

## Galilee Basin Coal & Energy Conference

Galilee Energy Limited (ASX:GLL) today announces that Chief Executive Officer, Glenn Haworth will present “Exploring for CSG & conventional petroleum” to the Galilee Basin Coal & Energy Conference being held at the Brisbane Hilton.

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## About Galilee

Galilee Energy Limited (ASX: **GLL**) is an emerging energy company with coal seam gas interests in Australia.

Galilee holds two highly prospective coal seam gas and hydrocarbon tenements in the Galilee Basin in central Queensland through subsidiary, Galilee Resources. The tenements, ATP 529P and 799P, cover approximately 9,000 km<sup>2</sup>.

The Galilee Gas Project, ATP 529P, is held in a 50/50 joint venture with AGL Energy Limited (AGL, ASX: **AGK**) under which AGL is the operator. ATP 799P is wholly owned and operated by Galilee. In June 2011 the joint venture announced its first Contingent Resource estimate of 259 petajoules (PJ) of 2C and 1,090 PJ of 3C Resources (technically recoverable) from 450km<sup>2</sup> of ATP529P, centered on the Glenaras pilot. The pilot is undergoing gas flow testing, having produced 1,170 mscf in May 2012.

Galilee has an experienced board and management with collective track records in growing junior resource companies. It is actively pursuing growth through hydrocarbon development opportunities.





## **Exploring for CSG and conventional petroleum Galilee Basin Coal and Energy Conference**

**Glenn Haworth  
CEO  
Galilee Energy Limited**

**November 2012**

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.

# Creating a hydrocarbon energy company



A well funded Brisbane based hydrocarbon energy company with two coal seam gas tenements in the Galilee Basin.

## Market overview – 12 November 2012

|  |         |
|--|---------|
| ASX code                               | GLL     |
| Market capitalisation                  | \$21.3M |
| Shares on issue                        | 152.1M  |
| Unlisted options                       | 8.0M    |
| Closing share price                    | \$0.14  |
| Average daily trading volume (3 month) | 67k     |
| Cash (at 30 Sep 2012)                  | \$33.1M |
| Debt                                   | Nil     |
| No of shareholders                     | 1,663   |

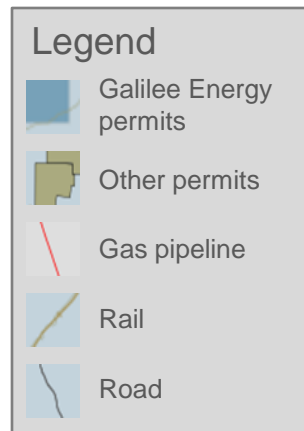
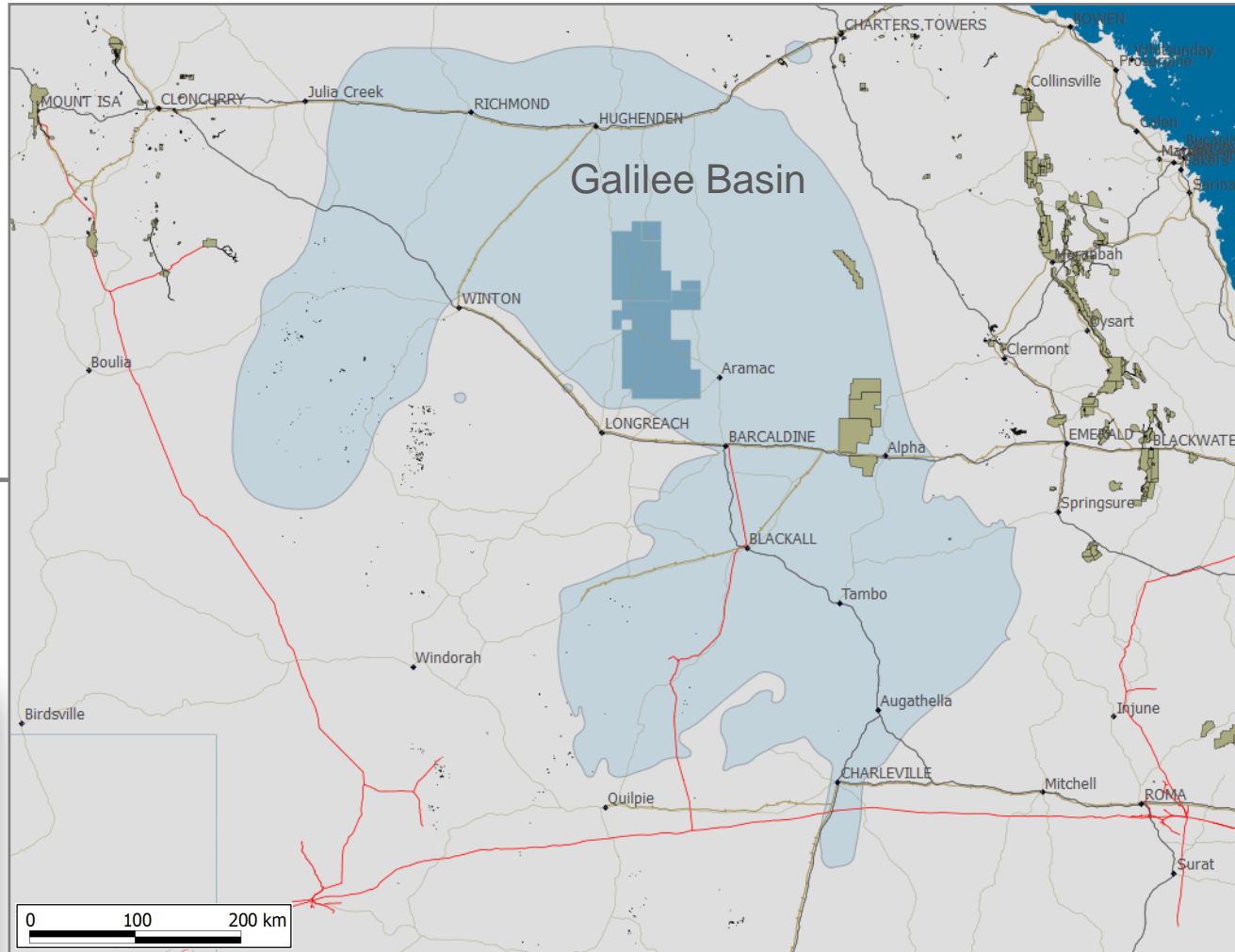
## Shareholdings – 30 September 2012

| Name                                      | No of shares      | % of shares  |
|---|-------------------|--------------|
| Becamel Pty Ltd                           | 25,643,142        | 16.85        |
| Ecarlate Pty Ltd                          | 18,342,608        | 12.06        |
| Ekco Investments Pty Ltd                  | 8,881,011         | 5.84         |
| AMP Life Limited                          | 8,419,967         | 5.53         |
| Corostar Pty Ltd                          | 3,919,116         | 2.58         |
| Jade Securities Pty Ltd                   | 3,000,000         | 1.97         |
| Venturin Nominees Pty Ltd                 | 2,996,337         | 1.97         |
| Pacific Road Provident Pty Ltd            | 2,451,083         | 1.61         |
| HSBC Custody Nominees (Australia) Limited | 2,359,700         | 1.55         |
| Pacific Tug Pty Ltd                       | 1,698,984         | 1.12         |
| <b>Top 10 holders</b>                     | <b>77,711,948</b> | <b>51.08</b> |
| <b>Total remaining holders (balance)</b>  | <b>74,428,518</b> | <b>48.92</b> |

trading well below cash



# Exploring for large scale coal seam gas reserves



# Exploring a large-scale coal seam gas project

## Strategy

### Mid term - Deliver coal seam gas

Demonstrate commerciality  
Establish Proved & Probable Gas Reserves (2P)  
Supply natural gas to the domestic market

### Short term – Acquire growth

Acquire oil and gas projects to provide positive cash flow and form the basis for securing and retaining a talented operating team

