

## Glenaras Gas Project – Operations Update

26 March 2019

### Highlights

- ❖ All civil works complete for upcoming drilling programme;
- ❖ Easternwell Rig 103 due to mobilise to Longreach this week;
- ❖ Drilling on track to commence early April 2019;
- ❖ Schedule has new pilot wells to be on production by late June 2019.

Galilee Energy Limited (ASX:GLL) (“Galilee”) is pleased to provide an update on the upcoming drilling operations at its 100% owned and operated Glenaras multi-lateral pilot programme (“Pilot”) located in the Galilee Basin.

All civil works for the drilling operations are complete, comprising construction of well lease pads and access roads for the programme. Galilee has awarded all civil contracts to local suppliers who have successfully and safely delivered high quality work on previous projects. The Pilot is on schedule, with all long lead items ordered and all contracts awarded.

Easternwell Rig 103 has completed its current drilling programme with another operator and is due to mobilise to Longreach this week pending weather conditions.

The Pilot drilling programme is scheduled to take approximately six weeks and the aim is for the new lateral wells to be on production by late June 2019 following the necessary completion and tie-in operations. Once the Pilot is fully operational, the well configuration will provide shielding to the central well from the large drainage area which the previous two lateral wells were draining and it is expected that three months of production drawdown will be required in order for material gas production rates to be observed.

“This is an exciting time for the Company and momentum is building as we prepare for drilling in early April to transform the business. This is the next milestone to deliver on our strategy of converting Resources to Reserves and ultimately bringing material volumes of gas into the east coast market.” Managing Director Peter Lansom stated.

Importantly, the two existing wells Glenaras 10L and 12L will only require to be shut in to facilitate drilling operations and will recommence full drawdown as soon as drilling operations are complete. The expected cost of this additional three-well lateral programme including drilling, completion and tie-in is approximately \$8 million, which is well within the company’s current strong cash position.

Further operational updates will be provided to the market throughout the programme.

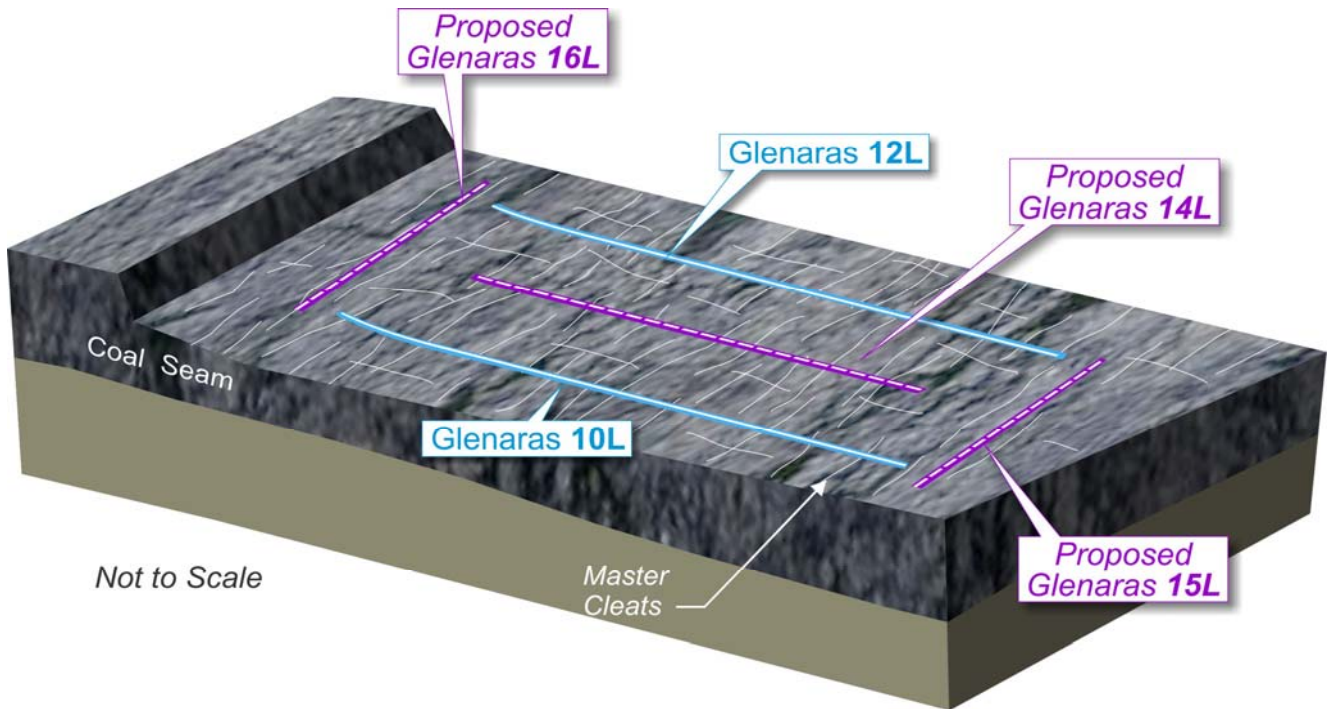


Figure 1 – Proposed drilling programme

**For further information contact:**

Peter Lansom  
 Managing Director  
 Galilee Energy Limited  
 +61 (0) 7 3177 9970  
[plansom@galilee-energy.com.au](mailto:plansom@galilee-energy.com.au)  
 ACN:064 957 419

**About Galilee**

Galilee Energy is focused on creating a mid-tier 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 whilst looking to add further acreage to its portfolio.

**Directors**

- Chairman – Ray Shorrocks
- Managing Director – Peter Lansom
- Non-executive Director – Dr David King
- Non-executive Director – Stephen Kelemen

**Shares on issue – 225,679,361**

**Top 20 holders – 55.6%\***

**Directors and Management – 4.2%**

**\*As at 1 March 2019**