

Kumbarilla Drilling Update

14 April 2020

Highlights

- ❖ The first well in the Kumbarilla programme has reached total depth and successfully drilled through the complete Walloon Subgroup, coal bearing section.
- ❖ Multiple coal seams intersected with strong gas shows, bright vitrinite banding and internal fracturing.
- ❖ A preliminary evaluation of wireline logging indicates a net coal of 25m which is above the pre-drill expectations, with each major section of the Walloons intersected on prognosis.

Galilee Energy Limited (ASX:GLL) (“Galilee”) is pleased to provide an update on its 100% owned Kumbarilla (ATP 2043) drilling programme in the Surat Basin.

The Kumbarilla Central 1 (KC1) well reached TD of 1020m at 8pm on 13 April 2020. The complete Walloon Subgroup was intersected with coal confirmed in each of the three primary targets in line with prognosis, i.e. the Upper Juandah, Lower Juandah and the Taroom. Coal seams have consistently displayed excellent qualities including strong gas shows upon penetration, bright vitrinite banding and pervasive internal fracturing.

Wireline evaluation logs are currently being interpreted to calculate total net coal and other key reservoir properties within the coal bearing section. An initial evaluation of the logs indicates a net coal of approximately 25m, which is above the pre-drill expectations. Twenty high quality coal samples have been collected and placed into gas desorption cannisters to determine gas content, gas composition and gas saturation levels.

Following the completion of logging and testing, the in-well evaluation program will be complete, and an update will be provided to the market in the coming days. The rig will then move on to the Kumbarilla Central 2 (KC2) well location.

The Kumbarilla Project hosts 504 PJ of independently certified 2C Contingent Resources (Table 1) which can be readily fast-tracked to market through its proximity to existing coal seam gas production infrastructure (<10 km).

Permit	Contingent Gas Resource (PJ)		
	1C	2C	3C
ATP 2043 – Surat Basin	266	504	895
ATP 2019 – Galilee Basin	308	2,508	5,314
Total	574	3,012	6,209

Table 1. Galilee Energy Contingent Gas Resource* estimates (as at 1st August 2019).

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* Listing Rule 5.42 +

The details of Contingent Resources referenced throughout this ASX Release in respect to ATP 2019 were announced to the market on 1 September 2015 and in respect to ATP 2043 were announced to the market 1 August 2019. In accordance with Listing Rule 5.34.3, Galilee Energy confirms that it is not aware of any new information or data that materially affects the information in those Market announcements first reporting the details of the Contingent Resources for ATP 2019 and ATP 2043 respectively and that all of the material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed.

About Galilee

Galilee Energy is focused on creating a mid-tier exploration and production company building on its core strengths in coal seam gas appraisal and development. Its primary area of focus is Queensland where it is appraising the Galilee and Surat Basins, exploring in the Bowen Basin, whilst looking to add further high quality acreage to its portfolio.

By authority of the Board:

Directors

Chairman – Ray Shorrocks

Managing Director – Peter Lansom

Non-Executive Director – Dr David King

Non-Executive Director – Stephen Kelemen

Non-Executive Director – Gordon Grieve