ASX ANNOUNCEMENT
2 December 2025

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TRANSFORMATIVE ACQUISITON OF HIGH IMPACT GAS PROJECT IN LOUISIANA, USA, AND SUCCESSFUL A$6.5M PLACEMENT

- **Option to acquire the Zydeco Gas Project in Louisiana USA – a drill ready, discovered low risk field**
- **Concurrently, Galilee has completed a $6.5m capital raising from sophisticated investors to fast-track development work in a robust oil & gas jurisdiction**
- **Placement was managed by CPS Capital Group Pty Ltd**
- **Louisiana's government is very supportive of the gas industry through favourable policy frameworks that attracted a significant US$17.5bn from Woodside Energy[1]**
- **For Galilee, this is a transformative acquisition, with the potential to create significant value for shareholders**

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Galilee Energy Limited's CEO Joseph Graham said:

"The Board is delighted to have secured the option to acquire the Zydeco Gas Project in Louisiana, USA, as its fundamentals are excellent. Louisiana is an exciting region, with a highly supportive regulatory framework for foreign investment. Critically, the Zydeco Gas Project has the potential to create a very strong business base and cashflow to enable the operation to grow organically into a mid-tier US producer, which in turn can generate significant shareholder value."

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Galilee Energy Limited (**Galilee** or **the Company**) (ASX: GLL) is pleased to announce that it has entered into an option agreement to acquire 100% of the interests in Minerals U Pty Ltd (**MUPL**). MUPL holds rights to an exciting opportunity known as the 'Zydeco Gas and Condensate Project' located in Louisiana, USA (**the Proposed Acquisition**). The Proposed Acquisition is subject to shareholder approval.

In addition, Galilee is pleased to announce that it has successfully received binding commitments for a A$6.5 million placement of new fully paid ordinary shares in Galilee (**New Shares**) to institutional, sophisticated and professional investors at $0.007 per share (**Placement**). Subject to shareholder approval, the New Shares will include a free option on a 1:2 basis (**Option**), with an exercise price of $0.011 per Option and expiry of 36 months from issue. The Placement will be undertaken in two tranches as described below.

The New Shares are being issued under the Placement at an issue price of $0.007 per share, representing a 25% discount to the 15-day VWAP of $0.0091 per share.

Galilee has been assessing additional opportunities for some time (to complement its existing Australian assets), and the proposed acquisition in Louisiana enables it to fast track production in a robust oil and gas jurisdiction.

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The consideration payable by Galilee to MUPL for the Proposed Acquisition is as follows:

1. US$80,000 (A$120,000) option fee for the option to acquire MUPL. This amount has previously been paid by the Company to enable MUPL to secure the tenure in Louisiana;
2. Subject to shareholder approval and exercise of the option 175,000,000 GLL Shares to be issued pro rata to the shareholders of MUPL; and
3. A gross royalty equal to between 5% and 10% from production on the Project.

The Proposed Acquisition is subject to the Company exercising the option. Completion of the Proposed Acquisition will also be subject to the satisfaction of the following conditions precedent:

1. The Company announcing that it has received binding commitments for an equity capital raising of at least $6.5 million. This condition is now satisfied;
2. The Landman in the US transferring those leases to Min U Arcadia LLC, a subsidiary of MUPL and providing written evidence of such. This condition is now satisfied;
3. The Company's shareholders approving the issue of the 175,000,000 shares to the vendors of MUPL;
4. The parties obtaining all third party approvals and consents, necessary to lawfully complete the matters contemplated in the agreement; and
5. MUPL entering into a royalty agreement with Zydeco Royalty Company, LLC. This condition is now satisfied.

Proceeds from the Placement, combined with Galilee's existing cash holdings, will primarily be used to explore the new assets after exercise of the option. A smaller portion of the capital raise is intended to be used to maintain its existing assets and fund the Company's working capital.

Background on Zydeco Project

The Zydeco Project is located in the highly prospective Gulf Coast Basin, an onshore Mesozoic-Cenozoic, marginal sag basin containing more than 15km of sedimentary fill. The Zydeco Project comprises a total of 325.3 acres of mineral lease area in the Acadia Parish, Louisiana, USA. The attachment provides the relevant technical data which is discussed below.

