

Annual General Meeting 2020

Managing Director's Presentation



24 November 2020

ASX: **GLL**

Galilee at a glance

Directors



Ray Shorrocks

Non-Executive
Chairman



Peter Lansom

Managing Director



Dr. David King

Non-Executive Director



Stephen Kelemen

Non-Executive Director



Gordon Grieve

Non-Executive Director



Greg Columbus

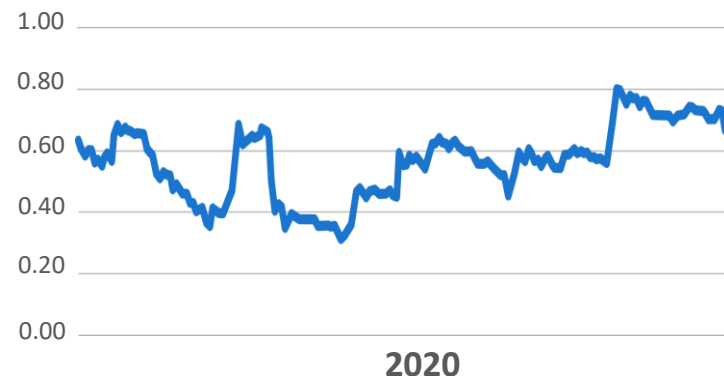
Non-Executive Director

Corporate Information

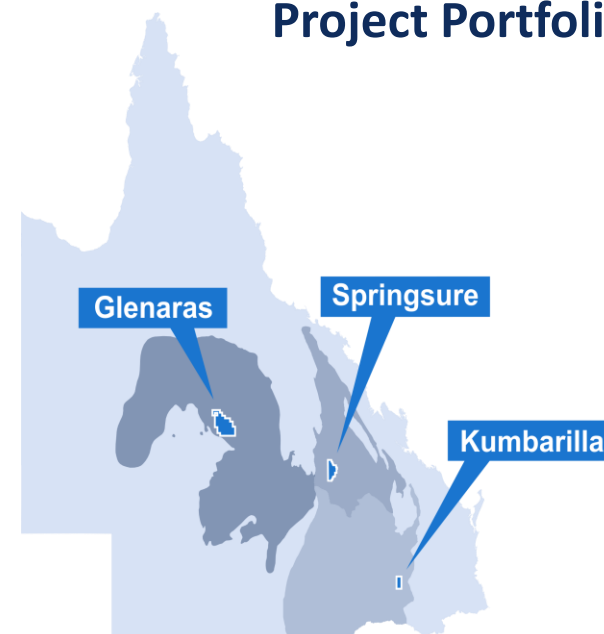
Share Price	A\$0.62
No of Shares	295M
Market Cap	A\$183M
Cash	A\$33M*
Debt	No Debt
Enterprise Value	A\$150M