## Assets

### ATP 529P (Galilee Gas Project)

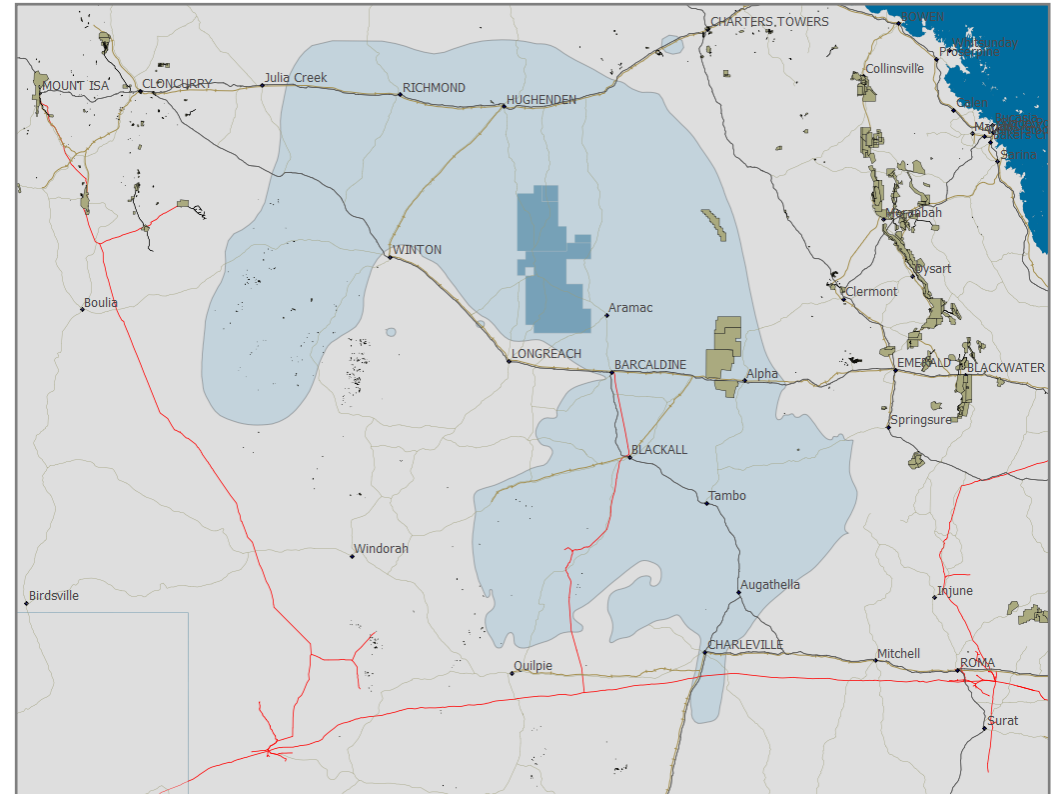
Covering 5,929 km<sup>2</sup> in joint venture with AGL Energy Limited  
Each party holds 50%  
Contingent resource (3C) 1,090 PJ (100% basis)  
AGL is the operator

### ATP 799P

Covering 3,097 km<sup>2</sup> held 100% by Galilee  
GLL is the operator

## Cash

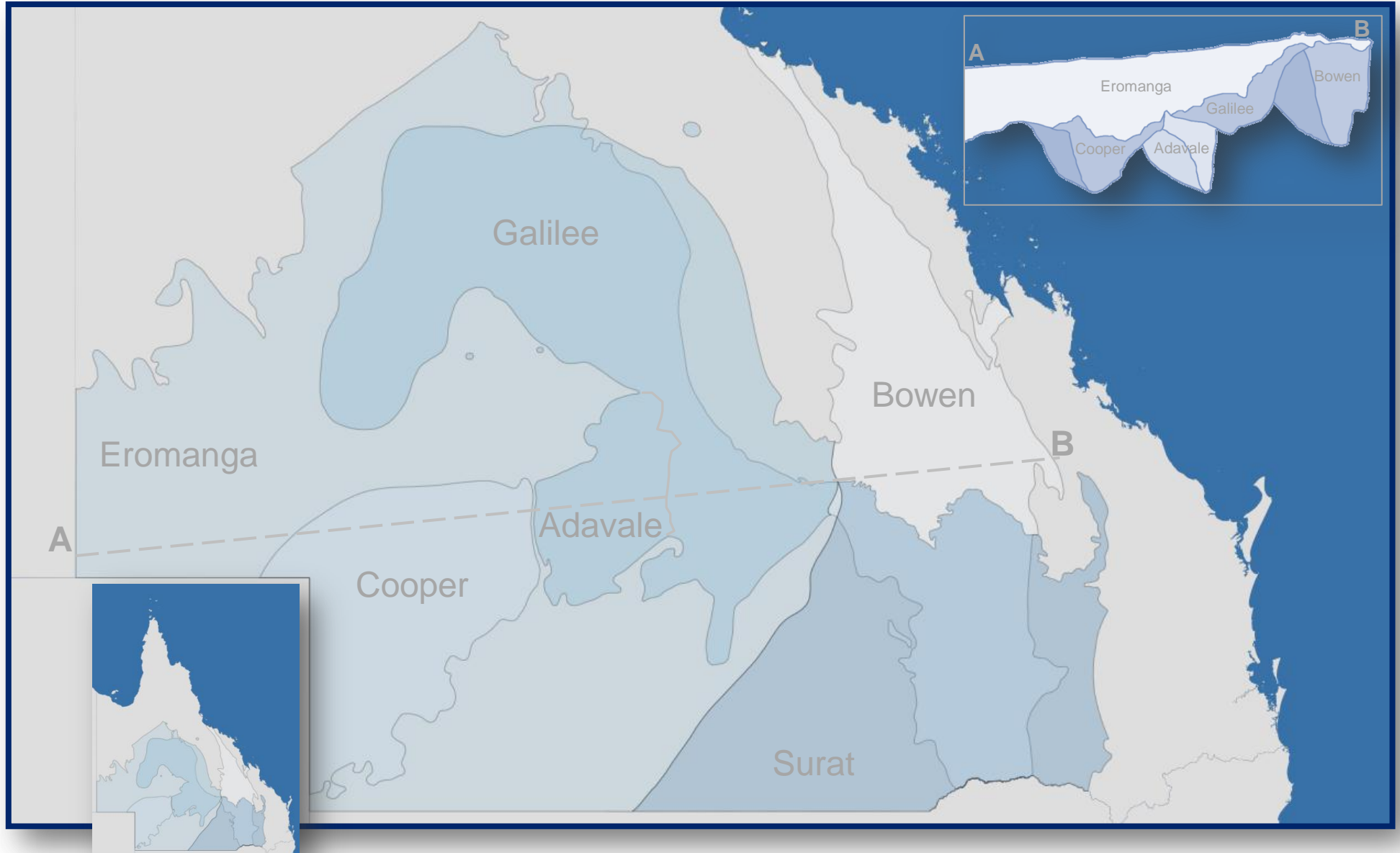
Cash on hand of \$33.1 million as at 30 September 2012