Multiple play-levels are proven productive throughout the basin, particularly within the Cenozoic succession where stacked pay is common and reservoir quality is typically very good. The basin is extensively explored with extensive 3D seismic coverage.

The Project contains a gas/condensate reservoir initially discovered in 1950's but never produced. The structure is defined on 3D, comprises multiple reservoir-seal pairs, and is drill-ready.

Two reservoirs are capable of being drilled with a single well and subsequently put on production:

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- Upper Tweedle Fm. – The Upper Tweedle Fm. is proven productive at near offset fields Indigo Min (2km south) and Frey (8km east). The reservoir was previously drilled on the structure in 1950, by The MacCabees et al #1 well, which intersected gas in the Upper Tweedle Fm but never produced from that interval, instead completing, and producing from a shallower oil reservoir. The Zydeco-1 well will re-drill the Upper Tweedle Fm for production.
- Lower Tweedle Fm. – The Lower Tweedle Fm. is also proven productive at near offset fields. The reservoir lies below the MacCabees et al #1 well TD and therefore remains untested on the structure. Zydeco-1 will drill deeper to also test the HC potential of the Lower Tweedle Fm. reservoir.

GLL have identified capable drilling rigs available from February 2026 providing the potential for production within <6 months subject to regulatory, development facility / equipment availability and timely execution. The development facilities are simple and comprise condensate stripping, storage and truck loading, gas dehydration, metering and measurement and a 1 km gas spur line to an existing tie-in point at the Texas Gas Pipeline.

Issue of Placement Shares & Securities subject to shareholder approval

Based on the binding commitments received, the issue of securities under the Placement and in relation to the Proposed Acquisition will be undertaken as follows:

Tranche 1: Issue of New Shares utilising current placement capacity:

175,000,000 New Shares utilising the Company's existing capacity under Listing Rule 7.1 and 7.1A. For the purposes of ASX Listing Rule 7.1B.5, the Company will issue 70,719,288 New Shares under the Placement in reliance on ASX Listing Rule 7.1A which was approved by shareholders at the AGM held on 25 November 2025. 104,280,712 New Shares will be issued under ASX Listing Rule 7.1.

Tranche 2: Issue of New Shares and Options subject to shareholder approval:

A General Meeting of Galilee's shareholders will be scheduled for January/February 2026, which will seek approval of the following:

- 753,571,429 New Shares, being the balance of New Shares being issued under the Placement.
- 464,285,714 Options, being the free option on a 1:2 basis for each New Share issued under the Placement. The Options have an exercise price of $0.011 per Option and expiry of 36 months from issue. Subject to meeting minimum ASX requirements, the Company intends to apply for quotation of the Options.
- Mr Ray Shorrocks and Mr Stephen Kelemen (Directors of Galilee) have committed to A$200,000 and A$30,000 (respectively) of the Placement funds, and accordingly the New Shares and Options to be issued to Mr Shorrocks and Mr Kelemen are subject to Galilee obtaining shareholder approval for the purposes of Chapter 10 of the Listing Rules.
- 175,000,000 Galilee Shares to be issued pro rata to the shareholders of MUPL for the Proposed Acquisition.
- The issue of 90,000,000 Options to CPS Capital Pty Ltd.

CPS Capital Pty Ltd is the lead manager and a fee of 6% (4% capital raising fee and 2% management) from gross proceeds will be paid as cash from the funds raised, in addition to 90,000,000 Options in

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Galilee with an exercise price of $0.0105 per Option (150% of issue price of the Placement) and an expiry date of 36 months from the date of issue, also subject to shareholder approval.

Details of the General Meeting of shareholders will be provided shortly through a notice of meeting setting out the resolutions to be voted on.

It is expected that the Tranche 1 Placement New Shares issued under Listing Rule 7.1 and Listing Rule 7.1A will be allotted on or around Friday, 5th December 2025. The Placement shares will rank equally with the Company's existing securities.

The Company also wishes to advise that it has received confirmation from the ASX that, based on the Proposed Transaction and information provided, Listing Rule 11.11.1, 11.11.2 and 11.11.3 do not apply.

