

First Helium Adds Over 500,000 Barrels of Total Proved + Probable Light Oil Reserves at Worsley

02.08.2022 | [CNW](#)

TSXV: HELI OTCQB: FHELP FRA: 2MC

Receives \$1.2 Million for Oil Deliveries in June

CALGARY, Aug. 2, 2022 - [First Helium Inc.](#) ("First Helium" or the "Company") (TSXV: HELI) (OTCQB: FHELP) (FRA: 2MC), today announced that it has received a reserve report from its independent evaluator, prepared in accordance with "NI 51-101" guidelines, indicating Total Proved plus Probable ("2P") gross reserves of 505,100 barrels of light oil with corresponding NPV 10% of \$24.6 million^{1,2}, for its oil property at Worsley. In addition, the Company received revenue of approximately \$1.2 million in late July for oil volumes that the Company delivered for sale during June. In late June, the Company received revenue of approximately \$0.7 million for oil volumes that the Company delivered for sale during May.

"When combined with the independent contingent resource⁵ evaluation of First Helium's 15-25 well, the receipt of an independent evaluation of the Company's light oil reserves further substantiates First Helium's underlying asset value," said Ed Bereznicki, President & CEO of First Helium. "First Helium intends to deploy ongoing cash flow from its oil production to help fund further exploration of the numerous, internally generated helium drilling locations identified on its Worsley property and Southern Alberta Lands. These opportunities represent significant potential growth for First Helium shareholders beyond established asset value", added Mr. Bereznicki.

Growth, Beyond Established Asset Value

First Helium's geoscience team has identified numerous potential drilling locations across the largely undeveloped balance of its 79,000 acre Worsley property. These locations are based on detailed geological and geophysical mapping with the incorporation of nearly 15,000 acres of 3D seismic data, and approximately 210 km of 2D seismic data. Similarly, the team has identified a number of potentially high-impact locations on its Southern Alberta Area (Lethbridge) lands, including a drill-ready location for later this year.

"With 3D seismic data covering approximately 60% of the 276,000 acre Lethbridge land base, the Company has been able to evaluate potential targets which are similar to known helium accumulations at Knappen, Battle Creek and Cypress," commented David Safton, Vice President of Exploration & Development. "We have targets with four-way closure at both the Basal Cambrian Sandstone and Beaverhill Lake/Souris River levels. These formations possess excellent porosity and permeability, and based on the helium content at Knappen, for successful wells we expect helium content of about 1% in the Lethbridge area", added Mr. Safton.

Based on preliminary "FEED" (Front End Engineering Design) study work that commenced in the Spring of 2021, First Helium has now completed the FEED study of a larger scale helium processing facility which can be applied to meet the immediate timing requirements of its 15-25 single well helium processing facility at Worsley. The Company is currently in the process of securing helium gas off-take sales arrangements to help support the financing, fabrication, installation and commissioning of a single well helium gas processing facility for 15-25, planned to commence later this year.

Sproule Independent Reserves Evaluation

In July 2022, the Company received an independent report, focused on its oil property at Worsley, entitled "Evaluation of the P&NG Reserves of [First Helium Inc.](#) in the Beaton Area of Alberta, Canada (as of March 31, 2022)" (the "Reserve Report") from Sproule Associates Limited ("Sproule"). Sproule carried out its

evaluation in accordance with standards set out in the current Canadian Oil and Gas Evaluation Handbook, as maintained by the Society of Petroleum Evaluation Engineers (Calgary Chapter). The reserves evaluation includes risked estimates of oil volumes and related net present values of future net revenues, estimated using various forecasted oil prices.

Specifically, Sproule estimated the Total Proved plus Probable gross reserves associated with First Helium's oil property, including the 1-30 and 4-29 wells. In summary, Sproule estimated Total Proved Reserves to be 287,900 barrels, and the Total Probable Reserves to be 217,300 barrels of light oil, respectively. Sproule further estimated the 2P gross reserves to have a net present value, discounted at 10%, of approximately \$24.6 million^{1,2}, which equates to a foundational amount of approximately \$0.33 per basic outstanding common share³ of the Company. First Helium has filed requisite disclosure, in accordance with National Instrument 51-101, Standards of Disclosure for Oil and Gas Activities ("NI 51-101"), in connection with this release⁴.

Establishing a base of oil reserves will provide the Company with further financial flexibility to pursue its business objective of exploring and developing helium projects. Production from its oil property at Worsley will provide cash flow to help fund these activities. During June, First Helium produced a total of 9,592 barrels of light oil, or an average of 320 barrels per day. Ongoing wet weather during the early part of June continued to hamper the Company's operations at its Worsley oil battery, including temporarily suspending access of trucks to pick up and transport oil from the battery to the sales terminal.

