kansas.

Rost 1-26 well in Fort Dodge

M3 Helium's flagship well,located in its Fort Dodge prospect, was tested by Shamrock Gas Analysis, Inc. as containing a gas composition of 5.1% helium in July 2024. Thurmond-McGlothlin, LLC also tested a well pressure at 302.7 psi in July 2024. The flow rate was measured at 47,100 cubic feet per day (47.1 Mcfd), with this result being achieved even though brine levels were 1,058 feet over the perforations.

As announced on 9 September 2024, M3 Helium commenced the installation of its Pressure-Swing Adsorption ("**PSA**") modular processing unit to enable purification of helium onsite along with de-watering the well ahead of production. The latter exercise has led to two conclusions.

Firstly, the likely level of water hauling could be 800-1,000 barrels per day in which case M3 Helium will make use of a nearby former oil well which can be repurposed as a disposal well. Although there will be an upfront cost, this will be more economic, and payback is expected within months.

Secondly, and more significantly, expectations are that potential flow rates from the Rost well could exceed previous expectations. The table below illustrates the well's revenue capability between its existing production rate through to the maximum capacity of the onsite PSA.

Production (Mcf/day)	**50**	**150**	**250**	**500**	**750**
Daily revenue ($)	765	2,295	3,825	7,650	11,475
Monthly revenue ($)	22,950	68,850	114,750	229,500	344,250
Annual revenue ($)	275,400	826,200	1,377,000	2,754,000	4,131,000

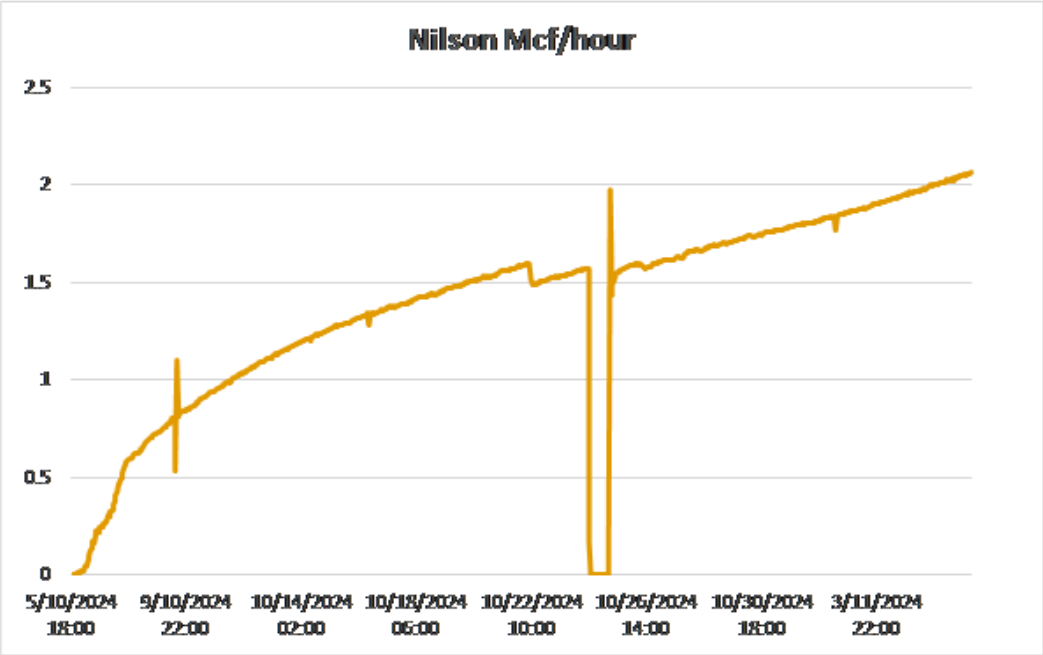
The above illustrations are based on a helium sale price of US$300 per Mcf and assumes nil value for any other gases or liquids produced by the well.

Nilson "big frack"

On 26 September 2024, the Company announceda second, significantly larger frack, on the Nilson well owned by M3 Helium. This programme was innovatively funded by local investors and one of the contractors who committed US$170,000 in aggregate to cover the costs for a 25% economic interest in the well.

The frack injected 210,126 gallons of gelled water along with 128,500 pounds of sand. As far as M3 Helium's management are aware, this was the Hugoton field's first large water-based frack stimulation in several decades.

