ASX ANNOUNCEMENT
31 July 2026

GALILEE ENERGY

JUNE 2026 QUARTERLY ACTIVITIES REPORT

Quarter ended 30 June 2026
Zydeco-1 Drill Preparation Completed and Well Spudded on 1 July 2026

- **Galilee finalised the Zydeco-1 well design and directional drilling plan, including a revised casing configuration estimated to reduce tubular costs by approximately US$100,000**
- **Received state regulatory approval and executed a fixed-price drilling contract with RFC Drilling, LLC for Rig 103**
- **Completed construction of the Zydeco-1 access road, drilling pad and equipment staging areas in Acadia Parish, Louisiana**
- **Mobilised RFC Drilling Rig 103 to site, installed the conductor, completed cellar preparation and raised the derrick over the well centre**
- **All major pre-spud activities were completed within the planned budget. Zydeco-1 commenced drilling on 1 July 2026, on schedule**
- **Zydeco-1 is primarily testing the Upper and Lower Tweedle targets, with gross unrisked prospective resources of up to 13.7 Bcf of gas and 610,000 barrels of condensate.[1]**
- **Galilee's Gulf Coast Strategy is supported by our US Advisory Board, which comprises experienced US oil and gas operators, technical specialists and commercial advisors**
- **Galilee Energy boosted the team further by retaining the services of experienced Gulf Coast Geologist, Jenni Kessler. Ms. Kessler is an exploration geologist with a demonstrated record of successful project development and management**

Galilee Energy Limited (**Galilee** or the **Company**) (ASX: GLL) provides the following quarterly update and Appendix 5B for the quarter ended 30 June 2026.

Galilee Energy Managing Director Joseph Graham commented: *"During the quarter, Galilee completed the remaining engineering, regulatory, contracting and site preparation activities required for the Zydeco-1 drilling program in Louisiana.*

The Company finalised the well design, secured state regulatory approval, executed the drilling contract for RFC Drilling Rig 103 and completed construction of the drilling pad, access road and associated site infrastructure. Rig mobilisation and final pre-spud activities were subsequently completed safely, on schedule and within the planned budget.

These activities culminated in the successful spudding of Zydeco-1 on 1 July 2026, marking the commencement of Galilee's first US Gulf Coast drilling campaign."

[1] See Appendix 1 Page 6 – Zydeco-1 3U (high) Gross Prospective Gas Resource Estimate (before royalties)

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REVIEW OF OPERATIONS DURING THE QUARTER

Zydeco Oil & Gas Project – Louisiana, USA

During the quarter, the Company advanced the Zydeco-1 well from final engineering and procurement through site construction, rig mobilisation and final pre-spud readiness. The well was spudded on 1 July 2026, commencing Galilee's first US Gulf Coast drilling campaign.

Well design and cost optimisation

The Company completed the Zydeco-1 wellbore schematic and directional drilling plan, confirming the technical design and execution strategy for the well. The directional plan was optimised to support accurate placement across the target intervals.

- A revised casing configuration was adopted, delivering an estimated reduction of approximately US$100,000 in tubular costs.
- Additional cost savings were expected through lower mud volumes and reduced cuttings disposal requirements.
- The Authorisation for Expenditure and final service costs were progressed as part of the final drill-readiness program.

Regulatory approval and drilling contract

In May 2026, the Company received state regulatory approval and executed a formal drilling contract with RFC Drilling, LLC for Rig 103. The contract secured rig availability for the drilling of Zydeco-1 to approximately 10,000 feet and provided fixed-price certainty for the rig daily rate, mobilisation and demobilisation, and core drilling services.

- The contract reduced scheduling risk associated with securing drilling equipment in the active US Gulf Coast market.
- Following execution of the contract, the Company focused on remaining service contracts, logistics planning, site preparation and final operational readiness reviews.

Site construction and operational readiness

Site preparation commenced in June 2026 at the Zydeco-1 location in Acadia Parish, Louisiana. Civil works included site preparation, drainage infrastructure, access improvements, survey control and excavation in accordance with the approved site layout.