Reference:

1) Woodside Approves Louisiana LNG Development (WDS ASX Release – 29 April 2025)
2) Bates & Cornell MacCabees #B-1 Schematic

This announcement was authorised for release by the Board of Directors.

For further information, contact:
Ray Shorrocks – Chairman
Joseph Graham – Chief Executive Officer
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About Galilee Energy Limited

Galilee Energy is advancing towards becoming an integrated and diversified sustainable energy company and a key supplier of natural gas to the east coast market of Australia. The company is the 100% owner of one of the largest uncontracted natural gas resources on the east coast of Australia, located within the Glenaras Gas Project in Queensland's Galilee Basin. The Glenaras Gas project's location and environmental credentials, including the production of fresh water from its coals for beneficial use in crop production along with low CO2 levels, positions Galilee to be a material supplier of sustainable energy.

Directors

Chairman – Ray Shorrocks
Chief Executive Officer – Joseph Graham
Non-Executive Director – Greg Columbus
Non-Executive Director – Stephen Kelemen

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Attachment: Zydeco Gas Project Technical Data

Item	Comments
Location	The project area is 325.3 acres over multiple leases located in Louisiana, USA. The leases are located in the North Half of the Southwest Quarter N1 of SW4 of Section 20, Township 7 South, Range 1 West, Acadia Parish (refer to Figure 1).
Proposed well and Data Acquisition	Zydeco-1 to be drilled in vicinity of MacCabees et al-1 which was drilled in 1950 and is Plugged and Abandoned. Extensive wireline logging will be undertaken which will assist in determining the extent and prospectivity of the two zones. Following interpretation of wireline logging the well will be tested and completed for production.
MacCabees et al -1	Exploration well drilled 1950 Discovered gas in the Upper Tweedle Sandstone, at 9638 feet well kicked and flowed 3 MMscf/d. Zone overpressured and well controlled with 16 ppg (pound per gallon) mud. Completion test over Upper Tweedle flowed 1.15 MMscf/d and recovered 290 bbls fluid. Well test interpretation unknown and not available. Upper Tweedle gross pay thickness 80 feet, net pay 30 feet (low-high range 16-36 feet) Upper Tweedle P&A'd and well completed and produced from shallower oil zones.
Zydeco-I	Primary targets: Upper Tweedle and Lower Tweedle.
	Well Depth: ~9800 feet
	Upper Tweedle was drilled by MacCabees et al 1 and will be redrilled for production. Lower Tweedle has been intersected and is productive in offset wells, and will be drilled and evaluated in Zydeco-1.
	There is no gas composition from the MacCabees et al 1 well. Offset wells in the area producing from the Upper and Lower tweedle sands provide pipeline specification gas after dehydration and separation.

Zydeco Gross Prospective Gas Resource Estimate (before royalties)

	1U (low)	2U (best)	Mean	3U (high)
Upper Tweedle	3.3 Bcf and 160kbbls condensate	5.6 Bcf and 280kbbl condensate	6.0 Bcf and 310kbbls condensate	9.3 Bcf and 470kbbl condensate
Lower Tweedle	0.9 Bcf and 40kbbls condensate	2.0 Bcf and 100kbbls condensate	2.4 Bcf and 120kbbls condensate	4.4 Bcf and 240kbbls condensate
TOTAL	4.2 Bcf and 200kbbls condensate	7.6 Bcf and 380 kbbls condensate	8.4 Bcf and 430 kbbls condensate	13.7 Bcf and 610 kbbls condensate

Zydeco Net Prospective Gas Resource Estimate (net after royalty)

	1U (low)	2U (best)	Mean	3U (high)
Upper Tweedle	2.31 Bcf and 112kbbls condensate	3.92 Bcf and 196kbbl condensate	4.2 Bcf and 217kbbls condensate	6.51 Bcf and 329kbbl condensate
Lower Tweedle	0.63 Bcf and 28kbbls condensate	1.4 Bcf and 70kbbls condensate	1.68 Bcf and 84kbbls condensate	3.08 Bcf and 168kbbls condensate
TOTAL	2.94 Bcf and 140kbbls condensate	5.32 Bcf and 266kbbls condensate	5.88 Bcf and 301kbbls condensate	9.59 Bcf and 497kbbls condensate

Interpretation of seismic over the area combined with analysis of the well data from MaCabees-1 and regional data from surrounding wells forms the foundation of the analysis. A probabilistic method has been employed to estimate prospective hydrocarbon volumes in accordance with the SPE PRMS 2018 Guidelines, a mean volume has also been included. They are current as at May 2025 are un-risked and have not been adjusted for either an associated chance of discovery or chance of development, which GLL assesses to be 75%. They are net after royalties and within lease areas. The Drilling of Zydeco 1 will determine the existence of a commercial quantity of potentially moveable hydrocarbons.