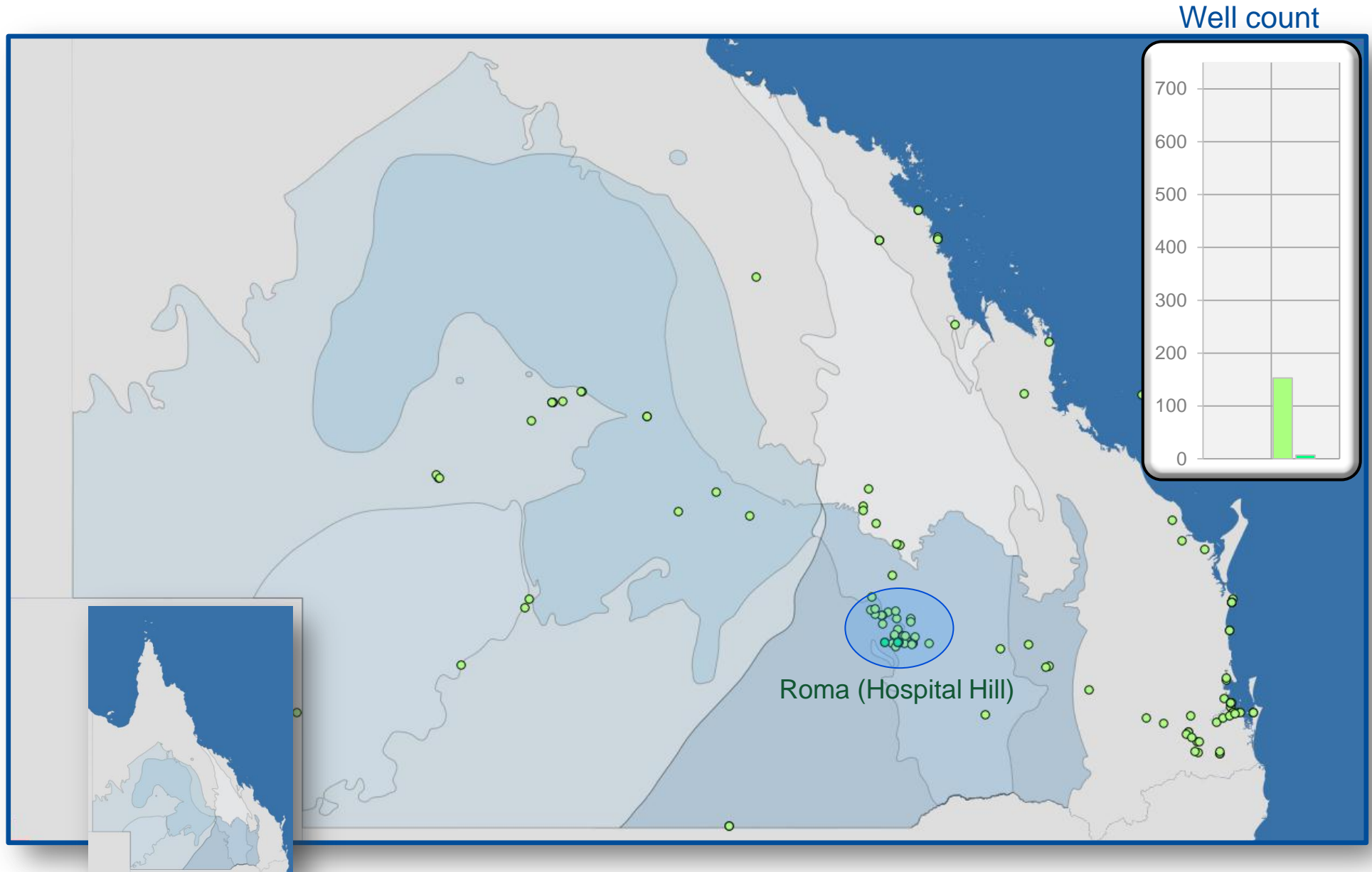
transformational mid-term project



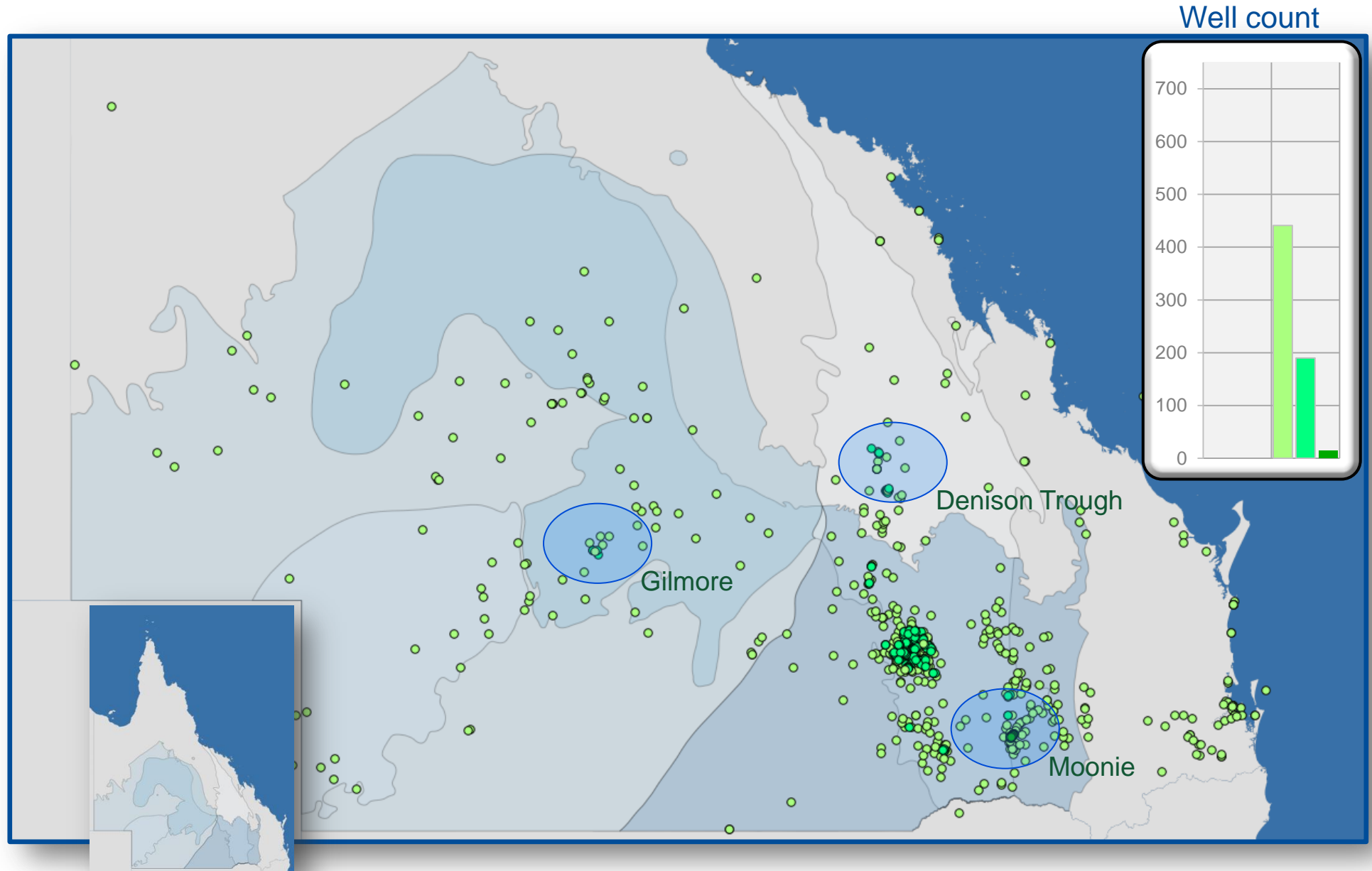
# Stratigraphic relationship



# Petroleum exploration and development: Pre 1960

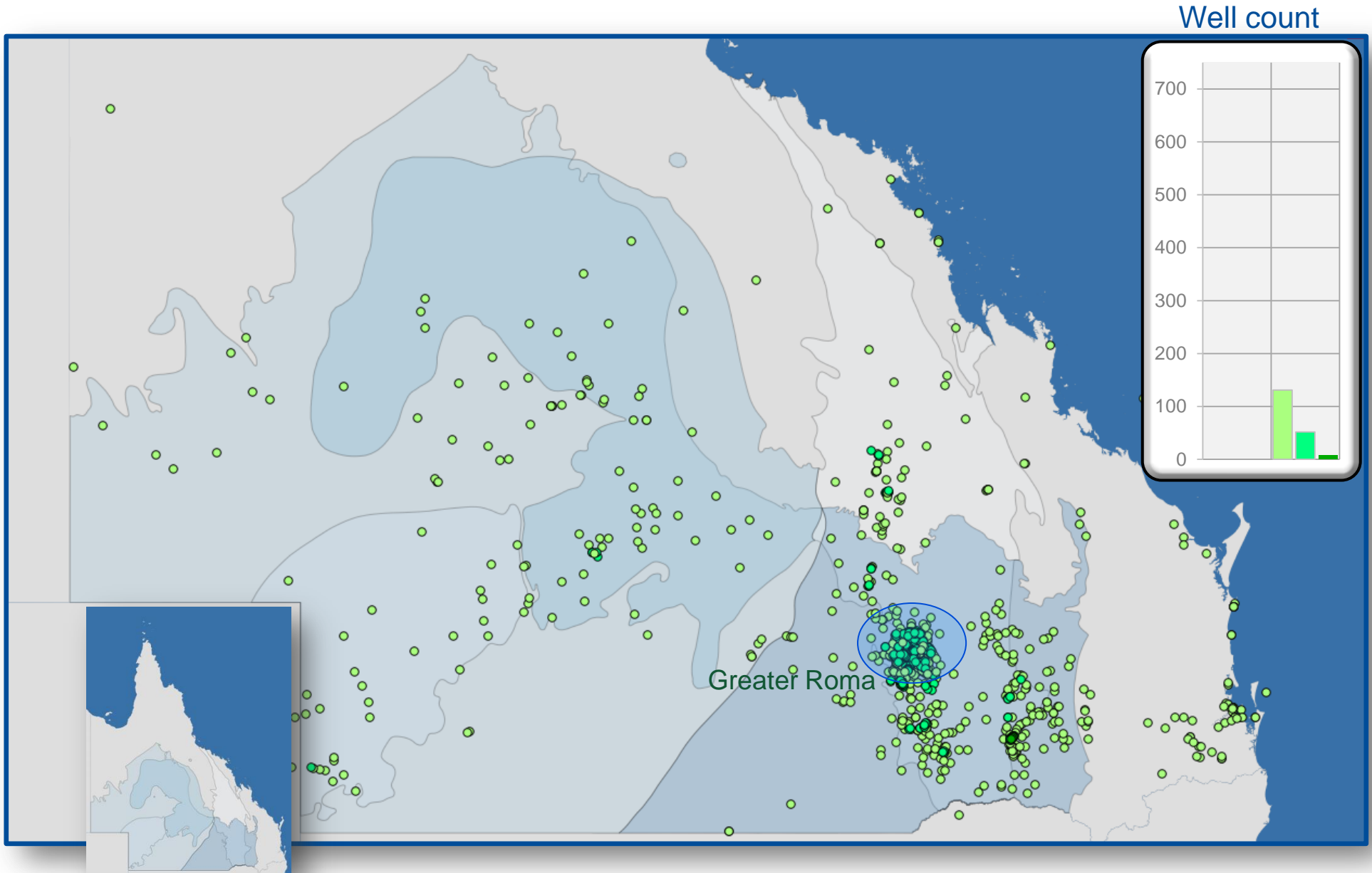


