ASX ANNOUNCEMENT
3 August 2026

GALILEE ENERGY

THREE TARGETS NOW IN PLAY AT ZYDECO-1 AS DRILLING CONFIRMS GEOLOGICAL MODEL

Sidetrack to evaluate Homeseeker B and the newly identified Stafford alongside the primary Tweedel gas-condensate objective

- **Zydeco-1 has grown from a one-target well into a three-target well — Homeseeker B, Stafford and the primary Upper and Lower Tweedel, all below the sidetrack kick-off point**
- **Stafford added as a target for the first time: gas readings saturated the rig's detector above 5,000 units across the full interval. Regional analogue R.L. Bucklin #1 tested 1.2 MMcf/d plus 48 bbl/d condensate**
- **Homeseeker B came in on prognosis with elevated hydrocarbon indications, correlating to the B-1 offset 300 feet away and structurally updip of B-1's historical oil test. Now a formal evaluation target**
- **The sequence drilled matched the pre-drill model, materially reducing uncertainty on the depth and structural position of Tweedel**
- **Drilling was interrupted at 9,393 feet by stuck pipe — mechanical, confined to the open hole, and does not alter the geological results**
- **The sidetrack is shorter and better informed: ~9,800 feet planned TD versus ~10,400 feet originally, a shallower casing point to mitigate the mapped lost-circulation interval, and existing casing, wellhead, pad and permits all retained. Sidetrack will kick off at bottom of surface casing at 2,760 feet (see figure 1)**
- **Tweedel remains the primary objective: unrisked prospective resources of up to 13.7 BCFG and 610,000 barrels of condensate, with Homeseeker B and Stafford as additional upside[1]**

Galilee Energy Managing Director Joseph Graham commented: *"Zydeco-1 has grown from a single-target well into a three-target well. Homeseeker B was encountered at the depth our pre-drill model predicted and showed elevated hydrocarbon indications, and the Stafford interval, which was not part of the original target inventory, recorded a gas response across the full section that exceeded the upper limit of the rig's detector.*

Most significantly, the stratigraphic sequence encountered closely matches our geological model, which increases our confidence in the position of the deeper Tweedel target — the principal objective of this well.

Subject to final planning and contractor arrangements, we are targeting to kick-off the sidetrack as soon as practicable. The sidetrack is a shorter and more capital-efficient well into a broader opportunity than the one we commenced."

Galilee Energy Limited (**Galilee** or the **Company**) (ASX: GLL) is pleased to provide an update on drilling activities at the Zydeco-1 well (called J.D. Sittig #1 well at location) in Acadia Parish, Louisiana. Galilee holds a 100% working interest and a 70% net revenue interest in the Zydeco Oil & Gas Project.

OPERATIONAL UPDATE

Zydeco-1 drilling was interrupted by a mechanical issue within the open-hole section after drill pipe became stuck. Following recovery operations, the Company determined that further attempts to recover the original wellbore would not represent the most efficient use of capital or equipment.

Importantly, the issue is confined to the open-hole section. The surface casing, wellhead, drilling location and permits remain intact and available for reuse, while all three prospective target intervals lie below the proposed sidetrack kick-off point.

Following technical review, Galilee has determined that a sidetrack from the existing well represents the most effective way to complete the geological evaluation while bypassing the affected section of the original wellbore.

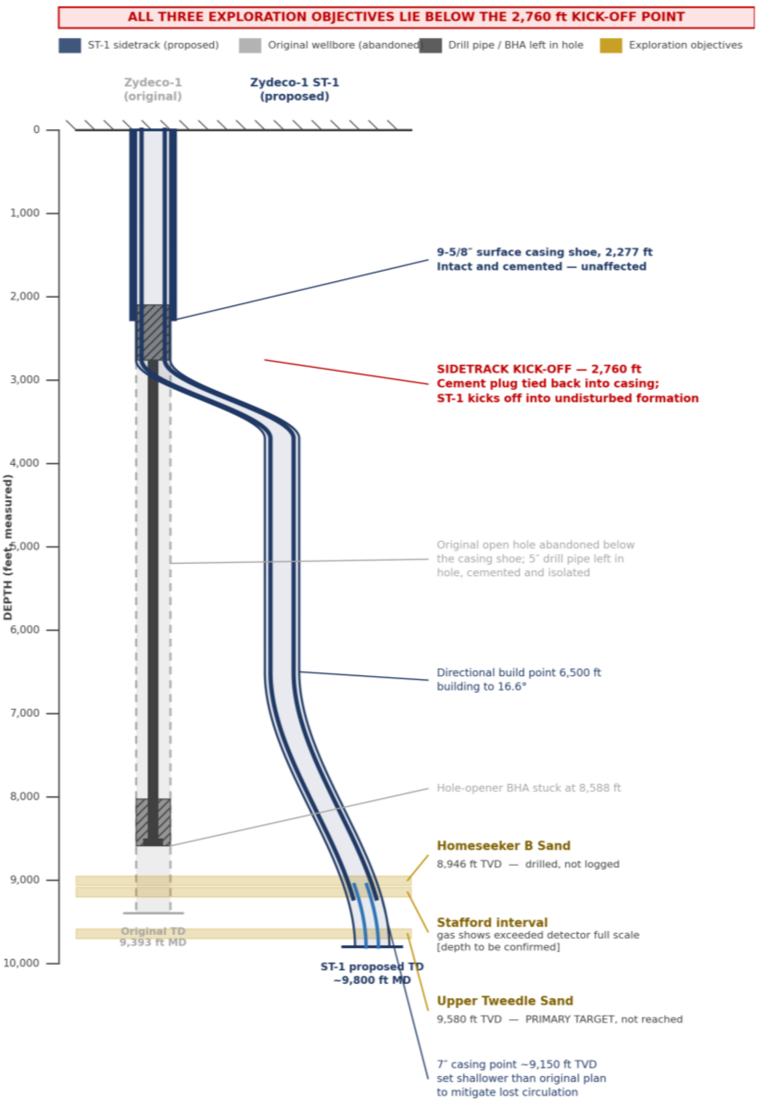

Figure 1: Proposed Zydeco-1 sidetrack plan. All exploration objectives lie below the proposed kick-off point of 2,760 feet.

