

16 July 2010

ASX Announcement Galilee Energy Limited

Galilee Project Advances

Evaluation work is advancing in **ATP 529P** in the Galilee Basin on the seven corehole programme, part of the second phase of the AGL Energy Limited (AGL) farm-in.

Laugharne Creek-1, the 4th hole to be drilled in the programme, has reached a total cored depth of 1350.6m. The well was suspended after logging in preparation for drill stem testing. Coal seams were encountered in the Permian Betts Creek and Aramac sequences, as predicted.

EDA Rig #1 spudded the 5th corehole **Mt Myth-1** on 29 June 2010 and drilled, logged and cased the tophole section to 831m before suspending the well; the Tom Browne Drilling Services Rig #16 will now move to **Mt Myth-1** to commence coring operations. It will then complete coring operations on the remaining two coreholes.

On 10 July 2010 EDA Rig #1 spudded the 6th corehole, **Acacia-1**. The rig will drill to define local basement depth before plugging back, sidetracking and drilling to coring depth.

This programme of exploration and evaluation also comprised 540 kilometres of 2D seismic acquisition which was completed in late 2009.

The Glenaras production pilot remains suspended pending the arrival of equipment to replace downhole pumps later this quarter.

In **ATP 799P**, Galilee Energy's wholly owned tenement adjacent to the north of ATP 529P, a full analysis of data acquired during the 2009/10 exploration programme is progressing satisfactorily. Significantly, preliminary results indicate that Permian coals extend right across the exploration area. These exploration results will be applied to determining the next phase of appraisal in the tenement, with the objective of defining reserves.

ATP 529P

Galilee Energy Limited **50%**

AGL Limited (Operator) **50%**

ATP 799P

Galilee Energy Limited **100%**

For further information contact:

Sam Aarons
Manager, Business Development & Corporate Relations

Tel: 07 3216 1155
Email: info@galilee-energy.com.au
Website: www.galilee-energy.com.au