*post recent cap raising

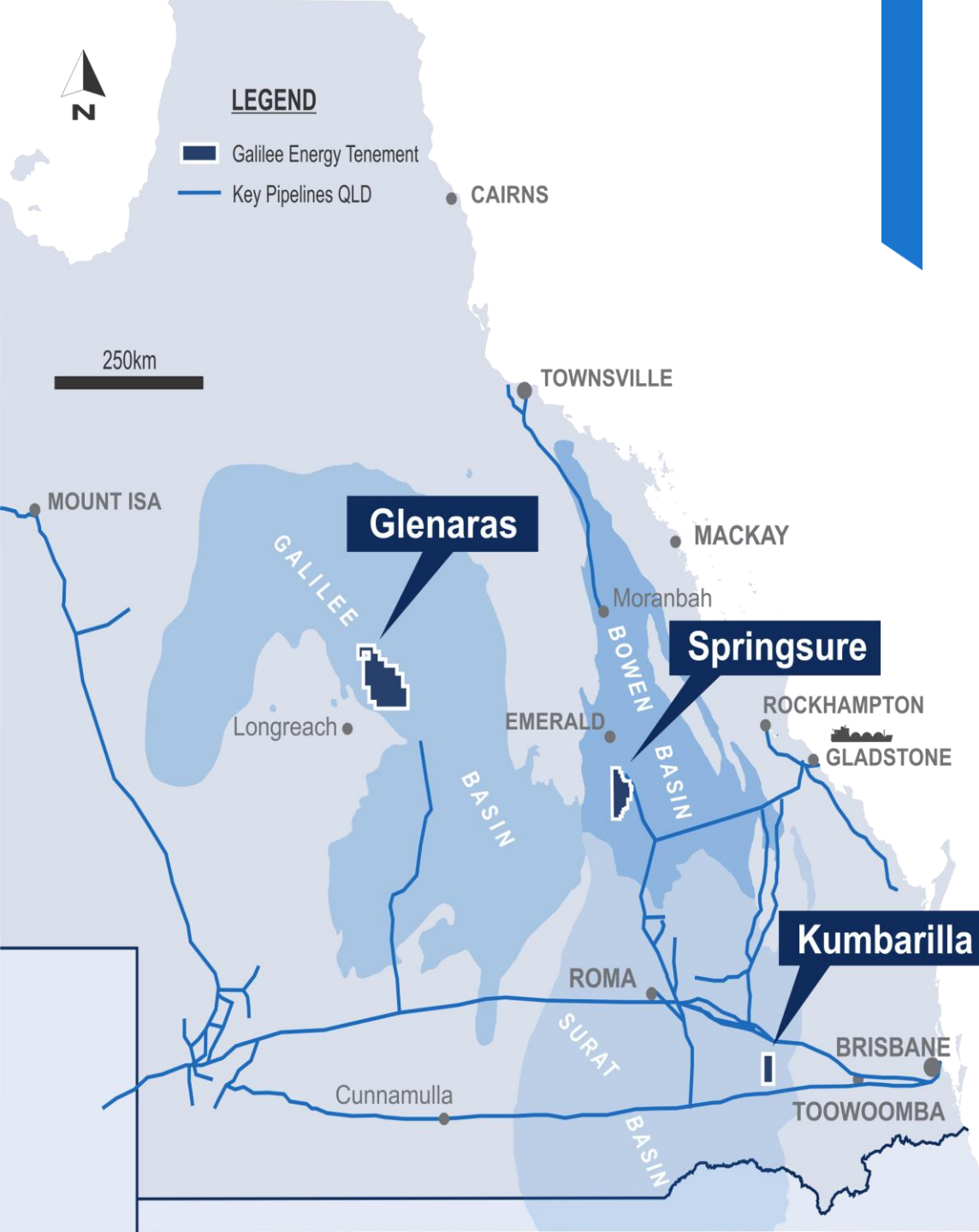
Share Price



Project Portfolio



A year of achievements



- Very active year with nine wells drilled during 2020. Continuation of our 100% safety and environmental record with minimal disruption to operations as a result of COVID-19 due to pro-active early response.
- Significant new reservoir learnings gained at the Glenaras Gas Project from the Glenaras 17A monitoring well.
- Successfully drilled a further 5 vertical wells at Glenaras as an enhancement programme, with three of the wells now on production.
- Seismic reprocessing at our Springsure Gas Project has confirmed a material CSG prospect on trend with the Reids Dome Project.
- Board has been strengthened in addition to high quality, experienced management team.
- Balance Sheet strengthened through strong capital markets support including recent over subscribed \$15 million capital raise.

Key Investment Themes



Major Gas Resource

Material Contingent Gas Resource in the Galilee Basin. Identified by State and Fed Govts as key area to unlock in nation's gas led recovery.



Well Capitalised

Galilee is well funded to convert Resources to Reserves and accelerate future exploration programmes.



Market Demand For Gas

Market structurally short and maturation of Contingent Resources to Reserves required to meet long term demand.



Significant Upside

Galilee has an extensive portfolio of gas at 100% equity levels across three different gas basins in Queensland.



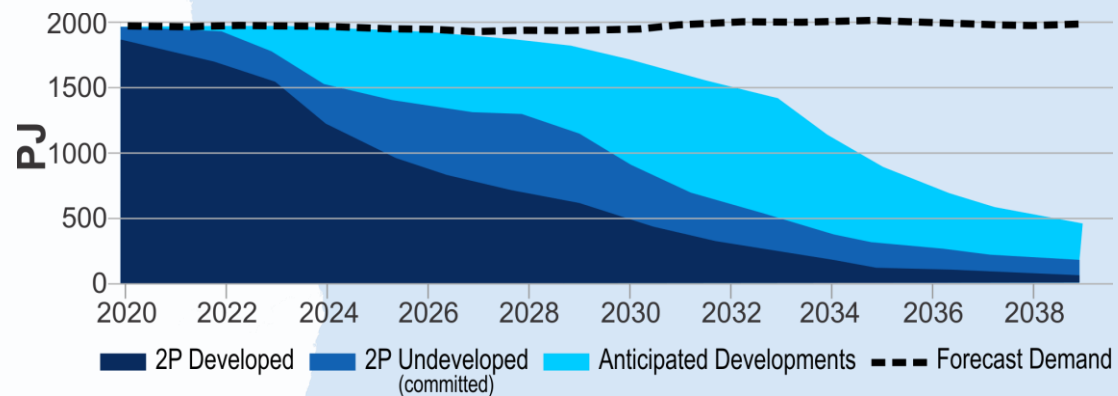
Low Cost Development

Staged development at Glenaras with Kumbarilla and Springsure adjacent to existing gas infrastructure.

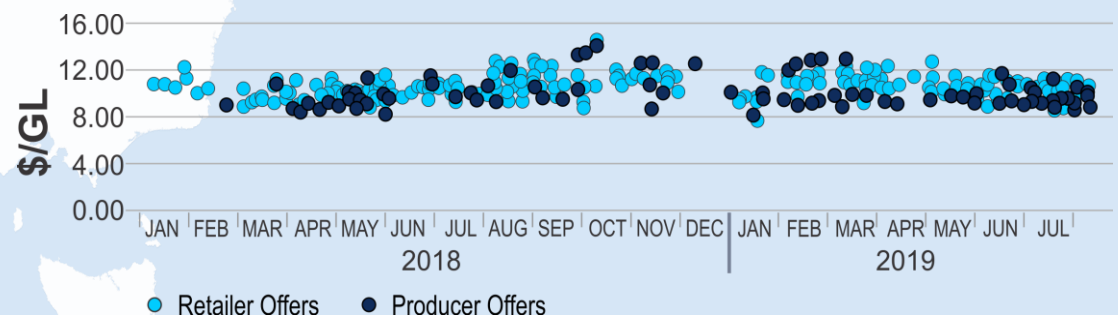
Australian East Coast Dynamics

- East coast gas market was transformed with the advent of the three LNG projects in Queensland
- Convergence between domestic gas prices and LNG export prices.
- Production from existing gas basins declining rapidly.
- Near term exploration expenditure has reduced significantly.
- Tightening supply situation now requiring higher cost developments and increased gas prices reflective of these.

