



**GALILEE**  
**ENERGY LIMITED**

ABN 11 064 957 419

13 May 2011

Mr Rohan Abeyewardene  
Senior Adviser, Listings (Brisbane)  
ASX Compliance Pty Ltd  
Level 5 Riverside Centre  
123 Eagle Street  
Brisbane Qld

Dear Rohan,

**PRICE QUERY: Galilee Energy Limited** (the "Company")

I refer to your letter of 12 May 2011 in relation to the decrease in price of the Company's securities over the last 2 weeks and the increase in volume of trading over the last 2 days.

In answer to your queries we respond:

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for the recent trading in its securities.
2. In view of the response to question 1, this is not applicable.
3. The Company has no other explanation to offer for the price change and increase in trading volume of its securities.
4. The Company confirms that it is in compliance with the ASX Listing Rules and, in particular, Listing Rule 3.1.

Yours sincerely,

Bill Lyne  
Company Secretary





12 May 2011

Mr Bill Lyne  
Company Secretary  
Galilee Energy Limited  
Level 2, 895 Ann Street  
FORTITUDE VALLEY QLD 4006

By email: [bill@companysecretary.com.au](mailto:bill@companysecretary.com.au)

Dear Bill

ASX Compliance Pty Limited  
ABN 26 087 780 489  
Level 5, Riverside Centre  
123 Eagle Street  
Brisbane QLD 4000

PO Box 7055  
Riverside Centre  
Brisbane QLD 4001

Telephone 61 7 3835 4000  
Facsimile 61 7 3832 4114  
[www.asx.com.au](http://www.asx.com.au)

Galilee Energy Limited (the "Company")

#### PRICE QUERY

We have noted a decrease in the price of the Company's securities from a close of 21 cents on Friday, 29 April 2011 to an intraday low of 17 cents today. We have also noted an increase in the volume of trading in the securities over the last two days.

In light of the price change and increase in volume, please respond to each of the following questions.

1. Is the Company aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company?

Please note that as recent trading in the Company's securities could indicate that information has ceased to be confidential, the Company is unable to rely on the exceptions to listing rule 3.1 contained in listing rule 3.1A when answering this question.

2. If the answer to question 1 is yes, can an announcement be made immediately? If not, why not and when is it expected that an announcement will be made?

Please note, if the answer to question 1 is yes and an announcement cannot be made immediately, you need to contact us to discuss this and you need to consider a trading halt (see below).

3. Is there any other explanation that the Company may have for the price change in the securities of the Company?

4. Please confirm that the Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Your response should be sent to me by email at [rohan.abeyewardene@asx.com.au](mailto:rohan.abeyewardene@asx.com.au). It should not be sent to the Company Announcements Office.

Unless the information is required immediately under listing rule 3.1, a response is requested as soon as possible and, in any event, by 9.30am EST on Friday, 13 May 2011.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a suitable form and separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

## Listing rule 3.1

Listing rule 3.1 requires an entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. The exceptions to this requirement are set out in listing rule 3.1A.

In responding to this letter you should consult listing rule 3.1 and Guidance Note 8 – Continuous Disclosure: listing rule 3.1.

If the information requested by this letter is information required to be given to ASX under listing rule 3.1 your obligation is to disclose the information immediately.

Your responsibility under listing rule 3.1 is not confined to, or necessarily satisfied by, answering the questions set out in this letter.

## Trading halt

If you are unable to respond by the time requested, or if the answer to question 1 is yes and an announcement cannot be made immediately, you should consider a request for a trading halt in the Company's securities. As set out in listing rule 17.1 and Guidance Note 16 – Trading Halts we may grant a trading halt at your request. We may require the request to be in writing. We are not required to act on your request. You must tell us each of the following.

- The reasons for the trading halt.
- How long you want the trading halt to last.
- The event you expect to happen that will end the trading halt.
- That you are not aware of any reason why the trading halt should not be granted.
- Any other information necessary to inform the market about the trading halt, or that we ask for.

The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. If a trading halt is requested and granted and you are still unable to reply to this letter before the commencement of trading, suspension from quotation would normally be imposed by us from the commencement of trading if not previously requested by you. The same applies if you have requested a trading halt because you are unable to release information to the market, and are still unable to do so before the commencement of trading.

If you have any queries regarding any of the above, please let me know.

Yours sincerely

[sent electronically without signature]

Rohan Abeyewardene  
Senior Adviser, Listings (Brisbane)