

Galilee Energy awarded Bowen Basin acreage

30 October 2019

Highlights

- ❖ Galilee Energy has been awarded a 1,425 square kilometre Bowen Basin exploration area by the Queensland Government located in the gas-rich Denison Trough region.
- ❖ This expansive acreage contains significant resource potential in multiple, highly prospective coal seam gas fairways and several, stacked conventional gas reservoirs.
- ❖ Less than 10 km from the Northern Denison gas fields production and pipeline facilities and in close proximity to Jemena’s proposed Galilee Gas Pipeline.
- ❖ The award of PLR2019-1-1 is a significant addition to Galilee’s growing portfolio, which now includes three high calibre exploration permits, strategically spread across three of Queensland’s major gas and oil bearing Basins.
- ❖ The award of PLR2019-1-1 was based on a non-cash consideration as part of a competitive tender process.

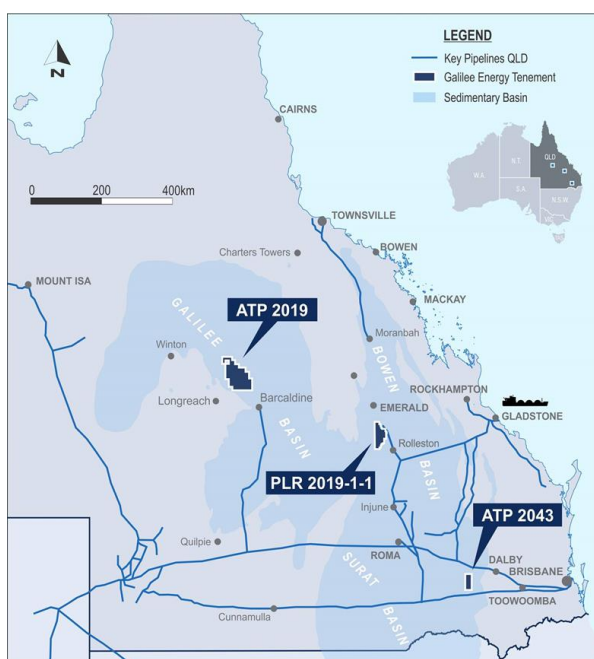


Figure 1: Galilee Energy Acreage Position

Galilee Energy Limited (ASX:GLL) (“Galilee”) today announces success in being appointed the Preferred Tenderer for block PLR2019-1-1 by the Queensland Government in the most recent release of new petroleum resource areas.

The award of this acreage is designed to stimulate exploration in Queensland and provide sustainable benefits to local communities in the region and energy benefits for all Queenslanders. Galilee Managing Director Peter Lansom commented that the award of PLR2019-1-1 to Galilee aligned with the Company’s strategy to grow and diversify its position as a material supplier of gas to the east coast of Australia (Figure 1). “Galilee commends the Queensland Government in addressing gas supply concerns by opening up the market to junior and mid-tier explorers.” Mr Lansom said. “This tender release provides further opportunities to explore and develop

new areas in Queensland’s gas rich basins and we look forward to building a strong, sustainable relationship with the Central Highlands community.”

Galilee was successful with its targeted approach for this high-graded block and was awarded the acreage following a non-cash consideration competitive tender process. The acreage has dual coal seam gas and conventional gas potential. Considerable coal seam gas resources are identified within multiple, Permian-aged targets that are equivalent to producing units across the region, including coals in the world-class Fairview and Spring Gully fields and the nearby Mahalo Development and Reids Dome Project (*Figure 2*). Material conventional gas resource potential has also been identified in PLR2019-1-1 as confirmed by the numerous Northern Denison Trough fields immediately adjacent to the east.

The area is significantly under-explored and will benefit greatly from Galilee applying contemporary exploration technology to advance the understanding of this highly prospective area. PLR2019-1-1 is also strategically close to existing production and pipeline infrastructure as well as Jemena’s proposed Galilee Gas Pipeline which will provide improved access to the eastern Australian gas markets.

Galilee has now built up a material portfolio of high quality, gas exploration acreage that is strategically spread across three of Queensland’s major east coast Basins (*Figure 1*). PLR2019-1-1 in the Denison Trough, will be managed concurrently alongside Galilee’s existing assets of ATP 2019 in the Galilee Basin which contains the flagship Glenaras Gas Project and the recently awarded ATP 2043 in the Surat Basin.