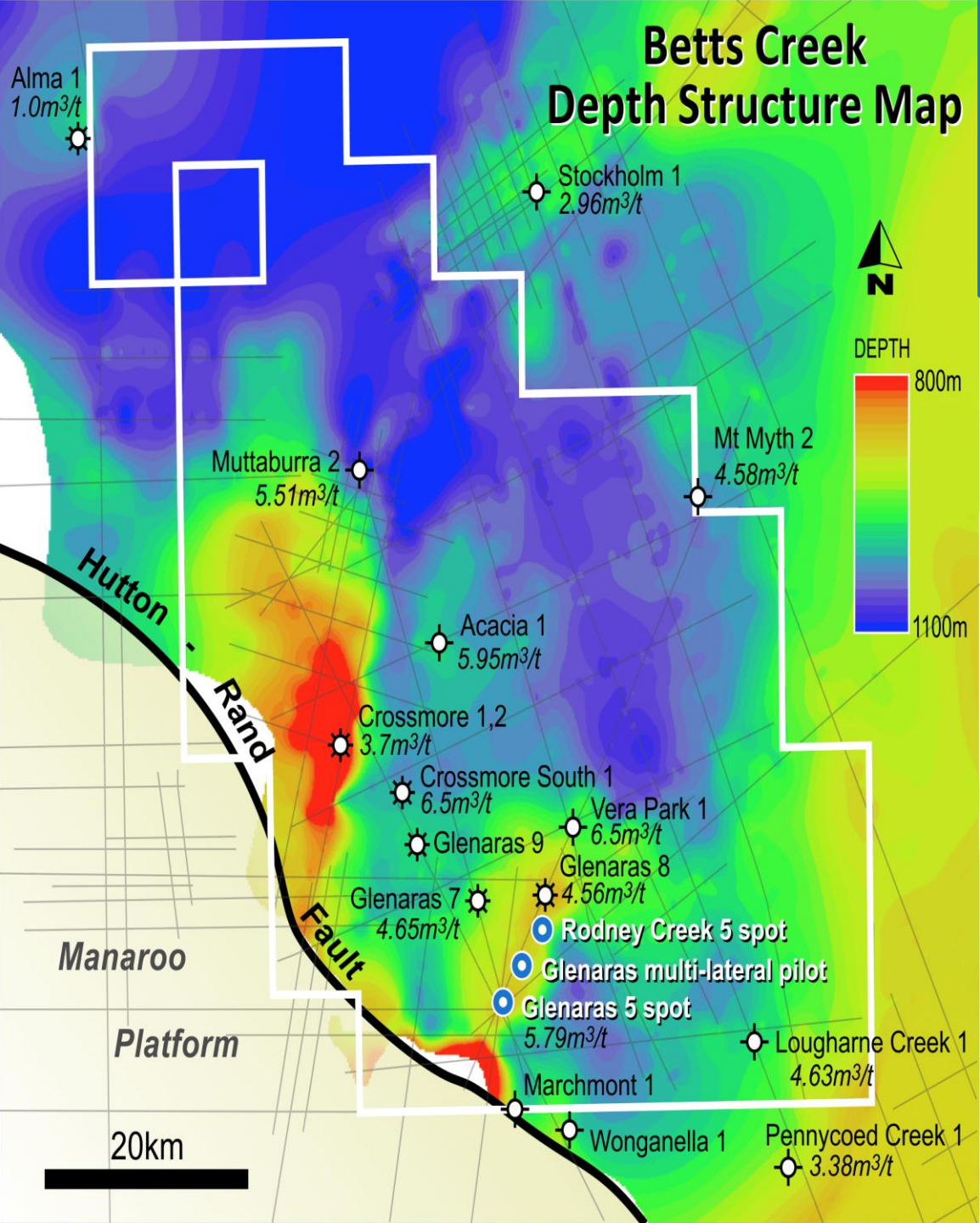
Structurally short gas market - tightening supply requiring new gas developments



Average eastern Australian gas prices



Glenaras Gas Project - The Asset



- Over \$100 million spent to date.
- Clearly defined resource – twenty exploration wells, 700km of seismic & three multi well pilots.
- Existing assets - large \$6M water storage facility (450 ML) & production gathering & flare.
- Expenditure has advanced the Project to its significant current +Contingent Resource position:

Contingent Gas Resource (PJ) +

1C	2C	3C
308	2,508	5,314

- Conversion of Resources to Reserves is the remaining step for significant value creation.