Total Prospective Resource for the two formations has been calculated by arithmetic summation.

Cautionary Statement: The estimated quantities of hydrocarbons that may potentially be recovered by the application of a future development project(s) relate to accumulations requiring further exploration, appraisal and evaluation. These estimates have both an associated risk from discovery and appraisal and a risk of development.

Competency Statements

The technical information in this document relating to resources is based on evaluation by Mr Stuart King, an external consultant and works for SK Exploration and Geoscience. Mr King is a Petroleum Geologist and has a Bachelor of Science in Geology and Geography (Hons) from the University of Western Australia and a Masters of Business Administration in Oil & Gas Management from Robert Gordon University. He is a member of the Society of Petroleum Engineers (SPE), the American Association of Petroleum Geologists (AAPG), the South East Asian Petroleum Exploration Society (SEAPEX), The Petroleum Exploration Society of Australia (PESA) and the Australian Geothermal Association (AGA) and has +25 years' experience in the industry in exploration, appraisal, field development planning, reserves and resources assessment, commercial valuations and business development. Mr King has consented to the inclusion in this announcement of the matters on the information in the form and context in which they originally appear. The estimates of potential oil and gas resources are our genuine opinion and the product of our professional judgment. The estimate is based on, and fairly represents, information and supporting documentation reviewed by Mr King.

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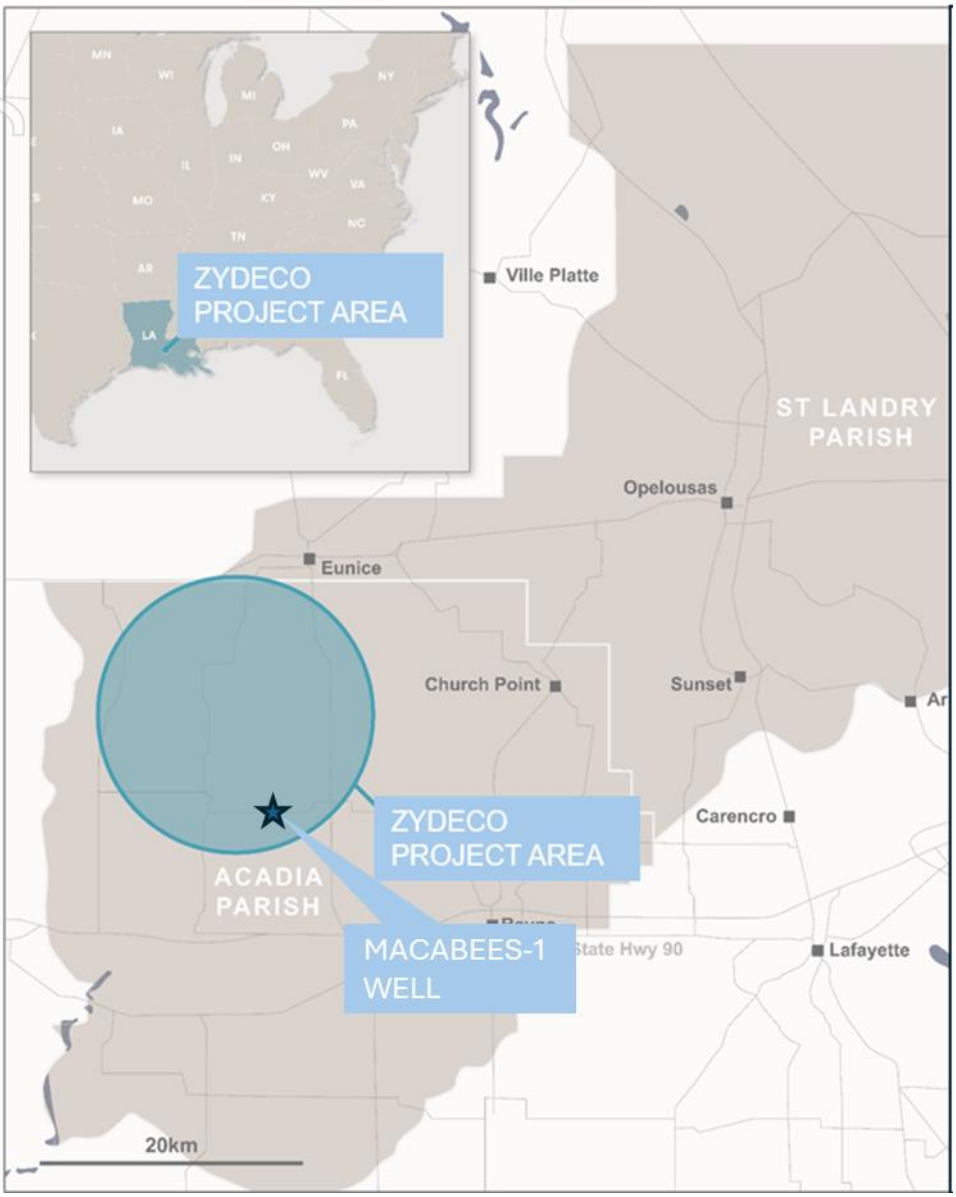

