

5 December 2008

ASX Release

Galilee Energy Limited

The first phase of the 2008/2009 exploration and appraisal programme at Rodney Creek has now been completed with the drilling of the 5 spot production test pilot at Glenaras. AGL operated the programme under the terms of the Joint Venture agreement signed in July.

Drilling of the pilot commenced in early October. Five wells were drilled and log data was collected from each well for review to assess the optimum completion plan.

At the same time the Joint Venture is continuing work to permit and construct a water holding pond. Once this has been established the wells will be perforated, progressive cavity pumps will be installed and a dewatering programme will commence with the aim of drawing down the water to allow for the release of the gas contained within the coal seams. This will establish gas flow rates and assist in determining the commerciality of the programme. This process is expected to continue throughout 2009.

Glenaras Production Pilot Summary

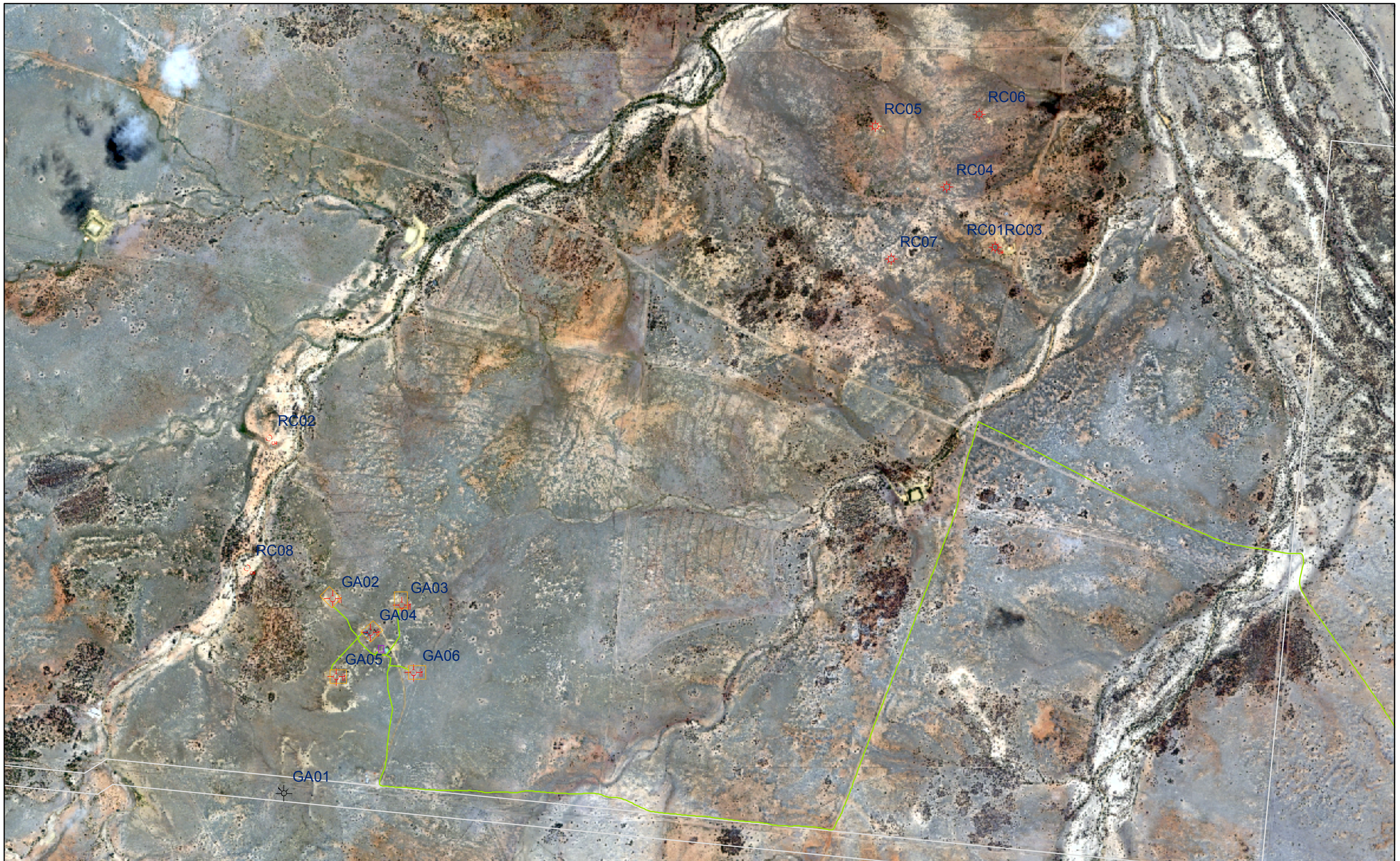
Well	Spud	Total Depth (metres)	Proposed Completion Technique	Target
GAO4	7 Oct	12 Oct – 1103	Fracture Stimulate	Betts Creek Beds 964.5 –1008.7 metres
GAO2	18 Oct	23 Oct – 1112	Fracture Stimulate	
GAO5	30 Oct	6 Nov - 1106	Under-ream	
GAO6	12 Nov	16 Nov - 1102	Fracture Stimulate	
GAO3	21 Nov	25 Nov - 1071	Under-ream	

For further information contact:

Sam Aarons
Manager, Business Development & Corporate Relations

Tel: 07 3216 1155
Fax: 07 3216 1199
Email: info@easterncorp.com.au
Website: www.easterncorp.com.au

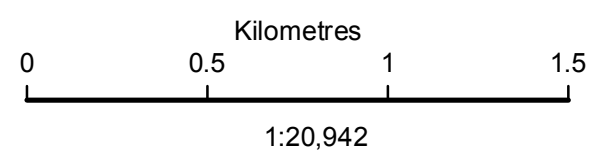




Author Andrew Parker
 Date: 05/12/08
 Ref: 1790R2

Glenaras Pilot

Disclaimer: While AGL has taken great care and attention to ensure the accuracy of the data represented on this map, no liability shall be accepted for any errors or omissions. No part of this map may be reproduced without prior permission of AGL.



Legend

Dam/Well Compound	Galilee Wells	Exploration	
Turkeys Nest Dam	Corehole	Production	
Glenaras Access Roads	Drilled		
Property Boundaries			