Glenaras Gas Project – The Asset

- Flat, open grazing country with large scale holdings of 50,000+ acres.
- Expected low field development costs:
 - Gas composition is sales spec with no processing required.
 - Low salinity water - minimal treatment cost.
- Strong stakeholder relationships:
 - Less than twelve landowners within the 2C Contingent Resource area.
- Centre pivot irrigation system now in operation. Various crops to be grown, providing assistance to landholders for livestock management during the prolonged drought in this area.
- Scalable system has provided proof of concept for a produced water solution at the Project.
- Managed aquifer recharge project recently approved by Queensland Department of Environment and Science.



Glenaras Gas Project – CSG Properties

Successful CSG projects require three key parameters

1 Resource concentration
(thickness, gas content) ✓

2 Productivity
(thickness, permeability) ✓

3 Pressure drawdown in the coal
(well design) ?



Depth

900m – 1000m



Net Coal

19m



Gas Content

5.3m³/t



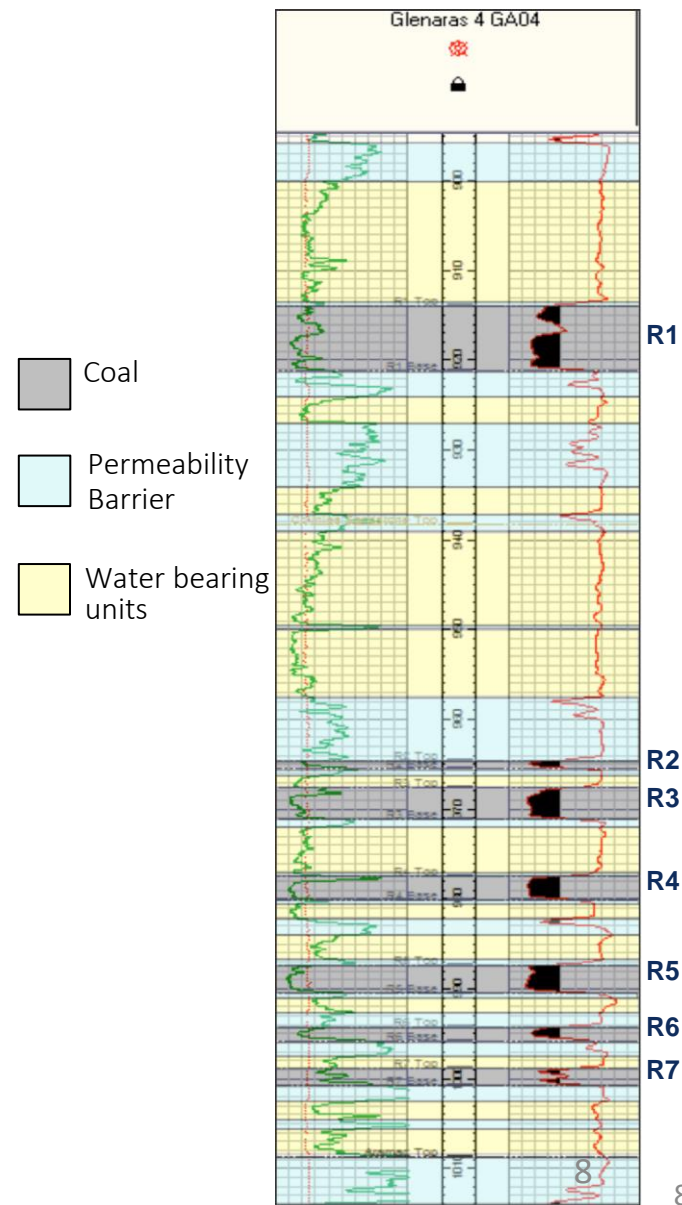
Permeability

45md



Resource Concentration

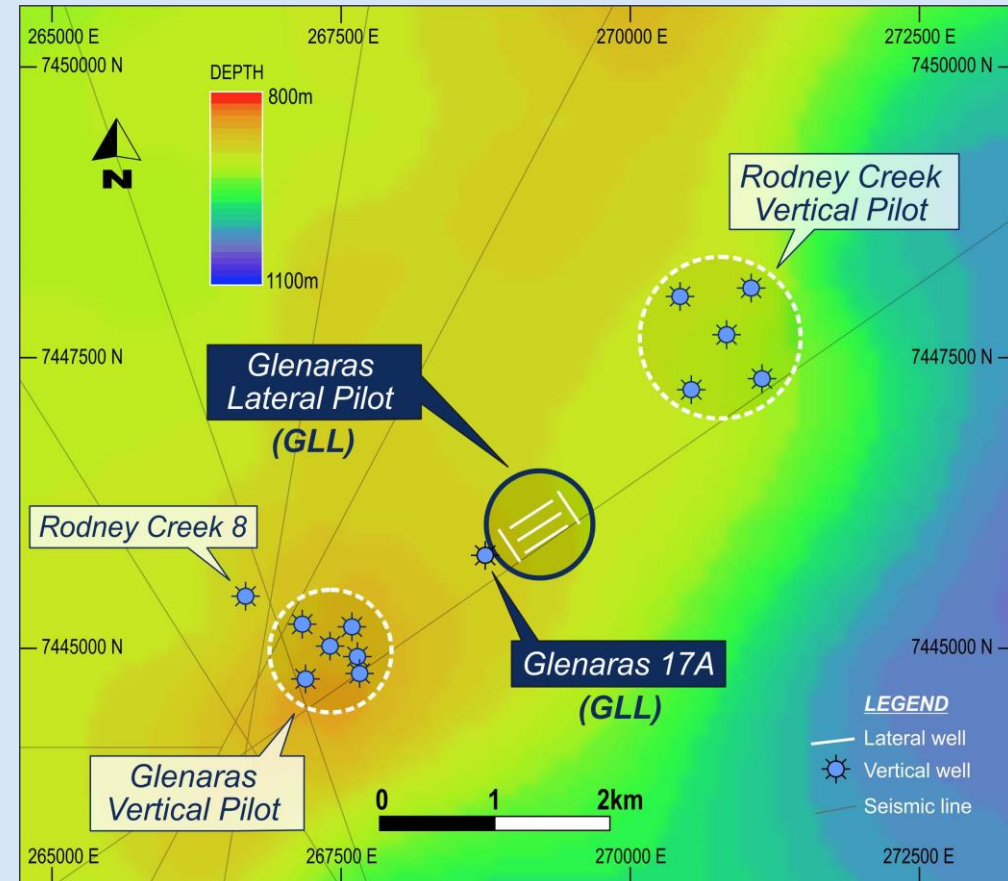
5.2 bcf/km²



Glenaras Gas Project – Enhanced Pilot

- Pilot continuing to produce strongly, achieving a significant pressure sink in the Pilot area – c 85% toward critical desorption.
- Glenaras 17A well provided breakthrough in understanding – pilot is successfully draining from the entire Betts Creek sequence.
- Betts Creek coal sequence is isolated from all significant aquifer systems.
- Vertical connectivity helps explain the continued strong water production rates due to crossflow support into the R3 coal sequence.
- Explains the longer timeframe required for Pilot to achieve critical desorption.
- Simplifies and reduces the capital costs of future drilling.
- Targeting a larger Reserves booking given all coal seams are being depleted.

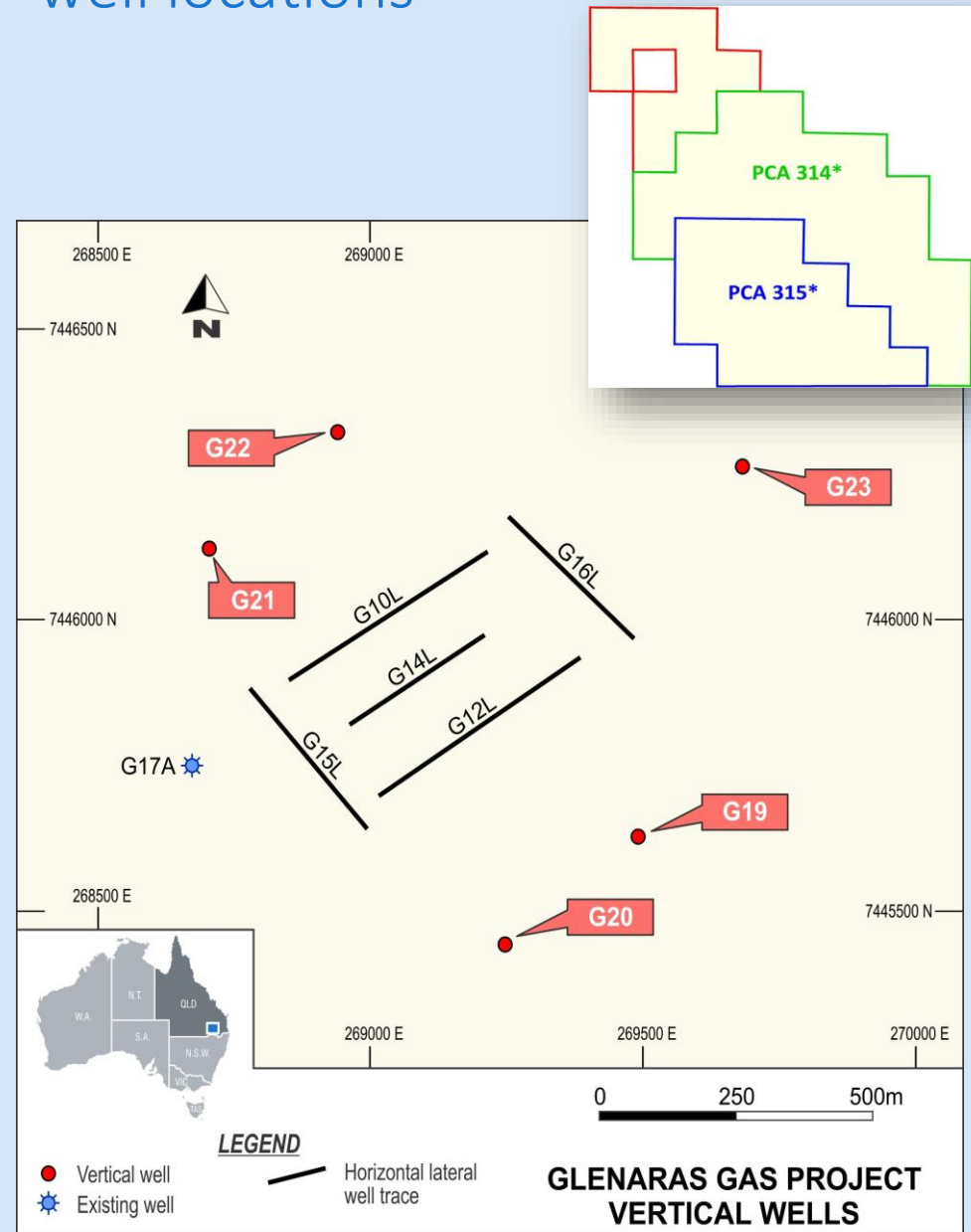
High productivity and pressure drawdown – a strong indicator for robust field economics