Figure 1: Zydeco Project Area Location Map

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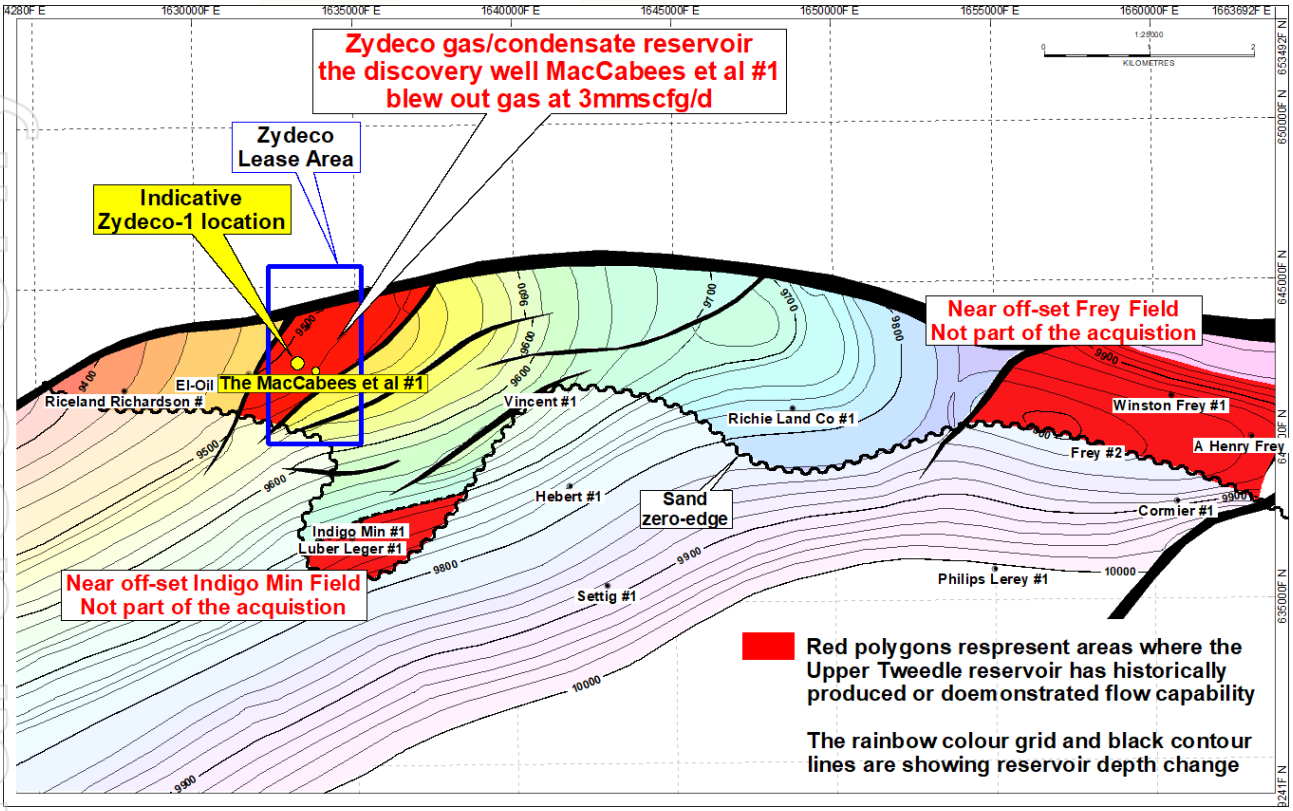