# Petroleum exploration and development: 1960s

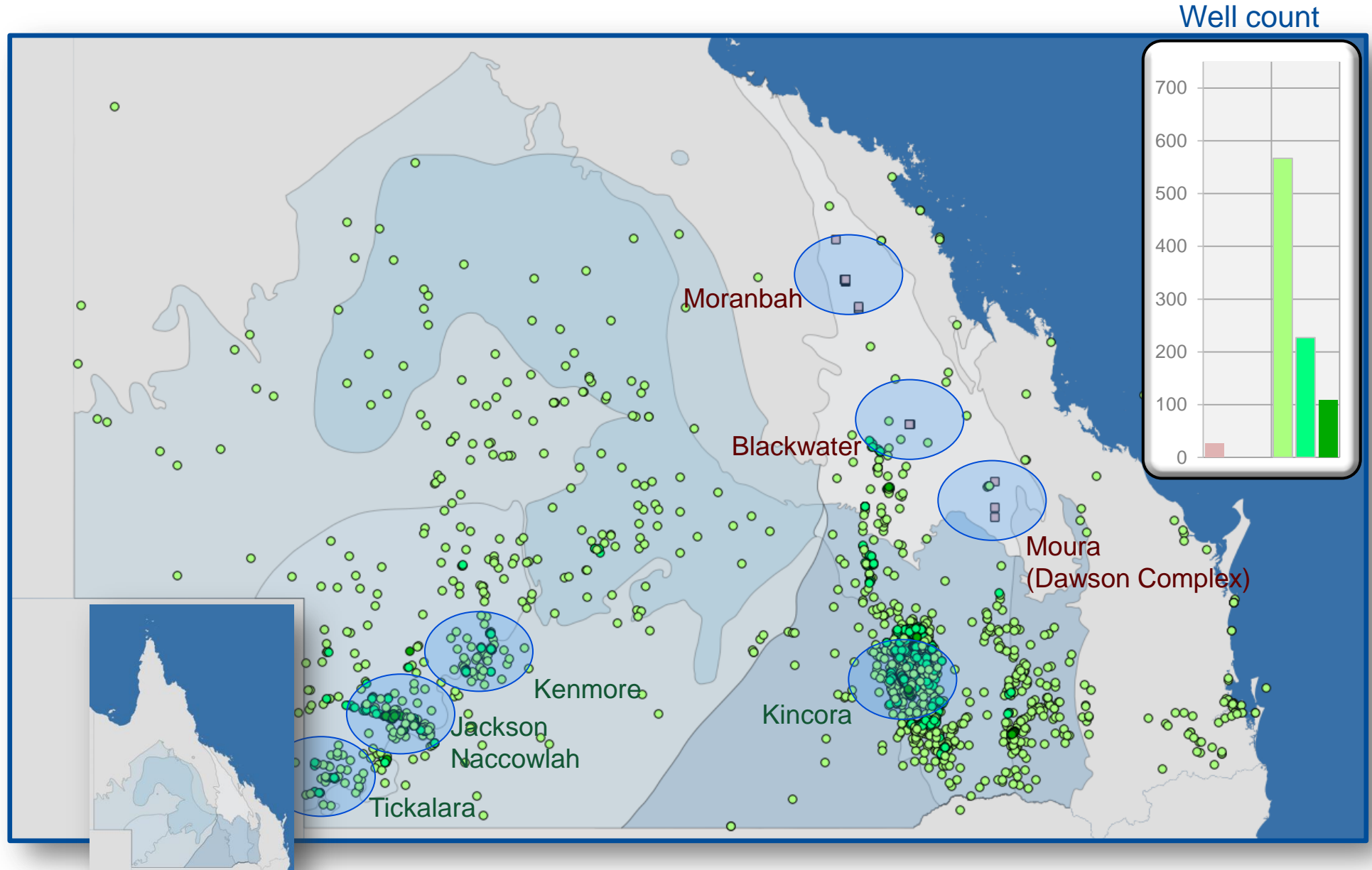




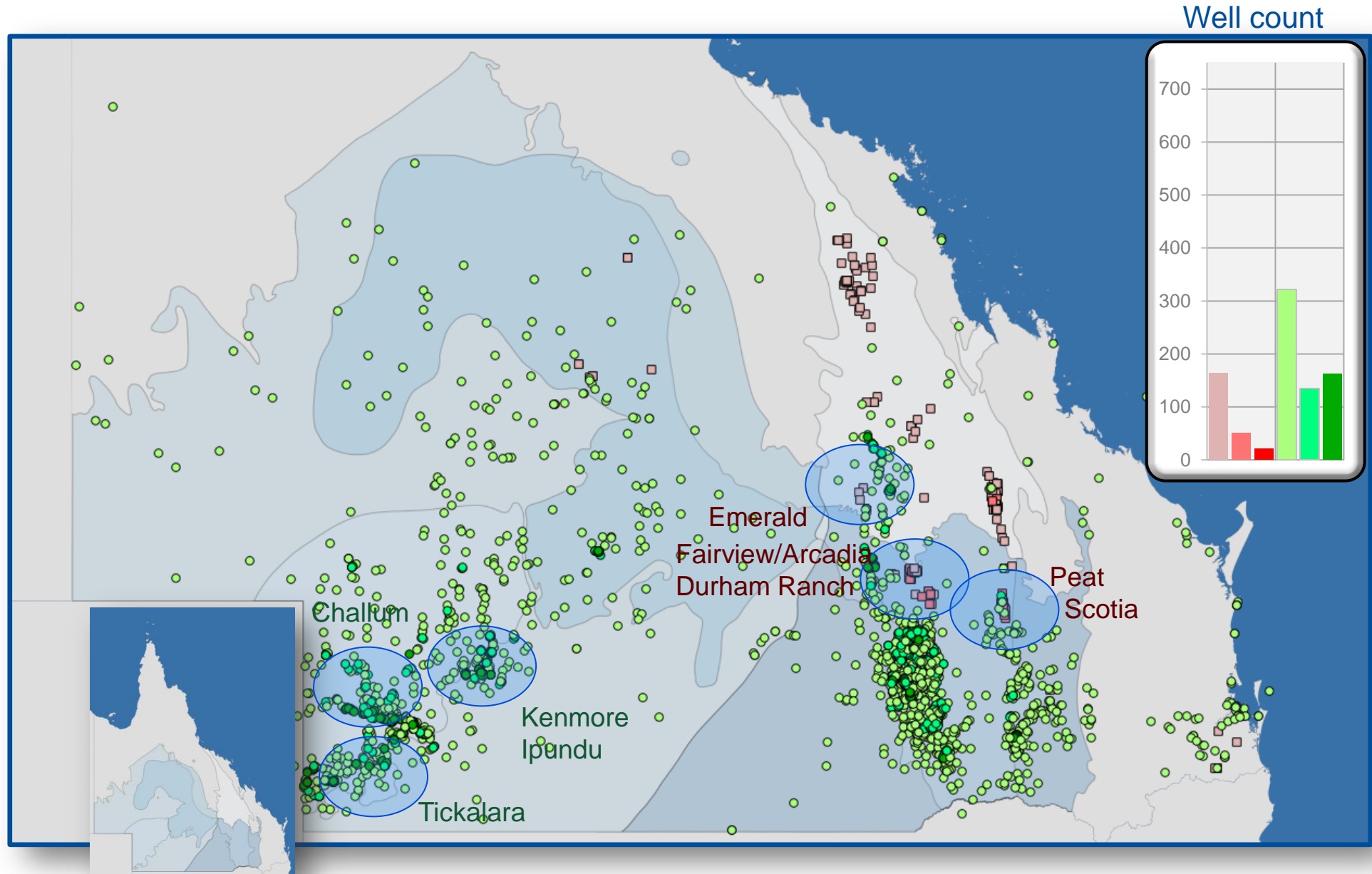
# Petroleum exploration and development: 1970s