Pilot enhancement programme

- Five new vertical wells have been drilled around the existing pilot and completed over the full Betts Creek section.
- These new wells, plus Glenaras 17A, will provide perimeter shielding and accelerate pressure depletion to achieve our target of commercial gas flow.
- Drilling commenced in mid September and all five wells successfully drilled.
- First three of the new wells now on continuous production and performing strongly.
- Two applications submitted to the Queensland Government for Potential Commercial Areas (PCAs). Combined PCAs cover the full Contingent Resource in ATP 2019.
- This strengthening of the tenure to PCA level represents a major step forward in the commercialisation of the Glenaras Gas Project.

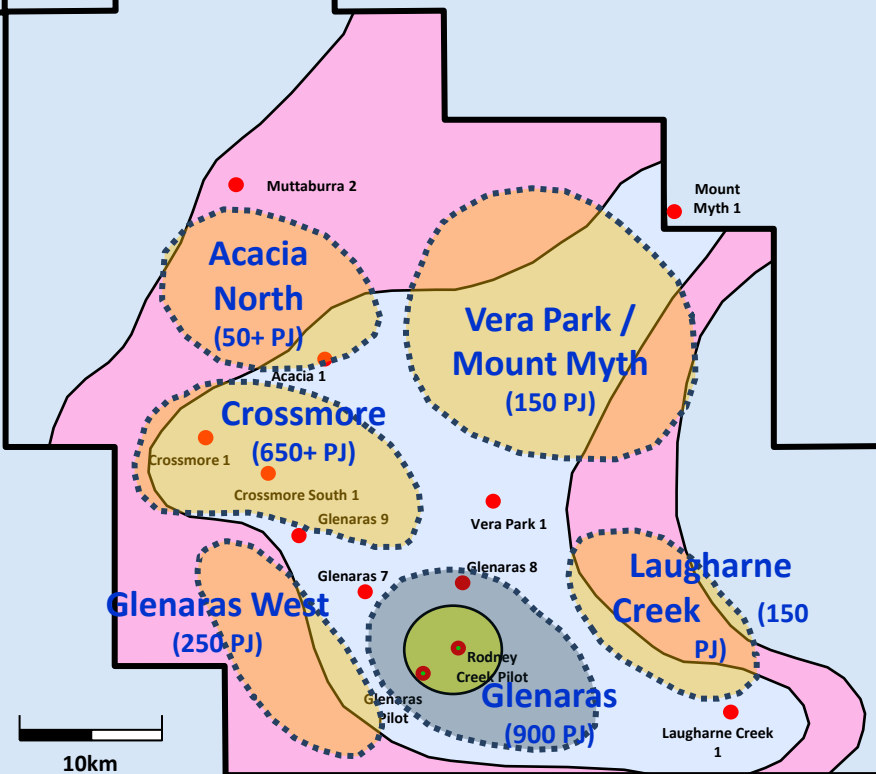
New perimeter vertical well locations



Future Exploration Potential

- Important to appreciate the scale of the permit area
 - ~4,000km² in area and...
 - ...over 80 km N-S and 70km E-W.
- The majority of the permit area has Contingent Resources coverage due to the excellent, high integrity well and seismic coverage.
- Acreage area is similar in size to the world-class Spring Gully/Fairview and Undulla nose developments individually.
- Currently, the only production testing in the permit has been in a 5km band (Glenaras).
- Multiple prospective areas identified for future Betts Creek Beds evaluation via corehole and production pilot activities.

