

GALILEE ENERGY LIMITED

Galilee Gas Project - ATP529P Update

Galilee Energy Limited and AGL Energy approve 2011 Work Program and Budget

The Board of Galilee Energy Limited (ASX:GLL) today announced that it has approved the 2011 Work Program and Budget with Joint Venture Partner and Operator AGL Energy Limited (ASX:AGK) in ATP529P - the Galilee Gas Project.

Summary of program:

- Total cost on a 100% basis is \$12 million (\$6m GLL: \$6m AGK)
- Continue the current 5-spot production pilot test at Glenaras
- Drill three core wells and one production well
 - Two core wells and one production well firm, one core well contingent
- Close-out the \$37 million farm-in work program and budget
- Engage independent experts to provide Resource Estimate Reports
- Investigate schemes of beneficial use of produced water

Achievements to date:

- Drilled, completed and currently testing a 5-spot pro production pilot test at Glenaras
- Commissioned a 350 ML holding pond for produced water
- Acquired 540km of 2D seismic
- Drilled and tested 7 core wells

These achievements were particularly noteworthy given the extremely high rainfall experienced in the area during this part of the program.



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The 2011 Work Program aims to deliver a maiden reserve estimate and provide enough additional data to allow a material reserve upgrade that will potentially underwrite a future investment decision on export pipeline infrastructure.

ATP 529P

Galilee Energy Limited	50%
AGL Energy Limited (Operator)	50%

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