

Glenaras Gas Project Operations Update

14 December 2020

- ❖ All six new vertical wells have been successfully completed with downhole pumps. Glenaras 21 and 22 have been commissioned last week and are now on continuous production.
- ❖ Glenaras 19, 20 and 23 are on continuous production and performing strongly.
- ❖ Excellent water rates in excess of 7,650 BWPD (barrels of water per day) in aggregate from the five new vertical wells brought online.
- ❖ Direct communication already observed between these new vertical wells and the existing lateral wells.
- ❖ All five lateral wells still on full production, with water rates declining on these wells and gas rates steady.
- ❖ Total Pilot water production of 13,200 BWPD.

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

All six new vertical wells at the Pilot have now been successfully completed. The completions rig and camp has now demobilised from site, with the completions rig due back in late January. Glenaras 19, 20 and 23 have been on continuous production following their commissioning over two weeks ago and are demonstrating excellent water rates, flowing in excess of 6,550 BWPD in aggregate. The total water rate from the full Pilot, including these five additional wells, now exceeds 13,200 BWPD which augurs well for achieving the Pilot’s intended objective of accelerating the depressurisation process and achieving commercial gas flow rates.

Direct communication has been confirmed between the new vertical wells and the existing lateral wells, with water rates continuing to decline on the lateral wells and gas rates remaining steady.

Glenaras 21 and 22 were commissioned late last week and have undergone initial flow production tests as part of the rod pump commissioning process and both of these wells have now been brought online for continuous production. These new wells are also demonstrating excellent water rates, flowing in excess of 1,100 BWPD in aggregate with minimal initial drawdown. Surface pump installation and commissioning on the final well (Glenaras 17A) will follow shortly and is expected to be on production mid next week.

Further operational updates will be provided to the market throughout this period.

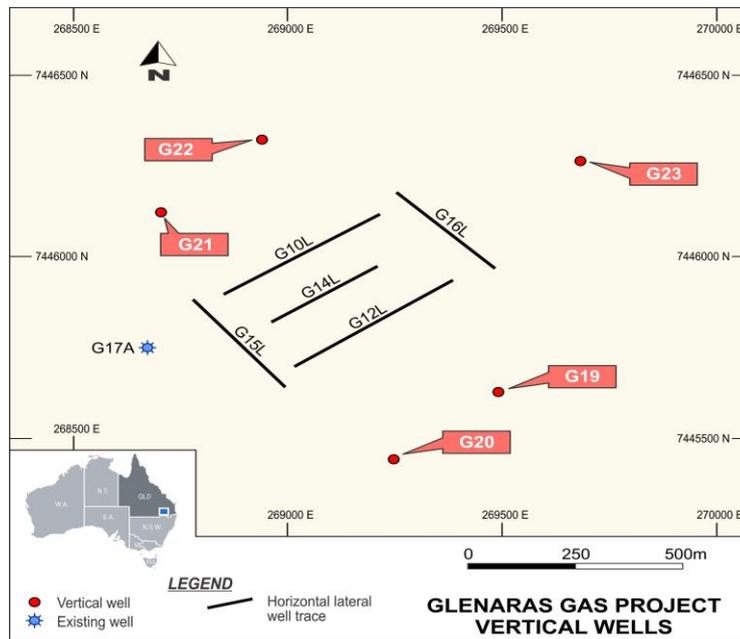


Figure 1 – New vertical well locations

For further information contact:

Peter Lansom
 Managing Director
 Galilee Energy Limited
 +61 (0) 7 3177 9970
 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 and exploring in the Surat and Bowen Basins whilst looking to add further high quality acreage to its portfolio.

This announcement was released with the 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
- Non-Executive Director – Greg Columbus