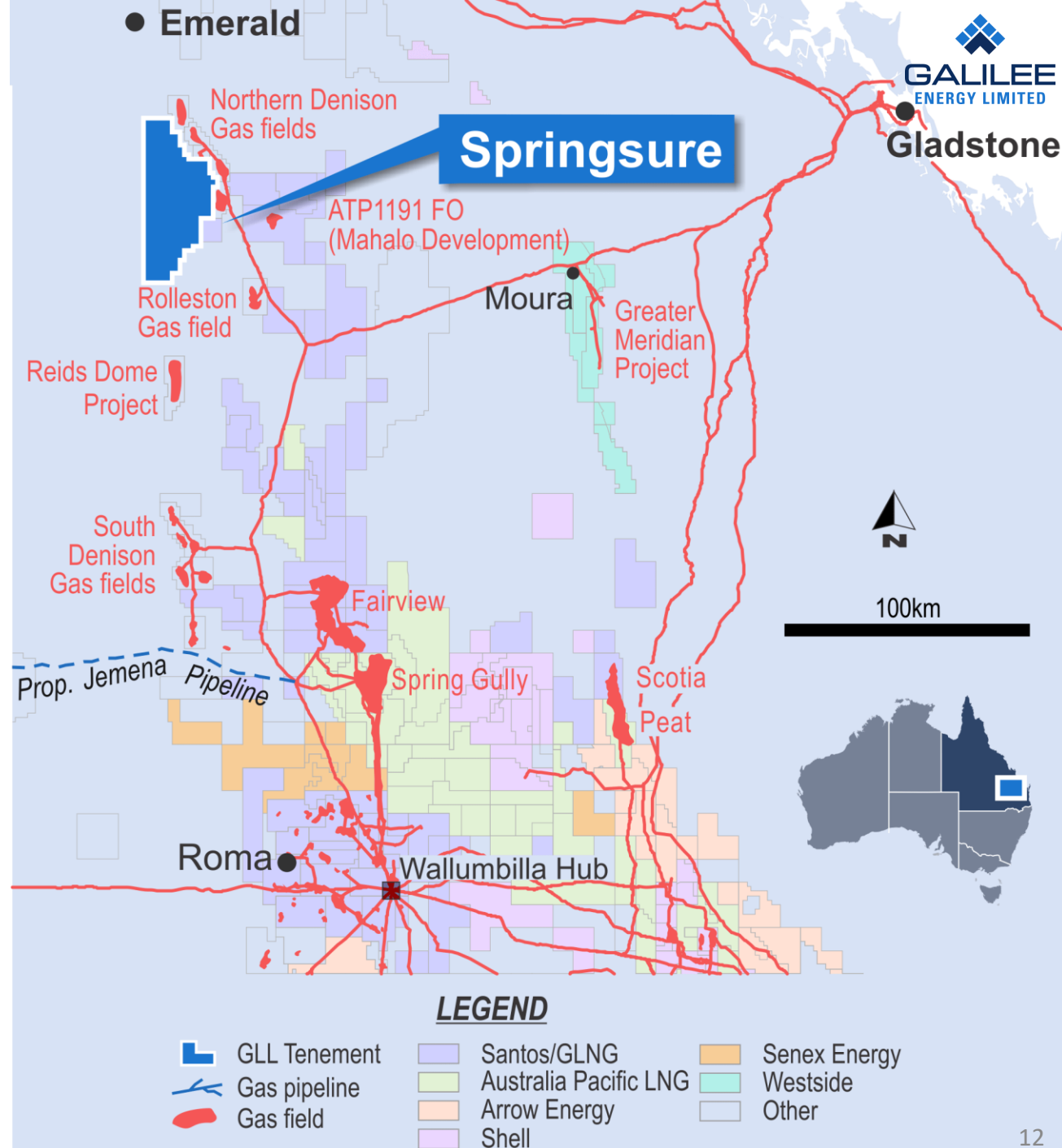
-  Exploration
-  Appraisal & reservoir characterisation



