

Glenaras Programme - Full Steam Ahead

24 May 2022

Highlights

- Third well in programme commenced
- Completion activity on first well underway
- Additional power generation on-site

Drilling at Glenaras has re-commenced

Galilee Energy Ltd ("Galilee") (ASX: GLL) is pleased to provide the following drilling and programme update and announce that Silver City Rig 23 has commenced drilling the third well in the current five well programme.

Drilling

Silver City Rig 23 commenced drilling yesterday afternoon at Glenaras 27 and has successfully drilled to the surface casing depth of 200m. All surface casing has now been run into the well with cementing operations about to commence. This is the third well of the 2022 programme which consists of drilling, completing, connecting, and powering an additional 5 vertical wells (Figure 1).

Glenaras 27 is located in the centre of the identified fault zone that is interpreted to be the primary mechanism for facilitating water cross-flow in the Betts Creek Beds from interbedded

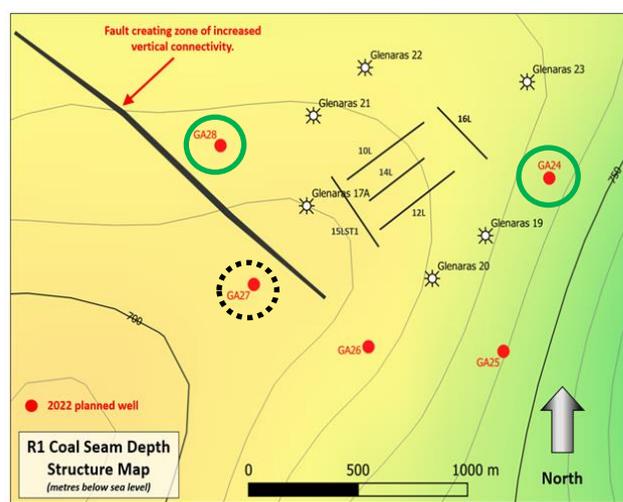


Figure 1 – Glenaras well map

sands into the coal seams. The fault zone is expected to host a higher intensity of fractures, which Glenaras 27 will directly access and subsequently produce from at higher flow rates. Glenaras 27 has been located to optimise the shielding of the pilot from incoming water and to further accelerate the pilot towards achieving commercial gas flow.

The drilling of Glenaras 27 has been delayed due to a second rain event last week. The two rain events resulted in the highest May rainfall experienced in the region for 30 years. The roads have dried out sufficiently to enable the rig to be moved and for drilling materials to be delivered to site.

To mitigate the impact of losing road access during drilling, agreements have been negotiated with Halliburton and Schlumberger whereby all necessary equipment is left on-site during the during campaign resulting in cost and logistics efficiencies.



Figure 2 - Drilling rig at Glenaras 27

Completion

The completion element of the programme has commenced, involving the running of tubing and pumps into the wells and wellhead installation. The completion work will be completed by the Wild Desert workover rig which has set up over Glenaras 24.



Figure 3 - Wild Desert rig set-up at Glenaras 24



Surface Facilities

Work is underway in preparation for upgrading the existing power station to provide additional power for the new wells. A 500 kVA power generator has arrived on-site with installation about to commence.



Figure 4 - Power generation and wellsite equipment

Commenting on the drilling programme, Managing Director David Casey said *“I have to give credit to our drilling and operations teams, who despite the multiple extreme unseasonal rainfall events are doing a great job, essentially executing the programme on time and on if not slightly under budget, if not for the weather and rig inter-well mobilisation delays. Notwithstanding all the challenges of drilling in close proximity to an existing pilot in a significantly pressure depleted area, the wells to date have been drilled without issue and within schedule despite the obvious weather challenges. Our operations team are working tirelessly on both mitigating the impact of any further delays as well as identifying how best to make up for delays experienced thus far.”*

This announcement was released with the authority of the Board.

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 its 100% owned Glenaras Gas Project in the Galilee Basin and exploring in the Surat and Bowen Basins, whilst looking to add further high quality acreage to its portfolio.

Directors

Chairman – Ray Shorrocks

Managing Director – David Casey

Non-Executive Director – Stephen Kelemen

Non-Executive Director – Gordon Grieve

Non-Executive Director – Greg Columbus