Galilee’s portfolio already comprises one of the largest, uncontracted, 2C Contingent Resource bases on the east coast of Australia of 3,012 PJ* and with the addition of PLR2019-1-1 will provide even greater materiality to this Resource position. Importantly, Galilee has sufficient technical experience and resources along with a strong financial position to enable it to effectively manage and mature all three assets in parallel.

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*Listing Rule % Disclosure: See Market announcements 1 September 2015 & 1 August 2019

Directors

Chairman – Ray Shorrocks

Managing Director – Peter Lansom

Non-Executive Director – Dr David King

Non-Executive Director – Stephen Kelemen

Non-Executive Director – Gordon Grieve

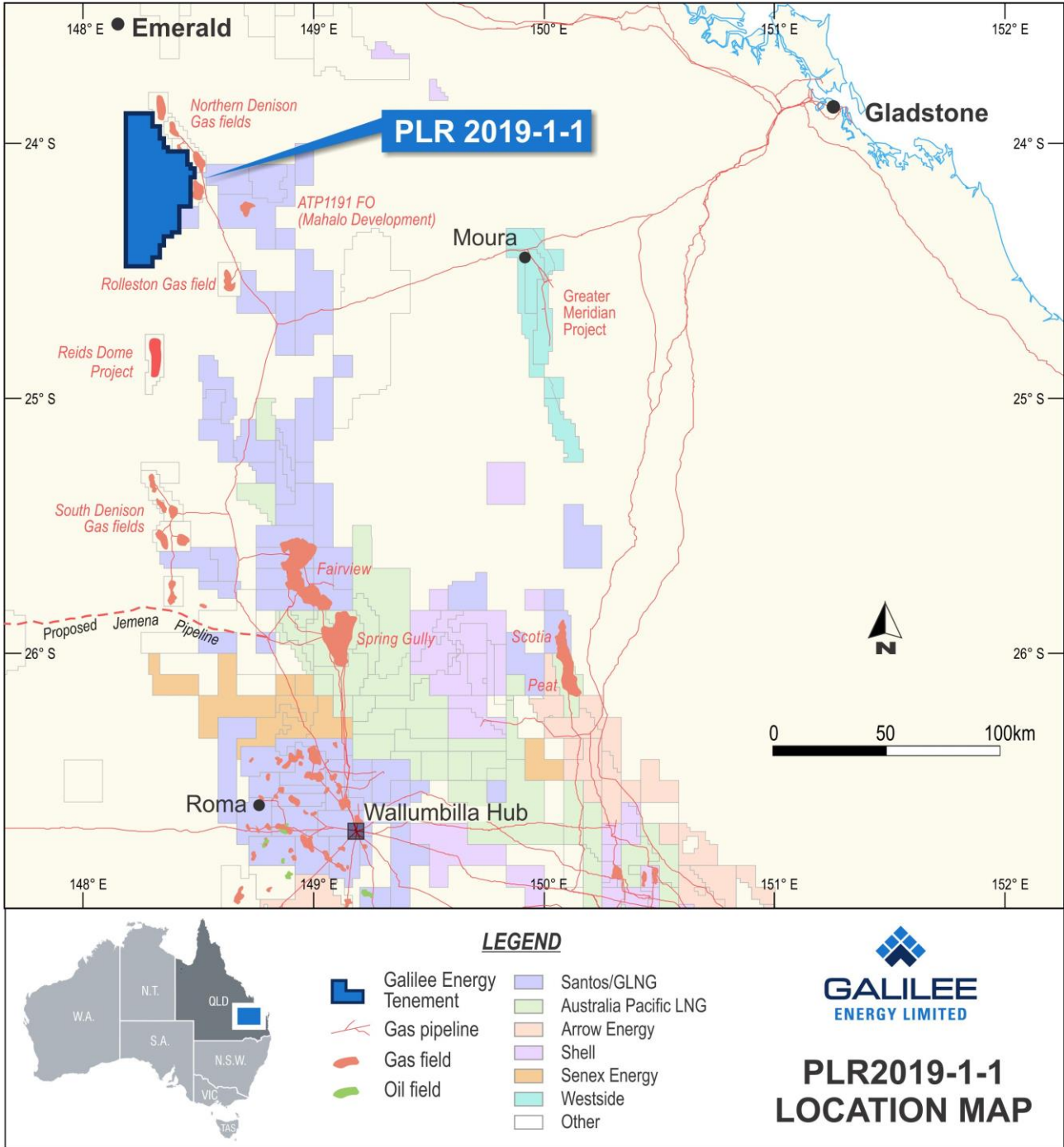


Figure 2: PLR2019-1-1 Location Map