

## Glenaras Gas Pilot – Operations Update

24 June 2021

- ❖ **Glenaras multi-well pilot producing strongly with pressure continuing to decline towards critical desorption.**
- ❖ **Each of the six vertical wells now producing natural gas.**
- ❖ **Current natural gas rates approaching 80 Mscfd following the perforation of additional zones in existing wells which has accelerated water offtake.**
- ❖ **Further increase in natural gas rates expected following the completion of workover activities on G12L and G16L which will be completed over the next week.**
- ❖ **Regional pressure monitoring has confirmed material drawdown at Glenaras 8 which is 7 km from Pilot, demonstrating the highly productive and connected nature of the reservoir over a considerable distance with substantial uplift in Reserve targets and improved full field project economics.**

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.

### **Glenaras Pilot Update**

Operations since the last report (31 May 2021) have been focussed on optimising every aspect of the existing operations, further accelerating water offtake to maximise reservoir pressure decline and drive the reservoir to under the critical desorption pressure. As water rates decline naturally with decreasing reservoir pressure, the surplus pump and water handling capacity at some wells presented an opportunity to further accelerate drawdown by perforating additional zones in these wells. To this end, with the availability of an on-site workover rig, three candidates were identified to have additional new zones perforated, G10L, G12L and G16L wells (see Figure 1). The workover activities on G10L and G16L are now complete with G10L now online and G16L to be brought online over the next few days.

The natural gas rate at the Pilot was maintained at approximately 70 Mscfd notwithstanding G10L and G16L having been offline during these activities. These two productive wells are now in the process of being brought back online with gas production observed at each of the six vertical wells and the natural gas rate now approaching 80 Mscfd. The production from these wells will be progressively optimised and the workover rig is currently undertaking the perforation operations on the Glenaras 12L well.

In addition to the Pilot operations, a regional pressure monitoring programme has been conducted and the Glenaras 8 well (historical cased and suspended appraisal well) some 7 km NE of the Pilot, has been re-entered and pressure tested. These tests have demonstrated material pressure depletion at this distal location, confirming that the reservoir sequence is highly productive and continuous over a large distance, which positions us on track for proving up our Reserve targets and augurs well for future full field economics. In addition to pressure depletion at Glenaras 8, the pressure monitoring programme indicates an even greater degree of pressure depletion at Rodney Creek 8 (historical core-hole) which is approximately 3 km SW of the Pilot.

Further operational updates will be provided to the market as operational and maintenance activities are completed and all wells brought back online.

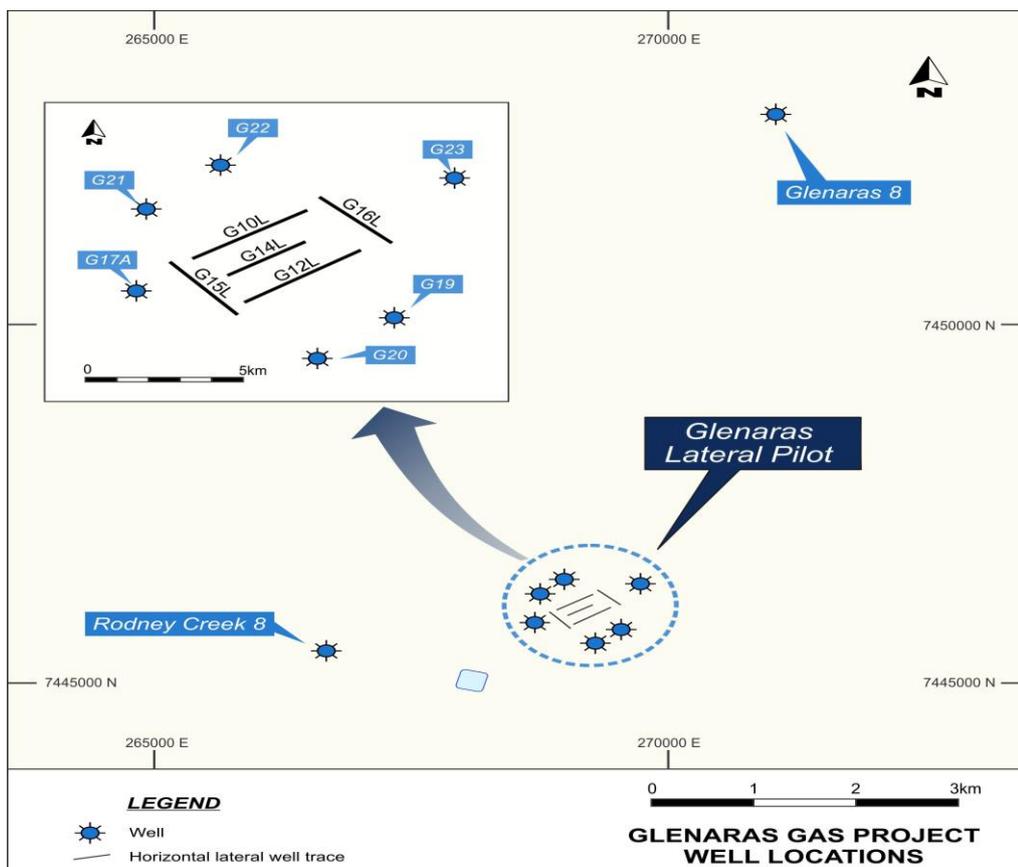


Figure 1 – Glenaras well locations.

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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 – Dr David King

Non-Executive Director – Stephen Kelemen

Non-Executive Director – Gordon Grieve

Non-Executive Director – Greg Columbus