By 24 June 2026, construction of the drilling location had been completed. The completed site comprised the access road, drilling pad and equipment staging areas required for the drilling campaign and was ready to receive the drilling rig and associated services.

Rig mobilisation and final pre-spud activities

By 30 June 2026, RFC Drilling Rig 103 had arrived on location, and the derrick had been raised to vertical over the well centre. Key pre-spud activities completed included:

- Installation of the conductor and preparation of the cellar;
- Removal of the temporary conductor-driving structure;
- Heavy-lift rig-up and positioning of the rig substructure and associated equipment;
- Survey verification of the well centre, conductor position and rig alignment; and
- Commencement of final rig-up, safety checks and pre-spud readiness activities.

Spudding of Zydeco-1 – 1 July 2026

Zydeco-1 officially spudded in Acadia Parish, Louisiana on 1 July 2026. Spudding marked the formal commencement of drilling and the transition from site preparation and rig-up into active well operations.

Project interest and resource target

Galilee holds a 100% working interest and a 70% net revenue interest in the Zydeco Oil & Gas Project. The project comprises 325.3 acres of mineral leases in Acadia Parish, Louisiana and is located within a proven Gulf Coast gas-condensate fairway.

Zydeco-1 is targeting the Upper and Lower Tweedle formations. The current gross unrisked prospective resource estimate for the two formations is 13.7 Bcf of gas and 610,000 barrels of condensate at the 3U case.[2]

Figure 1: Positioning Zydeco-1 as a direct offset to a proven well reduces subsurface uncertainty and supports a low-risk drilling target

[2] See Appendix 1 Page 6 – Zydeco Gas Project Technical Data

CORPORATE

Issue of unlisted options

During the quarter, the Company issued 36,000,000 unlisted options to investor relations and marketing consultants. Of these options, 50% have an exercise price of $0.011 and 50% have an exercise price of $0.016. The options expire at 5:00 pm (AEST) on 17 June 2029.

Cash and cash flows

Galilee's quarterly and year-to-date cash flow results for the relevant period are presented in the accompanying Appendix 5B report.

Cash position at 30 June 2026:

The cash position as at 30 June 2026 was $2.20 million.

Securities on issue

Security	Number on issue at 30 June 2026
Ordinary shares	1,811,288,118
Options	582,214,198
Performance rights	99,601,787

Information required under ASX Listing Rules

ASX Listing Rule 5.3.5 – payments to related parties:

During the Quarter $161,000 was paid to related parties of the Company relating to non-executive director, executive director and company secretarial fees and short-term incentive payments.

ASX Listing Rule 5.3.1 – exploration and evaluation expenditure:

During the Quarter, the Company spent approximately $4.682 million in relation to the Zydeco-1 drill program and exploration and development activities.

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

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About Galilee Energy Limited

Galilee Energy is targeting to become a mid-tier US Oil & Gas producer, commencing with the development of the Zydeco Gas Project in Louisiana, USA. In 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.

Directors

Managing Director	Non-Executive Chairman	Non-Executive Director
Joseph Graham	Eduardo Robaina	Dale Hanna

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 an evaluation by Ms Jenni Kessler, an external consultant to the Company and Vice President – Geology at Canyon Creek Energy. Ms Kessler is a petroleum geologist and holds an M.S. in Geology from the University of Oklahoma. Ms Kessler has extensive experience in Lafayette, Louisiana and onshore USA, including Oklahoma and Texas.

Appendix 1: 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.
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 Tweedel 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 Tweedel flowed 1.15 MMscf/d and recovered 290 bbls fluid. Well test interpretation unknown and not available. Upper Tweedel gross pay thickness 80 feet, net pay 30 feet (low-high range 16-36 feet) Upper Tweedel P&A'd and well completed and produced from shallower oil zones.
Zydeco-I	Primary targets: Upper Tweedel and Lower Tweedle.
	Well Depth: ~9800 feet
	Upper Tweedel was drilled by MacCabees et al 1 and will be redrilled for production. Lower Tweedel 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 Tweedel 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 470kbbls 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 380kbbls condensate	8.4 Bcf and 430kbbls condensate	13.7 Bcf and 610kbbls 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.