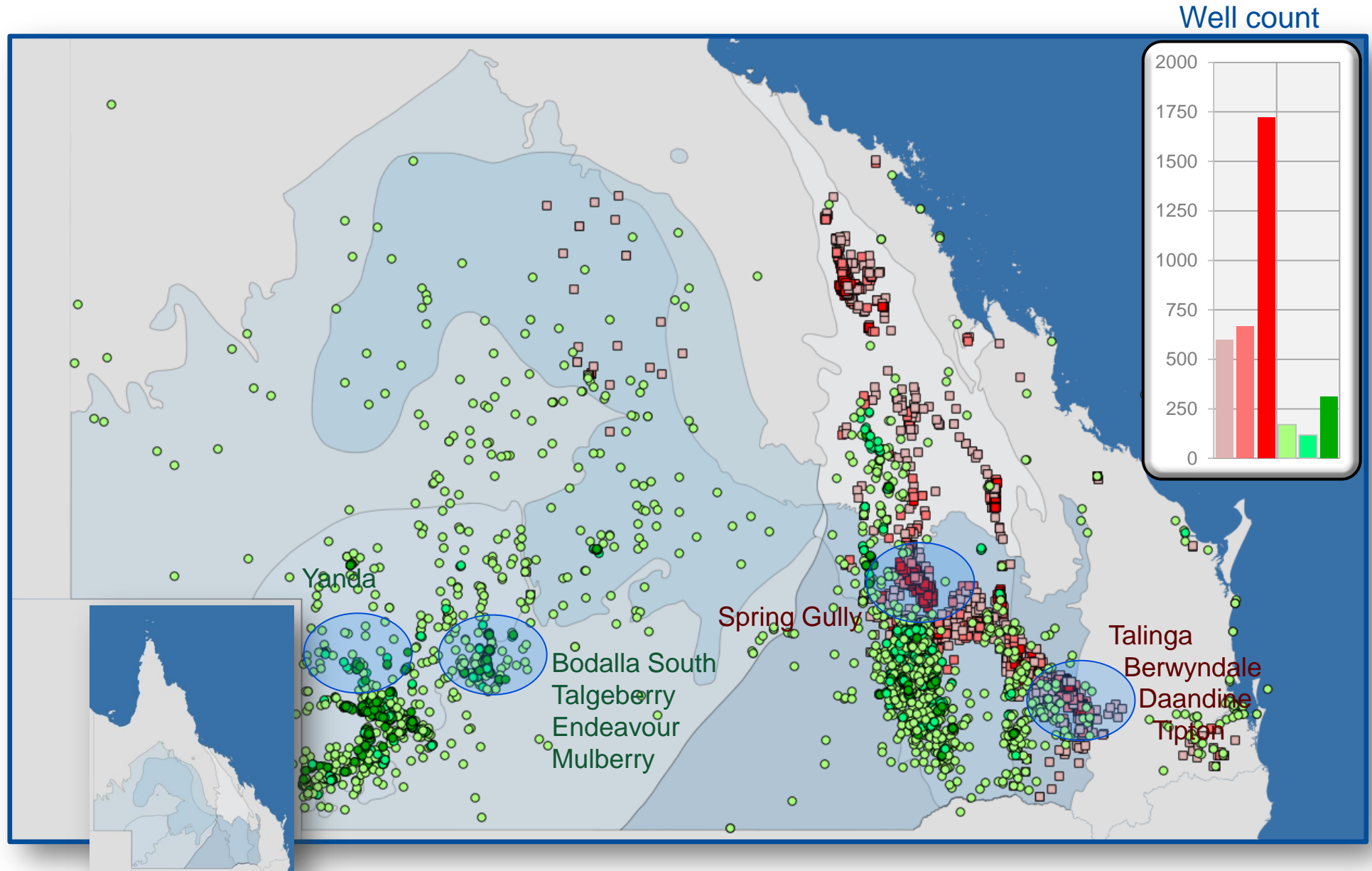
# Petroleum exploration and development: 1980s



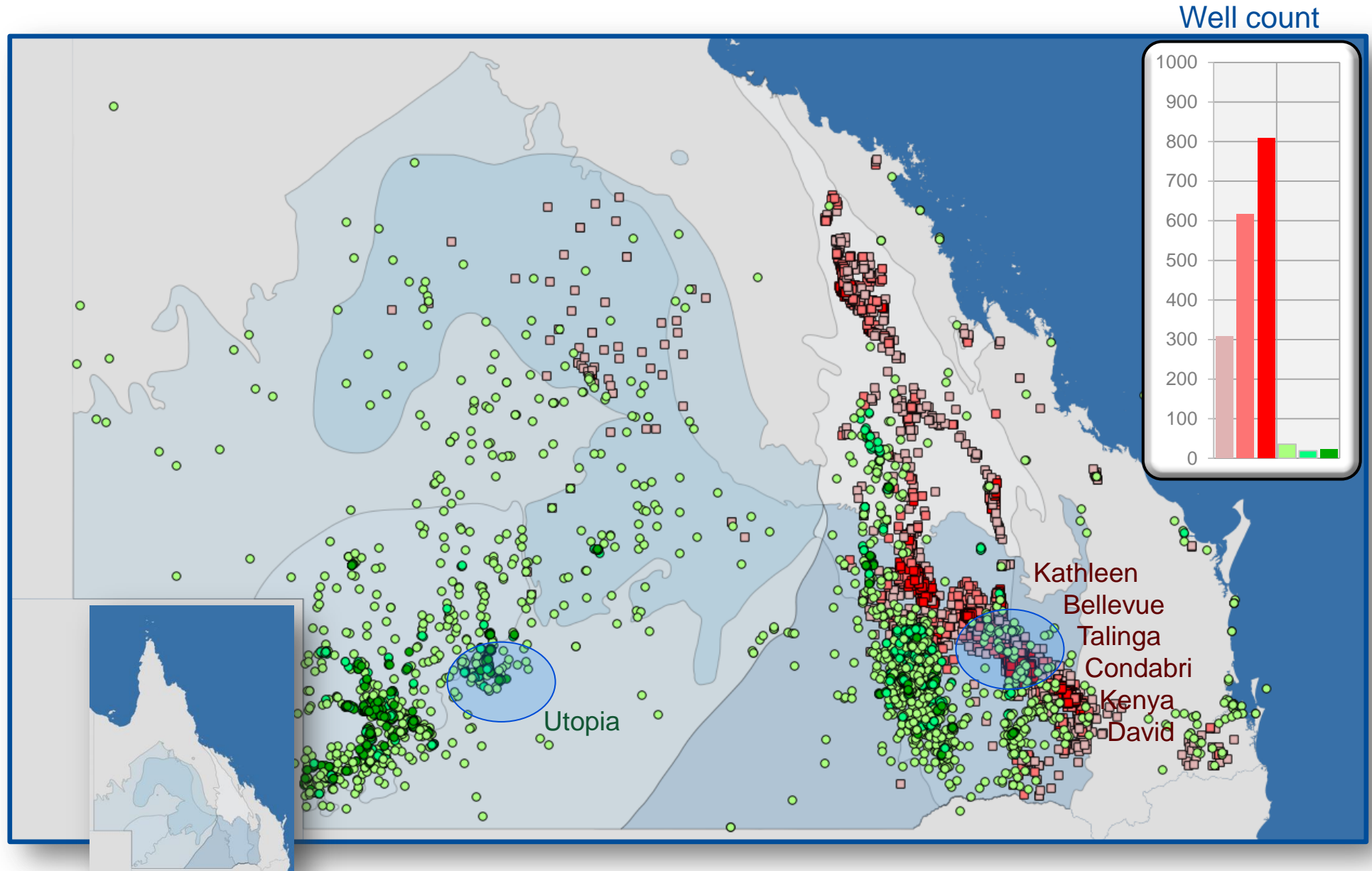
# Petroleum exploration and development: 1990s



