

ASX / MEDIA ANNOUNCEMENT

R&D refund received and Operations Update

17 April 2023



HIGHLIGHTS

- **\$7.7 million R&D refund received**
- **Balance sheet bolstered through to end of 2023**
- **Engineering commenced on hydrogen demonstration at Glenaras**
- **Remedial operations on G27 and G28 successfully completed with both wells back online**

Galilee Energy Ltd ("Galilee") (ASX: GLL) is pleased to advise that it has received its 2021/22 financial year R&D tax rebate of \$7.7 million.

This R&D receipt strengthens the Company's cash position and now provides additional options for the Company in terms of accelerating activities at the Pilot to enhance de-watering as well as providing the catalyst for detailed scoping studies and front-end engineering work which has commenced on a potential hydrogen demonstration utilizing the abundant relatively fresh water produced at Glenaras.

Operations

Following the recent weather related delays, the remedial operations programme for Glenaras 27 and Glenaras 28 have now been successfully completed. The objective of this programme was to ensure that production from these wells was confined to the Betts Creek section in order to accelerate reservoir pressure drawdown. Both Glenaras 27 and Glenaras 28 are now back online with early production data yielding encouraging results.

The water production in both wells has declined, indicating that the associated contribution from the underlying Aramac section has been curtailed. Notably both Glenaras 27 and Glenaras 28 have recorded improved gas rates compared to their pre-workover performance with concurrent increasing pressure reduction in the north-western flank of the Pilot.

With the recent pump failure in Glenaras 20, the Pilot currently has 15 wells online and pumping, with gas rates recovering from the extended shut-in of Glenaras 27 due to significant weather events in March.

Building an integrated & diversified sustainable energy company



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Notwithstanding current equipment shortages, Galilee has fortunately been able to secure a workover rig on short notice to commence operations towards the end of the week at Glenaras 20 as well as providing additional scope to utilize our additional funding to accelerate activities to enhance dewatering.



Photo of expanded Glenaras irrigation operations

This announcement was released with the authority of the Board.

For further information, contact:

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ABOUT GALILEE

Galilee Energy is well advanced on a pathway to becoming an integrated and diversified sustainable energy company and a key supplier of natural gas to the east coast market of Australia. The company is the 100% owner of one of the largest uncontracted natural gas resources on the east coast of Australia at a time of acute gas shortages. The Glenaras Gas Project, located within Queensland's Galilee Basin, is on the cusp of commercialization. The location and environmental credentials of the project, including low CO₂ natural gas and freshwater production to facilitate agricultural activities for CO₂ sequestration, uniquely positions Galilee as a future material supplier of sustainable energy.

Directors

Chairman – Ray Shorrocks

Non-Executive Director – Gordon Grieve

Managing Director – David Casey

Non-Executive Director – Greg Columbus

Non-Executive Director – Stephen Kelemen