

Glenaras Gas Project Operations Update

13 January 2021

- ❖ All six new vertical wells have been successfully commissioned on time and under budget.
- ❖ Excellent water rates in excess of 9,600 BWPD (barrels of water per day) in aggregate from the new vertical wells, with total Pilot water production of 14,500 BWPD.
- ❖ Direct communication continuing between the six new vertical wells and the five existing lateral wells.
- ❖ All five lateral wells still on full production and encouragingly a reduction in the water rates from these wells of 20% has been observed since the first of the new vertical wells was commissioned.

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.

Each of the six new vertical wells at the Pilot are now on continuous production and the total water rate from the full Pilot is 14,500 BWPD.

Water rates from the lateral wells have declined a further 20% since the first of the new wells was commissioned and this production decline is a clear indication of pressure depletion in the central area of the Pilot. The water rates from the additional six wells are exceeding the estimated rates from the recent Schlumberger reservoir modelling which augurs well for achieving the Pilot’s intended objective of accelerating the depressurisation process and achieving commercial gas flow rates.

Despite the high rainfall experienced in the region over the past 2 to 3 weeks, all necessary action has been taken to ensure continuity of operations with no interruption to Pilot production experienced to date.

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

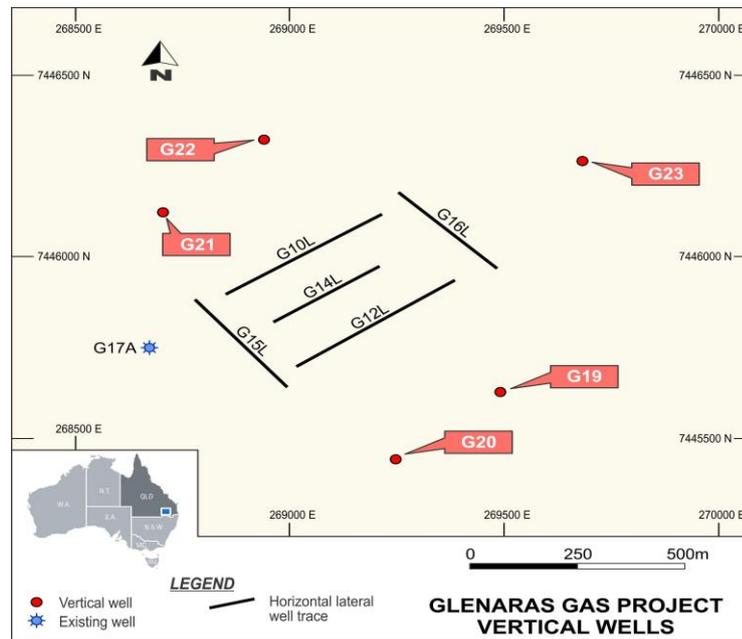


Figure 1 – New vertical well locations

For further information contact:

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About Galilee

Galilee Energy is focused on creating a high value 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