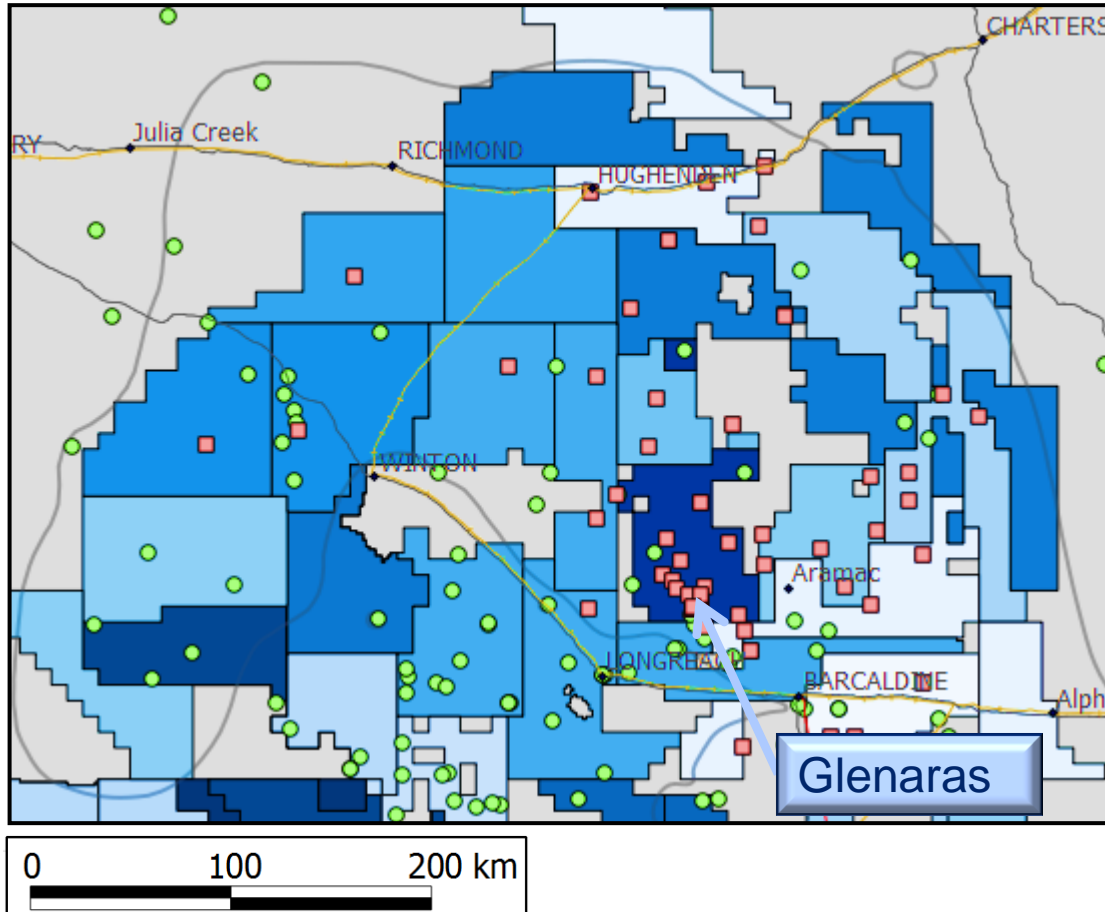
# Petroleum exploration and development: 2000s



