



## Helium Business Unit

### Helium Business – China

Helios Energy Ltd (ASX Codes: HE8, HE8OA) (**Helios** or **Company**) is pleased to announce the commencement of a new helium business unit in China.

Through its wholly owned subsidiary, Helios Energy China Ltd, Helios has entered into a boil-off gas (**BOG**) helium extraction joint venture with Chinese domestic liquefied natural gas (**LNG**) company, Ordos Xingxing Energy Limited Company (**Ordos Xingxing**), located in Ordos City, Inner Mongolia, China.

Under the helium extraction joint venture agreement, Ordos Xingxing will provide all land, all BOG feed gas and all associated utilities for the helium extraction joint venture. Helios will construct at a cost of approximately US\$3.0m, a new, leading edge helium gas extraction module immediately adjacent to one of Ordos Xingxing's LNG plants located in Inner Mongolia, China.

As the operator and owner of the helium gas extraction plant, Helios will produce industrial grade liquid helium and own 100% of the liquid helium produced and sold. Helios expects the annual helium gas output from this dedicated module to be approximately 100,000 Nm<sup>3</sup> per year once the helium extraction module is running at full capacity. Helios will be one of the first companies to commercially extract material quantities of BOG helium in China, liquefy it and then sell it to domestic Chinese customers. Helios considers this helium extraction joint venture with Ordos Xingxing to be the first step in the development of its helium business unit. At full capacity from this dedicated module, Helios expects liquid helium sales to be approximately US\$3.1m per annum.

### Helium's Characteristics and Uses

Helium is a noble gas. Helium is rare on earth and unevenly distributed. Helium's physical characteristics determine its usage in many fields such as cryogenic superconductivity, cryogenic cooling, thermometry, leak detection, shielding gas, carrier gas and other uses.

ASX Code: HE8

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### **Demand and Supply of Helium in China**

The USA is the world's largest helium customer and producer. China is the 2nd largest helium consumer and accounts for more than 10% of global demand for helium. Helium resources are scarce in China and approximately 95% of all helium used in China is imported.

Helios' use of unique and leading edge helium extraction and liquification technology provides a cost effective and reliable way to produce liquid helium. The joint venture with Ordos Xingxing aims to cheaply extract, liquify and profitably sell high quality helium to domestic Chinese customers.

For further information, please contact:

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