1C area	308 PJ
2C area	2,508 PJ
3C area	5,314 PJ

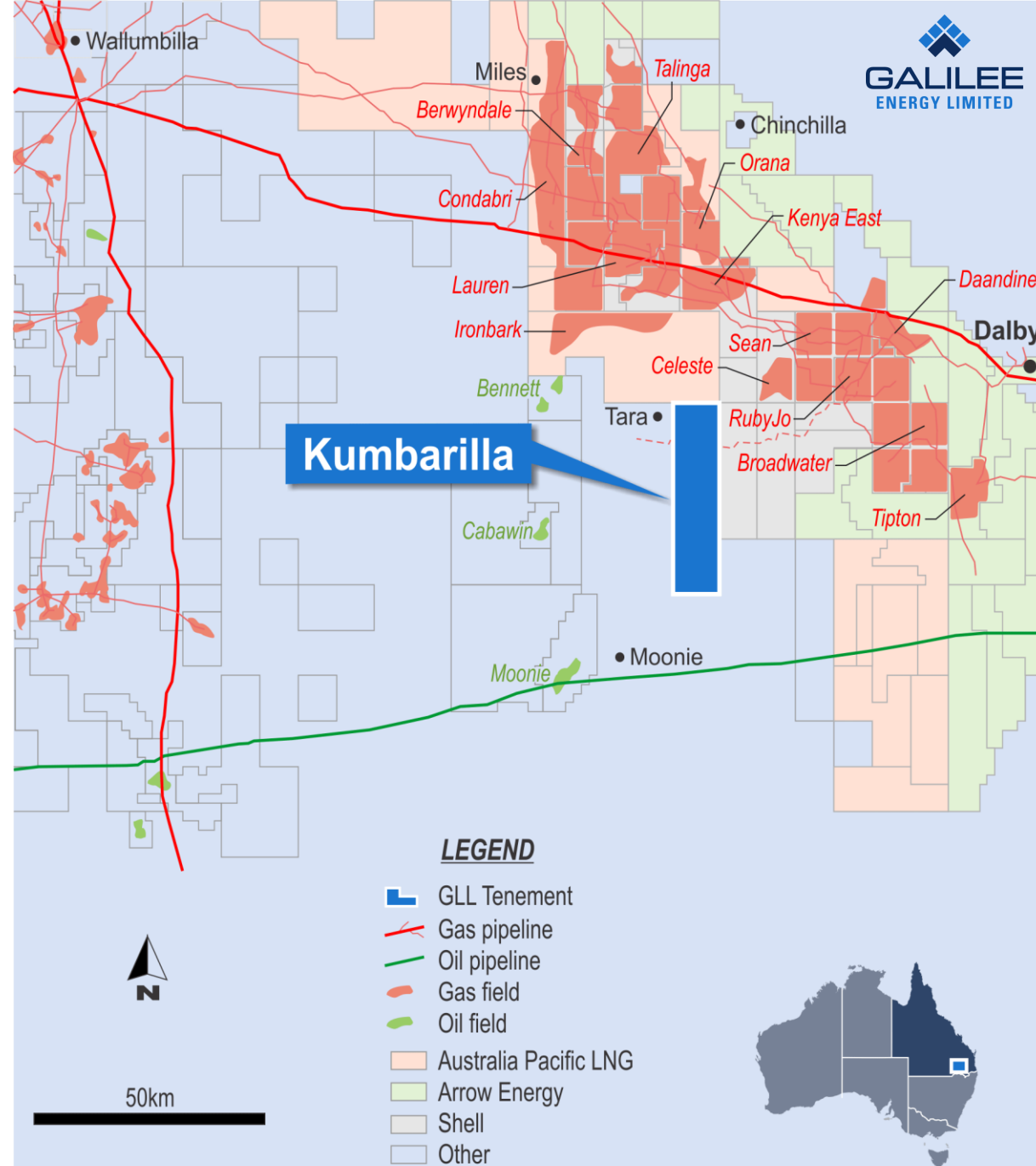
Bowen Basin – Springsure Gas Project

- 1,425km² of highly prospective exploration acreage - Denison Trough region:
 - Multiple coal seam gas and stacked conventional gas targets;
- Primary CSG target is on-trend with analogous Reids Dome Project, which is currently testing at ~500Mcf/d.
- Excellent location with short-range tie-in potential to both existing gas networks and future nearby developments.
- 696km of existing 2D seismic has been reprocessed and identified multiple CSG and conventional gas prospects and leads analogous to the Northern Denison fields.



Surat Basin – Kumbarilla Gas Project

- 384km² of high-value exploration acreage targeting both coal seam gas and conventional oil and gas.
- Close proximity to top tier production assets.
- Existing pipeline tie-ins less than 10km.
- The nearby Ironbark CSG field - purchased by APLNG in 2019 for \$231 million.
- 667km of 2D seismic reprocessed:
 - Several Jurassic and Permian conventional leads identified.
- Three CSG coreholes drilled in Q1 2020.
- Data swap executed with Shell in adjacent PL.



Summary



Focus on high growth east coast gas

Glenaras Project producing strongly and remains the key focus. Identified by State and Fed Govts as key area to unlock in nation's gas led recovery.



Experienced management team

Board bolstered recently. High quality people in place at Board and Management level with experience and track record of success in these basins.



Structurally short gas market

East coast gas market tightening, gas prices rising again and forecast to be short of supply in same time frame Glenaras gas enters the market.



Positions across multiple prospective basins

Exclusively targeted high value exploration plays with multiple targets. Provides a portfolio of opportunities, spreading risk and resource maturity.



Channel to market

Jemena have made significant progress with all stakeholders and have lodged EIS for proposed Galilee Gas Pipeline providing a clear pathway to the east coast gas market.



Strong financial position

Strong support from existing shareholders and new investors, well funded to progress both Glenaras and new exploration projects and with no debt.

This presentation may contain forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates. Investors should undertake their own analysis and obtain independent advice before investing in GLL shares. All references to dollars, cents or \$ in this presentation are to Australian currency, unless otherwise stated.

+Competent Persons Statement & Listing Rule 5 Additional Reporting on Oil & Gas Activities

The estimates of contingent resources for ATP 2019 as they appear in this presentation, are based on, and fairly represents, information and supporting documentation determined by Mr Timothy L. Hower of MHA Petroleum Consultants LLC Inc Denver, Colorado, USA, an independent petroleum reserve and resource evaluation company, in accordance with Petroleum Resource Management System guidelines. Mr Hower is a full-time employee of MHA, and is a qualified person as defined under the ASX Listing Rule 5.41. His career spans over 30 years petroleum engineering evaluations experience including field development planning, unconventional reservoir assessment and reserves, reservoir simulation, enhanced recovery, and industry training courses. His qualifications and experience meet the requirements to act as a Competent Person to report petroleum reserves in accordance with the Society of Petroleum Engineers (“SPE”) 2007 Petroleum Resource Management System (“PRMS”) Guidelines as well as the 2011 Guidelines for Application of the PRMS approved by the SPE. Mr Hower has consented to the publication of the contingent resource estimates for Galilee Energy’s 100% interest in ATP 2043 and ATP 2019 in the form and context in which they appear in this presentation . The contingent gas resource estimates for ATP 2019 provided in this presentation were originally released to the market in the Company’s announcement of 1 September 2015 and were estimated using the Deterministic Method with the estimate of contingent resources for ATP2019 not having been adjusted for commercial risk. Galilee Energy confirms that it is not aware of any new information or data that materially affects the information included in the presentation of the 1st of September 2015 and that all of the material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.



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