

ASX / MEDIA ANNOUNCEMENT



6TH WELL TO ACCELERATE PRODUCTION AT GLENARAS

14 JUNE 2022

HIGHLIGHTS

- **Project accelerating sixth well added to existing drilling programme**
- **Glenaras 29 will intersect entire coal sequence in centre of Pilot and will be fully shielded inside the area of maximum pressure depletion and potential gas desorption**
- **Project ideally placed to benefit from gas supply shortage and high domestic and global gas prices**
- **Glenaras 25, the 5th well in programme spudded and is drilling ahead at 1,011 metres to TD of 1,050 metres**

Drilling of sixth well added to 2022 drilling programme

Galilee Energy Ltd ("Galilee") (ASX: GLL) is pleased to announce the addition of a 6th well to the 2022 drilling programme at the multi-well pilot ("Pilot"). Glenaras 29 will be drilled in the centre of the existing lateral wells and will therefore receive the benefit of maximum interference and shielding in an area of maximum pressure depletion.

Glenaras 26, the 5th well in the current programme, was also spudded over the weekend and is currently drilling ahead at 1,011 metres to TD of 1,050 metres.

This additional well has been made possible in large part by the R&D refund received recently and in particular the experience gained from successfully drilling adjacent to and through the fault in the southern part of the Pilot. While this well had been contemplated previously with the necessary long lead items having been ordered, the main challenge was and remains the risks associated with drilling it in an area of maximum pressure depletion. While still an inherent risk, the successful drilling track record of this year's programme in similarly challenging conditions, has provided the necessary confidence that the potential risk is worth the significant benefits which we believe will result from this additional well.

Building an integrated & diversified sustainable energy company



Registered Address
Galilee Energy Limited
ACN 064 957 419

Level 6, 167 Eagle St,
Brisbane QLD 4000
GPO Box 1944

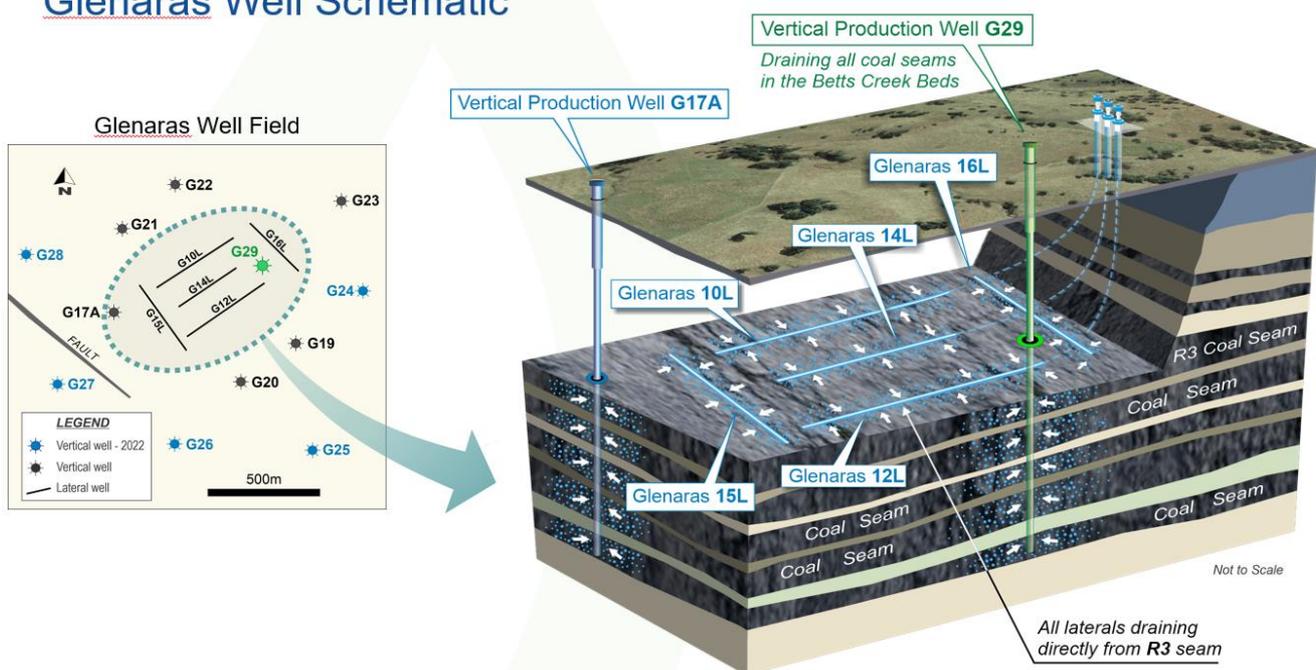
E: admin@galilee-energy.com.au
P: +61 7 3177 9970
galilee-energy.com.au

ASX Code
GLL

The primary benefit being the ability to decrease the time required to achieve critical desorption and in turn an indication of commercial gas rates. This has taken on increasing significance with the unforeseen delays to the current programme due to the various unseasonal rainfall events. These events have not only impacted the drilling schedule and all site works, but have also resulted in the existing Pilot wells, which needed to be suspended while drilling operations were conducted nearby, being shut in for extended periods. The location of Glenaras 29 which will intersect the entire coal sequence, will see an expedited pressure reduction within the centre of the Pilot and will enable for much if not all of this lost time and reservoir performance to be addressed.

If there is a benefit that has come from having the Pilot wells shut in, it is that the Company has been able to monitor reservoir pressure performance in the Betts Creek Beds over time, which has further confirmed the pre-drill expectation of exceptional reservoir quality and significant lateral continuity. In addition, it has become abundantly clear that the addition of a central vertical well, fully shielded in all directions, represents the most efficient means of collectively draining the entire Betts Creek Beds section and in turn accelerating de-pressurisation and gas desorption towards achieving commercial flow rates of gas.

Glenaras Well Schematic



Given the current shortage in gas supply on the east coast of Australia and the very attractive global and domestic gas pricing, the enormous certified contingent resource position that Galilee holds has become even more valuable. The additional funding to Galilee from the recent R&D refund also provides significant additional optionality for the Company to look at further innovative ways to expand on its already impressive carbon reduction and offset strategy, while simultaneously working to accelerate de-watering and pressure reduction at the Pilot.

As previously reported, the Galilee Basin has been specifically identified by the federal government as a strategic basin to unlock the vast gas resources in the region, with the aim of increasing the nation's east coast gas supply and applying downward pressure on gas prices.

As such Galilee looks forward to working with both the State and Commonwealth governments to unlock this huge resource and bring it to market as quickly as possible.

This announcement was released with the authority of the Board.

For further information, contact:

David Casey – Managing Director

Galilee Energy Limited

T: +61 7 3177 9970

ABOUT GALILEE

Galilee Energy is focused on creating a high value 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 Basin and exploring in the Surat and Bowen Basins whilst looking to add further high quality acreage to its portfolio.

Directors

Chairman – Ray Shorrocks

Managing Director – David Casey

Non-Executive Director – Stephen Kelemen

Non-Executive Director – Gordon Grieve

Non-Executive Director – Greg Columbus