# Petroleum exploration and development: 2010s



# Extensive coal seam gas resource potential

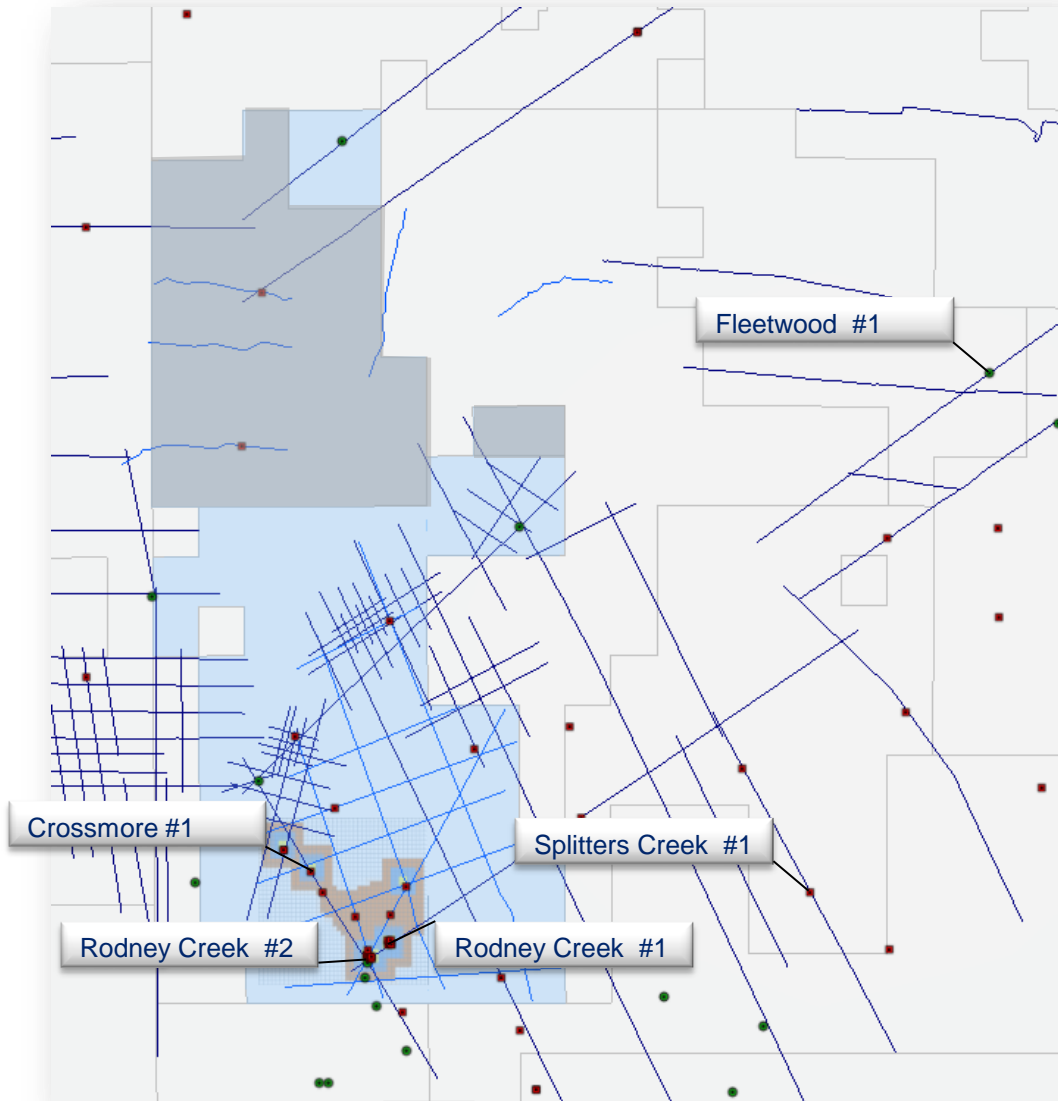


## Betts Creek Beds (Permian)

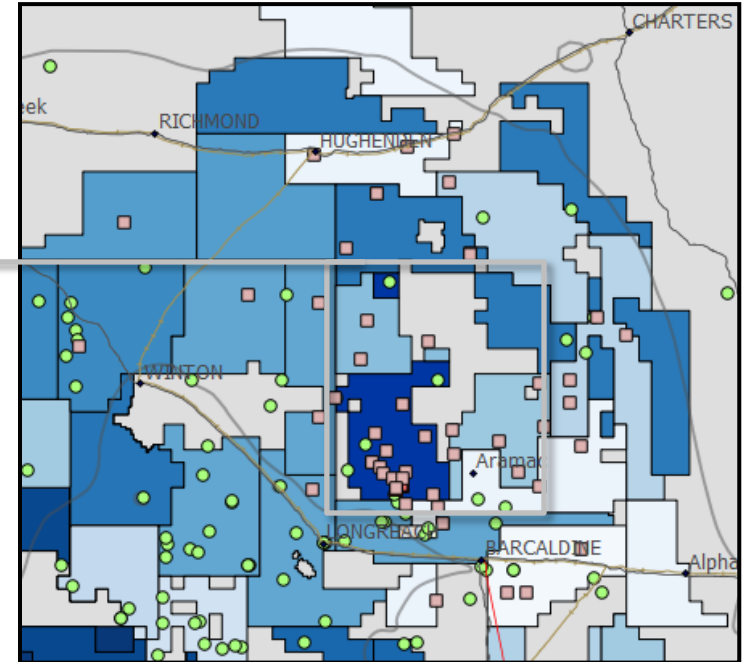
- Glenaras anticline 'sweet spot'
- Good to moderate permeability from natural coal fractures
- Thick coal intervals up to 35m net at Rodney Creek
- Gas contents in the Galilee Basin are generally low  
Range from  $<1 \text{ m}^3/\text{t}$  at Splitters Creek up to  $7 \text{ m}^3/\text{t}$  at Rodney Creek 8
- Glenaras anticline  
Medium gas contents:  
Range  $6.2 \text{ m}^3/\text{t}$  to  $7.8 \text{ m}^3/\text{t}$
- Gas composition  $>95\%$  methane

neighbouring world scale coal projects

# Galilee Gas Project (ATP 529P)



*Original Galilee (ENRON) Explorations Wells*



- Legacy seismic
- Modern seismic
- CSG Well
- Oil/Gas Well

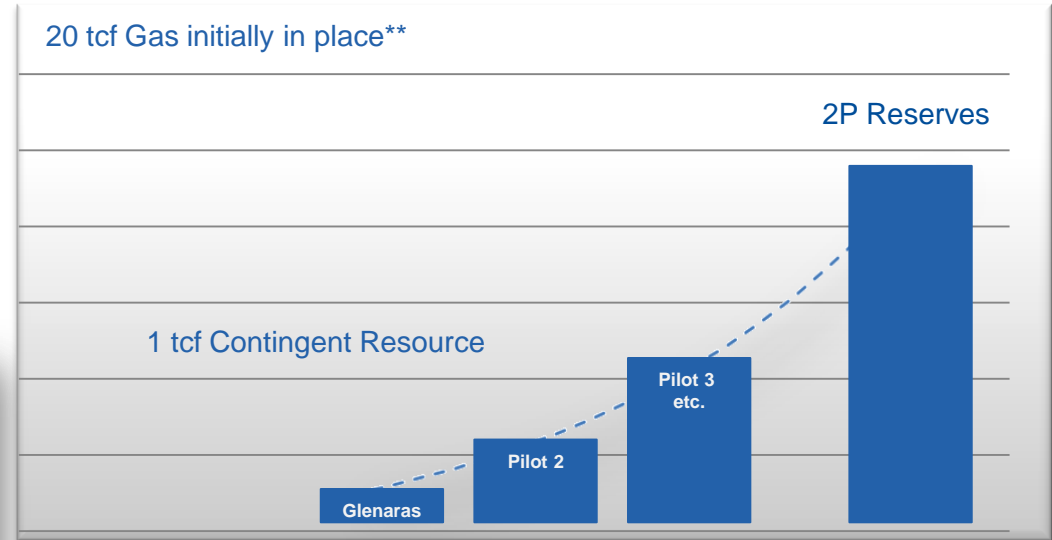
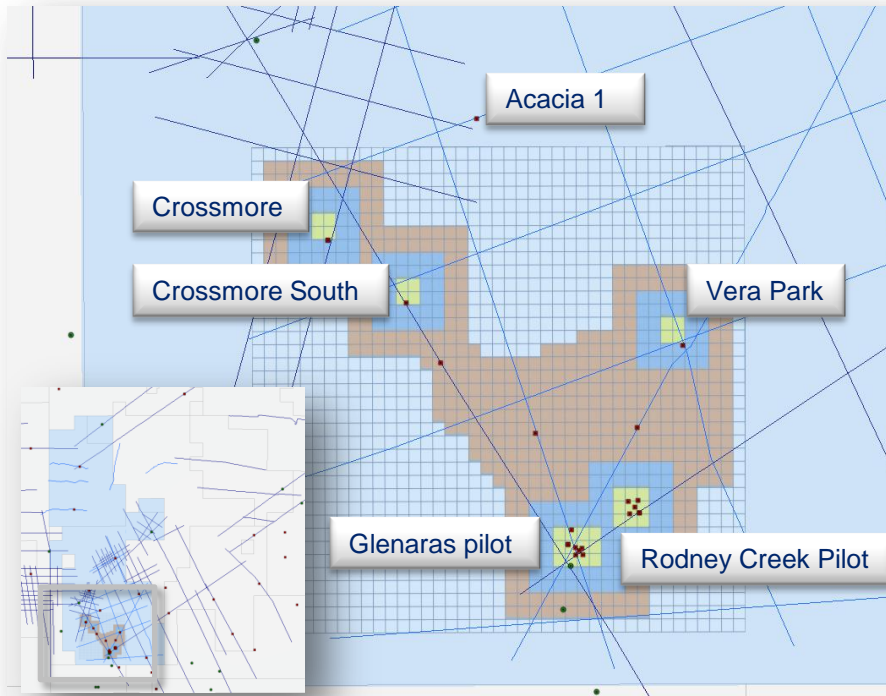
exciting progress



# Path to commercialisation

| Galilee Gas Project*               | Type | PJ    |
|------------------------------------|------|-------|
| Best estimate Contingent Resources | 2C   | 259   |
| Best estimate Contingent Resources | 3C   | 1,090 |

 srk consulting



## Minimum requirements

- Commercial gas flow
- Gas market fundamentals
- Water management

## Present status

- Encouraging pilot data
- Fair to Good
- Regulatory progress

**must convert resource to reserve**

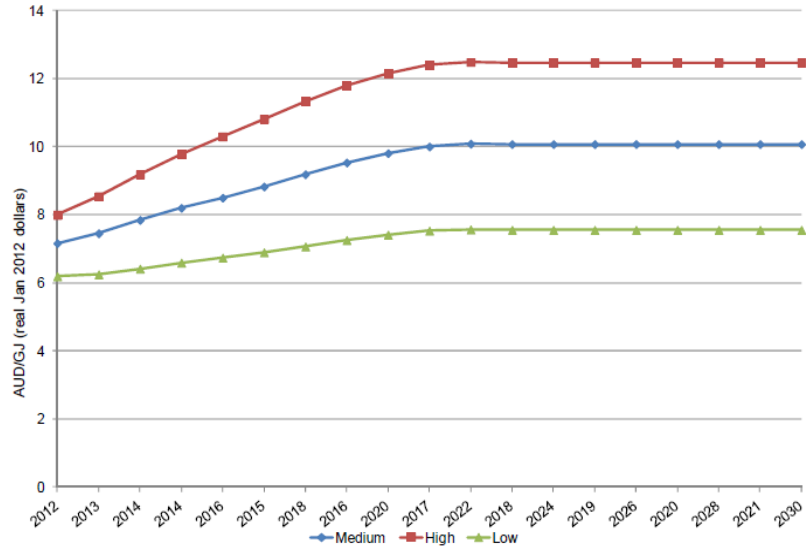
\* Figures are for 100%, Galilee has a 50% interest