Figure 2: Upper Tweedle Depth Structure Map and Zydeco Lease Area (near off-set fields not part of acquisition)

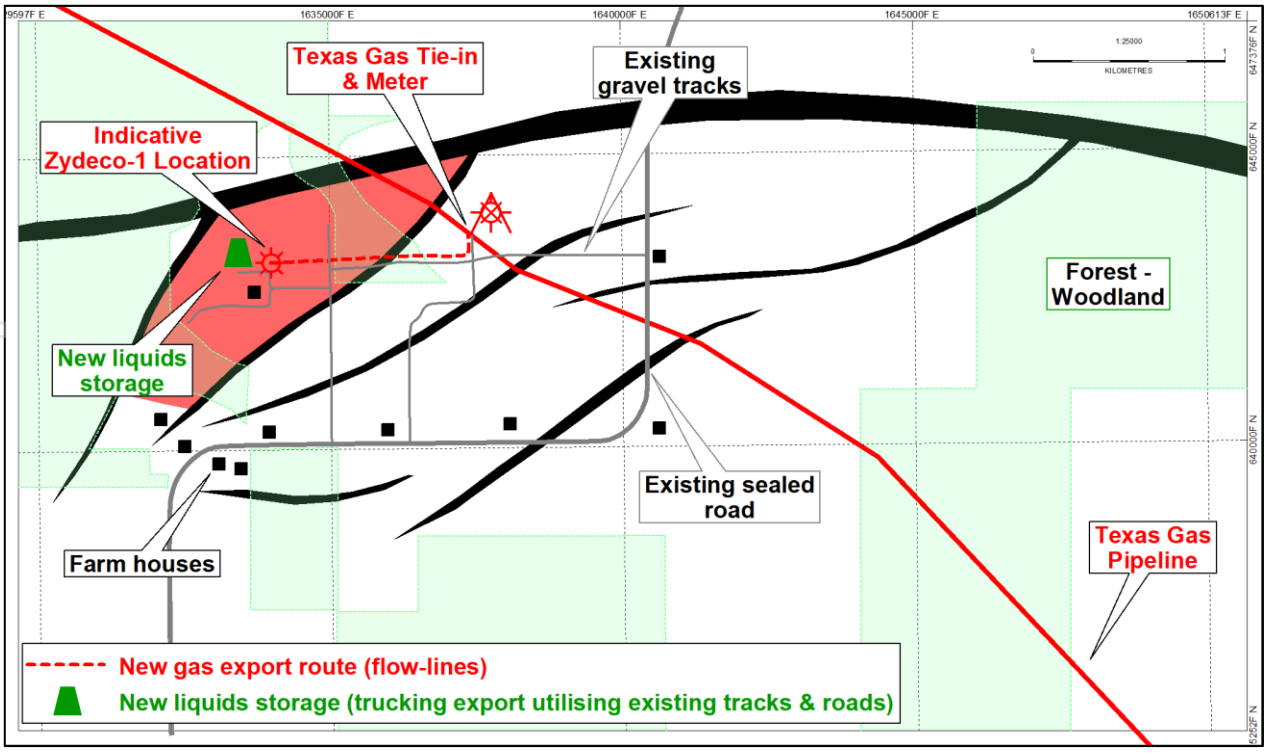

Figure 3: Current and Proposed Facility Layout Map. The map shows the location of MacCabees et al 1- well and proposed Zydeco-1 well and surface infrastructure/geography