The response from the Nilson well has been impressive. Typically post-frack production results in a spike and then a subsequent decline in the well. However, in Nilson's case, production has steadlily risen by a little under 1 Mcf per day at around 1 cubic foot per 2 minutes. This is illustrated in the graph below:



At present, there is insufficient data to determine when or where the Nilson well might peak but the M3 Helium team have been studying an analogous frack by Amoco in 1992 which took around 8 months to peak. It is too early to say whether this case can be used as a reliable guide, but thetable below illustrates the well revenue capability between its existing production rate through to where the rate could peak should it continue to grow at the same rate for 8 months.

Production (Mcf/day)	**50**	**100**	**150**	**200**	**300**
Daily revenue ($)	143	285	428	570	855
Monthly revenue ($)	4,275	8,550	12,825	17,100	25,650
Annual revenue ($)	51,300	102,600	153,900	205,200	307,800

The above figures are based on a helium sale price of US$350 per Mcf (higher than Rost given that Nilson is tied into Scout Energy's gathering system) and a NGL (natural gas liquids) sale price of US$0.75 per Mcf.

The significance of Nilson's performance, aside from the value within this well, is that it provides a reference point and a pathway with which to develop other wells in the region, particularly within the farm in agreement with Scout Energy referred to above.

Nick Tulloch, Chief Executive Officer of Mendell Helium, said:*"Since entering into the option to acquire M3 Helium, we have worked hard to develop the company's asset base and, as shown in recent announcements and today's update, the results have significantly exceeded our expectations. Alongside the farm in with Scout Energy, which provides an immediate and cost-effective path to scale*

the M3 Helium business, the exceptional performance of the flagship Rost well could potentially become a significant contributor to M3 Helium's cashflow in the coming months.

"Meanwhile M3 Helium's innovative larger frack at the Nilson well has provided ample evidence to support further use of this technique to stimulate increased production in Hugoton wells, something that could prove to be a crucially important factor as M3 Helium develops its farm in programme.

"M3 Helium is fortunate to have several advantages - the Hugoton location puts the company in prime production territory, it has access to infrastructure through Scout's Energy's gathering system to facilitate rapid monetisation of production, a fee payment structure geared to drilling activities and a farm in agreement along with the right of first refusal over any other Scout Energy farm outs that provides a platform through which the company can exponentially scale up its operations."

The Directors of the Company are responsible for the release of this announcement.

Nick Tulloch will be presenting at the Aquis Showcase on 12 November 2024. Details of the event are available at https://www.eventbrite.co.uk/e/aquis-showcase-tickets-951428316707.

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Enquiries:	
Mendell Helium plc	**Tel: +44 (0) 1738 317 693**
Nick Tulloch, CEO	**nick@mendellhelium.com** **https://mendellhelium.com/**
Cairn Financial Advisers LLP (AQSE Corporate Adviser)	**Tel: +44 (0) 20 7213 0880**
Ludovico Lazzaretti/Liam Murray	
SI Capital Limited (Broker)	**Tel: +44 (0) 1483 413500**
Nick Emerson	
Stanford Capital Partners Ltd (Broker)	**Tel: +44 (0) 203 3650 3650/51**
Patrick Claridge/Bob Pountney	
Brand Communications(Public & Investor Relations)	**Tel: +44 (0) 7976 431608**
Alan Green	

Overview of M3 Helium

Mendell Helium, formerly Voyager Life plc, announced on 27 June 2024 that it has entered into an option agreement to acquire the entire issued share capital of M3 Helium through the issue of 57,611,552 new ordinary shares in Mendell Helium to M3 Helium's shareholders. The exercise of the option will constitute a reverse takeover pursuant to AQSE Rule 3.6 of the Access Rule Book and is subject to, inter alia, publication of an admission document.

M3 Helium has interests in nine wells in South-Western Kansas of which five (Peyton, Smith, Nilson, Bearman and Demmit) are in production. Eight of the company's wells are within the Hugoton gas field, one of the largest natural gas fields in North America. Significantly these wells

are in the proximity of a gathering network and the Jayhawk gas processing plant meaning that producing wells can quickly be tied into the infrastructure.

The nineth well is in Fort Dodge and was tested in July 2024as containing 5.1% helium composition. Although not within direct access to the gathering network, M3 Helium owns a mobile Pressure Swing Adsorptionproduction plant which could be used to purify the helium on site.

FORWARD LOOKING STATEMENTS

This announcement includes "forward-looking statements" which include all statements other than statements of historical facts, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations, or any statements preceded by, followed by or that include the words "targets", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "would", "could" or "similar" expressions or negatives thereof. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Company's control that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this announcement. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statements are based unless required to do so by applicable law.

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