

Kumbarilla drilling update

1 April 2020

Galilee Energy Limited (ASX:GLL) (“Galilee”) is pleased to provide an update on the drilling operations at its 100% owned and operated Kumbarilla Project located in the Surat Basin.

The Savanna Rig 406 has commenced drilling operations, with the Kumbarilla Central 1 well spudding on Tuesday, 31 March. Surface hole drilling has commenced and as at 6am Wednesday, 1 April was at a depth of 248 m MD and drilling ahead in the 8 ½ “ hole.

The initial programme at the Kumbarilla Project (ATP 2043), will include the drilling of three exploration coreholes targeting coal seam gas resources in the Walloon Subgroup. The Walloon coals will be cored and a full suite of wireline logs obtained, enabling a full assessment of the coal seam gas resource and assisting with planning the future drilling and pilot programme.

The Kumbarilla Project hosts 504* PJ of independently certified 2C Contingent Resources (Table 1) which can be readily fast-tracked to market through its proximity to existing coal seam gas production infrastructure (<10 km). It is anticipated to take approximately four weeks to drill the three exploration coreholes.

Permit	Contingent Gas Resource (PJ)		
	1C	2C	3C
ATP 2043 – Surat Basin	266	504	895
ATP 2019 – Galilee Basin	308	2,508	5,314
Total	574	3,012	6,209

Table 1. Galilee Energy Contingent Gas Resource* estimates (as at 1st August 2019).

Galilee Managing Director Peter Lansom stated, “The Kumbarilla Project is a quality asset in a proven gas producing area, so the spudding of the first well is an exciting milestone in delivering on our strategy of converting Resources to Reserves and ultimately bringing material volumes of gas into the east coast gas markets.”

At the conclusion of the three well programme at Kumbarilla, the Savanna Rig 406 is scheduled to move to our Glenaras Gas Project to drill a monitoring well. The Glenaras Gas Project continues to operate without issue with water rates continuing to decline and gas rates continuing to increase, albeit slowly.

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

For further information contact:

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** Listing Rule 5.42 +*

The details of Contingent Resources referenced throughout this ASX Release in respect to ATP 2019 were announced to the market on 1 September 2015 and in respect to ATP 2043 were announced to the market 1 August 2019. In accordance with Listing Rule 5.34.3, Galilee Energy confirms that it is not aware of any new information or data that materially affects the information in those Market announcements first reporting the details of the Contingent Resources for ATP 2019 and ATP 2043 respectively and that all of the material assumptions and technical parameters underpinning the estimates in those announcements continue to apply and have not materially changed.

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 and Surat Basins, exploring in the Bowen Basin, whilst looking to add further high quality acreage to its portfolio.

By authority of the Board:

Directors

Chairman – Ray Shorrocks

Managing Director – Peter Lansom

Non-Executive Director – Dr David King

Non-Executive Director – Stephen Kelemen

Non-Executive Director – Gordon Grieve