\*\* JR Holland & Associates



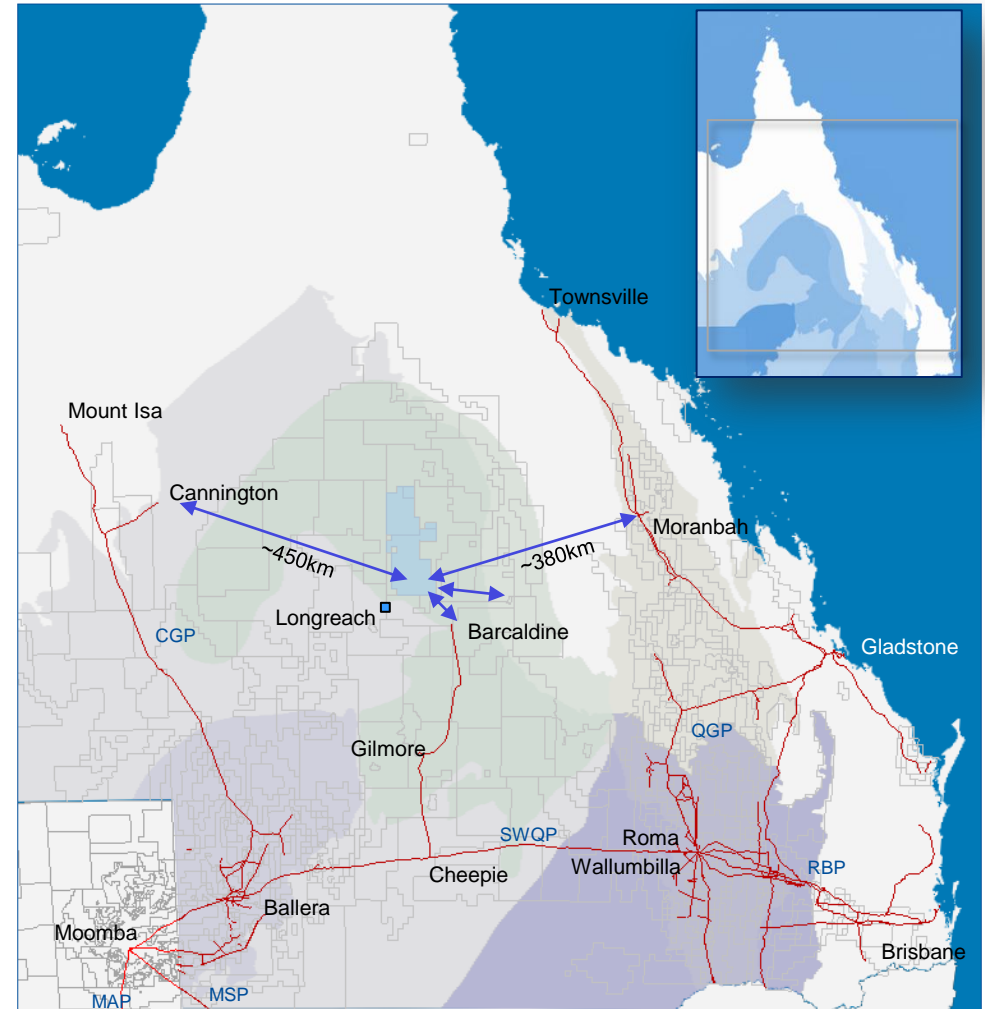


# Attractive gas outlook



Forecast annual new contracts  
Source: IES (2012)

| Key  | Pipeline                       | ~Capacity |
|------|--------------------------------|-----------|
| CGP  | Carpentaria Gas Pipeline       | 43 PJ/a   |
| MAP  | Moomba - Adelaide Pipeline     | 87 PJ/a   |
| MSP  | Moomba - Sydney Pipeline       | 105 PJ/a  |
| QGP  | Queensland Gas Pipeline        | 49 PJ/a   |
| RBP  | Roma - Brisbane Pipeline       | 80 PJ/a   |
| SWQP | South West Queensland Pipeline | 138 PJ/a  |



naturally a domestic gas focus

# Environment and local issues



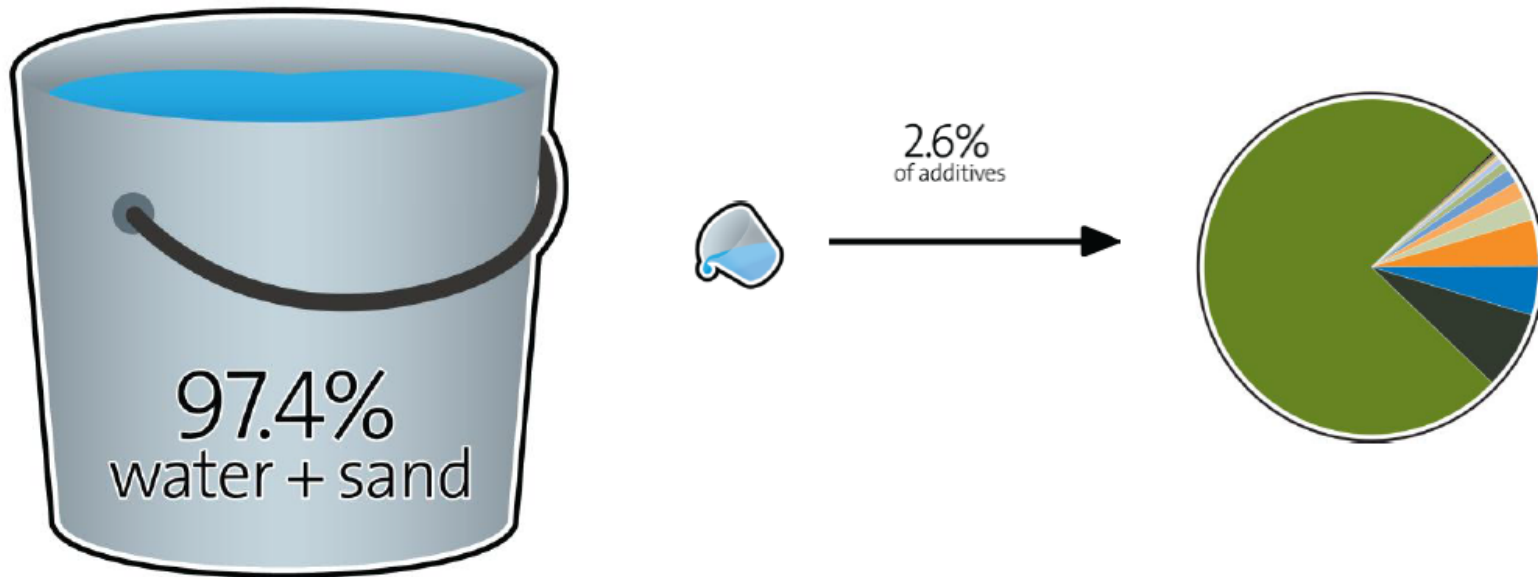
a strong commitment to community and the environment

Thank you



**GALILEE BASIN COAL  
& ENERGY CONFERENCE**  
12 - 13 November 2012 | Hilton Brisbane

# Over 97% of hydraulic fracture fluid is water and sand



|   |   |  |
|---|---|--|
| <span style="color: green;">■</span> Potassium chloride _____ 2%          | <span style="color: lightgreen;">■</span> Sodium Thiosulphate _____ 0.06% | <span style="color: lightblue;">■</span> Bleach _____ 0.016%                               |
| <span style="color: black;">■</span> Guar gum _____ 0.2%                  | <span style="color: orange;">■</span> Acetic acid _____ 0.04%             | <span style="color: orange;">■</span> Terpenes / terpenoids / sweet orange oil _____ 0.01% |
| <span style="color: blue;">■</span> Alcohol _____ 0.12%                   | <span style="color: blue;">■</span> Caustic soda _____ 0.04%              | <span style="color: green;">■</span> Enzyme _____ 0.005%                                   |
| <span style="color: orange;">■</span> Monoethanolamine Borate _____ 0.12% | <span style="color: lightgreen;">■</span> Ferric chloride _____ 0.02%     | <span style="color: brown;">■</span> Bronopol _____ 0.0018%                                |
|   |   | <span style="color: black;">■</span> Octoborate _____ 0.0007%                              |