

Glenaras Gas Project - Operations Update

5 August 2019

Operational update

- ❖ All five lateral wells on continuous production and performing strongly.
- ❖ Excellent water rates in excess of 4,200 BWP (barrels of water per day) in aggregate, on limited pressure drawdown.
- ❖ Water production rates are double those observed at the same pressure drawdown level in our previous two-well pilot configuration with Glenaras 10L and 12L only.
- ❖ Direct communication observed between each of the five wells.
- ❖ Production will be ramped up over the coming weeks to achieve full reservoir drawdown.

Galilee Energy Limited (ASX:GLL) (“Galilee”) is pleased to provide an update on the 100% owned and operated Glenaras multi-lateral pilot programme (“Pilot”) in the Galilee Basin ATP 2019.

The Pilot is performing strongly and demonstrating excellent water rates given this early stage of pressure drawdown, with the five wells already flowing at water rates in excess of 4,200 BWP in aggregate. This is approximately twice the water rate achieved when compared to the same stage of pressure drawdown for the previous pilot configuration of Glenaras 10L and 12L.

Managing Director Peter Lansom stated, “The results we have seen so far are very encouraging. The strong productivity of all wells, combined with the direct communication between each of the wells, provides evidence that this enhanced Pilot design should enable the reservoir shielding necessary to achieve the Pilot objectives”.

It remains the expectation that three months of production drawdown will be required in order for material gas production rates to be observed. Further operational updates will be provided to the market throughout this period.

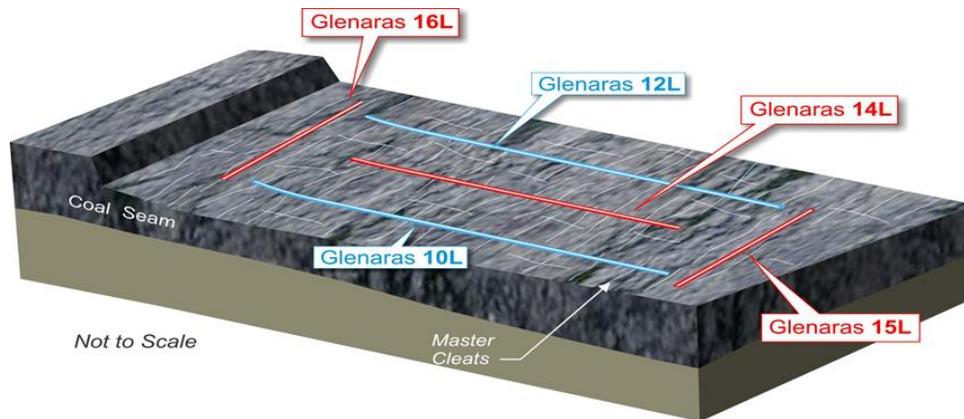


Figure 1 – Enhanced multi-lateral programme.

For further information contact:

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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 and exploring in the Surat Basin whilst looking to add further high quality 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 – 56.8%
Directors and Management – 4.4%
*As at 1 August 2019