

R&D REFUND BOOSTS BALANCE SHEET

Galilee Energy (ASX:GLL) is pleased to announce that it has completed its R&D application and received a refundable R&D tax offset of \$6,121,511 for the 2020/21 financial year.

The R&D Tax Incentive is an Australian Government programme under which eligible companies are entitled to claim a 43.5% refundable offset for eligible expenditure incurred on eligible research and development activities. The incentive received results from the R&D expenditure incurred on the R&D activities undertaken on both the Glenaras Multi Well Pilot (Pilot) and the Water Management Project.

While Galilee was already fully funded for its current activities, this R&D offset further strengthens the Company's cash position and provides additional options for the Company in terms of accelerating activities at the Pilot to enhance de-watering and assist in moving towards the required critical desorption pressure.

This additional funding will also further Galilee's pursuit of future innovation and energy delivery in an environmentally responsible manner. Galilee firmly believes that to strengthen the ongoing support from all stakeholders and customers, it is incumbent on energy companies to demonstrate a capacity and intent to sustainably supply energy with minimal environmental impact.

Our decarbonisation pathway benefits specifically from our natural advantages, namely our Project's low CO₂ emissions, our location in one of Australia's best regions for the generation of solar energy, as well as high volumes of low saline water in our coals. This allows us to pursue the use of solar energy to meet our onsite energy requirements as well as utilising our fresh water resources for farming and cropping, with the associated carbon sequestration benefits.

From this platform, Galilee is currently pursuing its transition towards becoming an environmentally sustainable energy provider.

For further information, contact:

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Building an integrated & diversified sustainable energy company



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 – David Casey

Non-Executive Director – Stephen Kelemen

Non-Executive Director – Gordon Grieve

Non-Executive Director – Greg Columbus