Notes:	
(1)	Estimates of future net revenue, whether calculated without discount or using a discount rate, do not represent fair market value.
(2)	2P reserve NPV 10% is calculated as the before tax net present value of the reserves at March 31, 2022 discounted at 10%.
(3)	2P reserve value per share is calculated as the before tax net present value of the reserves at March 31, 2022 discounted at 10% divided by the basic issued and outstanding shares at July 26, 2022.
(4)	Further information regarding the NI 51-101 filing can be found in First Helium's SEDAR profile at www.sedar.com .
(5)	"Contingent resources" are not, and should not be confused with, oil and gas, or helium reserves. Further information regarding Contingent Resources can be found in First Helium's Final Prospectus, dated June 28, 2021, filed on First Helium's SEDAR profile at www.sedar.com

Led by a core Senior Executive Team with diverse and extensive backgrounds in Oil & Gas Exploration and Operations, Mining, Finance, and Capital Markets, First Helium seeks to be one of the leading independent providers of helium gas in North America.

Building on its successful 15-25 helium discovery well at the Worsley project, the Company has identified numerous follow-up drill locations and acquired an expansive infrastructure system to facilitate future exploration and development of helium across its Worsley land base. Cash flow from its successful oil wells at Worsley will help support First Helium's ongoing helium exploration and development growth strategy.

First Helium holds over 79,000 acres along the highly prospective Worsley Trend in Northern Alberta, and 276,000 acres in the Southern Alberta Helium Fairway, near existing helium production. In addition to continuing its ongoing exploration and development drilling at Worsley, the Company has identified a number of high impact helium exploration targets on the prospective Southern Alberta Helium Fairway lands to set up a second core exploration growth area for the Company.

For more information about the Company, please visit www.firsthelium.com.

ON BEHALF OF THE BOARD OF DIRECTORS

Edward J. Bereznicki
President, CEO and Director

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX) accepts responsibility for the adequacy or accuracy of this release.

FORWARD-LOOKING AND CAUTIONARY STATEMENTS

This news release contains certain statements or disclosures relating to First Helium that are based on the expectations of its management as well as assumptions made by and information currently available to First Helium which may constitute forward-looking statements or information ("forward-looking statements") under applicable securities laws. All such statements and disclosures, other than those of historical fact, which address activities, events, outcomes, results, or developments that First Helium anticipates or expects may or will occur in the future (in whole or in part) should be considered forward-looking statements. In some cases, forward-looking statements can be identified by the use of the words "expect", "will" and similar expressions. In particular, but without limiting the foregoing, this news release contains forward-looking statements pertaining to the timing and rate of production of the 4-29 and 1-30 discovery wells, respectively; anticipated cash flows; the entering into of off-take marketing arrangements; the use of funds and the Company's strategy. The forward-looking statements contained in this news release reflect several material factors and expectations and assumptions of First Helium including, without limitation: that First Helium will ~~Contact First Helium, Inc., Investor Relations, Email: ir@firsthelium.com, Phone: 1-833-HELIUM1 (1-833-435-4961)~~ continue to conduct its operations in a manner consistent with past operations; the general continuance of ~~current, where applicable, assumed industry conditions; availability of debt and/or equity sources to fund First Helium's capital and operating requirements as needed; and certain cost assumptions.~~

Dieser Artikel stammt von [Rohstoff-Welt.de](https://www.rohstoff-welt.de)

Die URL für diesen Artikel lautet:

[Forward-looking statements are based on estimates and opinions of management and update the statements](https://www.rohstoff-welt.de/119242-First-Helium-Accomplishes-First-Production-From-1-30-Well-and-Updates-Forward-Looking-Statements)

~~Für den Inhalt des Beitrages ist allein der Autor verantwortlich bzw. die aufgeführte Quelle, Bild- oder Filmaufnahme liegen beim Autor/Quelle bzw. bei der vom ihm benannten Quelle. Bei Übersetzungen kann es sich um eine nicht geprüfte Übersetzung handeln. Der vorliegende Standpunkt eines Autors darf nicht als offizielle Meinung des Beitragsverfassers verstanden werden. Der Beitrag stellt eine Meinung des Verfassers dar. Wir wehren uns gegen jede Form von Hass, Diskriminierung und Verletzung der Menschenwürde. Beachten Sie bitte auch unsere [AGBs und Datenschutzerklärung](#).~~

~~**Readers are cautioned that actual results may vary materially from the forward-looking statements made in this news release. Risks that could cause actual events or results to differ materially from those projected in forward-looking statements include, but are not limited to, risks associated with the oil and gas industry; the ability of First Helium to fund the capital and operating expenses necessary to achieve its business**~~

~~objectives; the impact of the COVID-19 pandemic on the business and operations of First Helium; the state of financial markets; increased costs and physical risks relating to climate change; loss of key employees~~

~~All rights reserved. Copyright © Rohstoff-Welt.de 2020. Lesen Sie unsere [AGBs und Datenschutzerklärung](#).~~

SOURCE [First Helium Inc.](https://www.firsthelium.com)