RESULTS TO DATE SUPPORT THE GEOLOGICAL MODEL

Before the mechanical interruption, Zydeco-1 reached a measured depth of 9,393 feet and drilled through the full Homeseeker target section. Homeseeker B was encountered at the forecast depth. It confirms the Company's well correlation and the stratigraphic sequence used to plan the deeper section.

Homeseeker B now warrants full evaluation in the sidetrack. The interval correlates with the key offset B-1 well, approximately 300 feet from Zydeco-1, and the Zydeco-1 bottom-hole location is structurally updip of B-1's historical uphole oil test. Elevated hydrocarbon indications were also recorded while drilling through the Homeseeker Sand. Key regional Homeseeker wells include:[1]

- Louisiana Department of Natural Resources records list a Homeseeker B completion in Acadia Parish, the C O Ardoin #1, with a reported oil-test potential of 55 barrels per day.
- In the Bayou Mallet South Field, a Homeseeker A lease produced 650 barrels in December 2024, or approximately 21 barrels per day.
- A public regulatory filing identifies the Middlebrooks E #1 well as producing from the Homeseeker A within the Middle Frio.

While none of these wells are a direct offset to Zydeco-1, they do show that the Homeseeker sands produce oil in Acadia Parish.

The Stafford was not part of the original target list and was encountered while drilling towards Tweedel. The gas response was recorded across the interval rather than as a single reading and exceeded 5,000 units, the upper limit of the rig's gas detector.

The R.L. Bucklin #1 well in neighbouring Jefferson Davis Parish tested at 1.2 million cubic feet of gas per day and 48 barrels of condensate per day through an 8/64-inch choke, with flowing tubing pressure of 4,790 psi, from an eight-foot Lower Frio Stafford Sand interval.

Bucklin is a regional analogue, not an immediate offset. However, it does demonstrate that Stafford sands in the area flow gas and condensate. The sidetrack will determine the reservoir quality, fluid composition and commercial significance of this interval at Zydeco-1.

The sequence drilled so far is consistent with the geological model used to position the primary Tweedel target. This narrows the uncertainty around Tweedel's depth and structural position and gives the Company greater confidence that the target will be encountered as forecast. Tweedel itself has not yet been drilled and remains the principal gas-condensate objective.

Importantly, the geological opportunity available to the sidetrack is now broader than when Zydeco-1 commenced drilling. The original program was primarily designed to evaluate the Upper and Lower Tweedel objectives.

Results from the original hole have now elevated Homeseeker B to a formal evaluation target and identified Stafford as an additional prospective interval. The sidetrack therefore provides the opportunity to evaluate three prospective reservoir intervals within the one drilling program.

[1] Regional Data Sources: (1) Louisiana DNR District 2 oil schedule, January–June 2020, C O Ardoin #1. (2) EnergyFunders Ventures filing and DrillingEdge December 2024 data, Middlebrooks E #1/HMSKRS A RB SUA. (3) Wainoco R.L. Bucklin #1 completion report, digitised by Texas Tech University's Southwest Collection.

SIDETRACK TO EVALUATE EXPANDED THREE-TARGET OPPORTUNITY

The proposed sidetrack is intended to bypass the affected open-hole section and complete the planned evaluation. It will allow the Company to re-drill Homeseeker B and Stafford before continuing to the primary Tweedel targets. The revised design includes a shallower casing point and a shorter planned well path to reduce exposure to the lost-circulation interval encountered in the original hole. Subject to final technical planning and approvals, the sidetrack will:

- Kick off from the existing well into undisturbed formation above the affected interval;
- Re-drill and fully evaluate the Homeseeker and Stafford targets;
- Set 7-inch casing slightly shallower than in the original wellbore to help mitigate the lost-circulation issues encountered during the first attempt;
- Continue to the Upper and Lower Tweedel objectives to a planned total depth of approximately 9,800 feet measured depth;
- Undertake wireline logging, formation-pressure testing and fluid sampling across any intervals assessed as prospective.

The sidetrack design is intended to maximise the use of the existing Zydeco-1 infrastructure and shorten the remaining planned well path. Galilee's consulting engineers are finalising the revised drilling design and associated cost estimate prior to commencement.

The proposed sidetrack is subject to approved costing, final technical planning and contractor availability.

NEXT STEPS

The Company's immediate priorities are to:

- Finalise sidetrack and directional drilling design;
- Finalise drilling cost and contractor arrangements;
- Mobilise to commence sidetrack drilling.

The Board remains committed to completing the evaluation of Zydeco-1, and Galilee will provide further updates as material information becomes available.

EXECUTING A SCALABLE GULF COAST GROWTH STRATEGY

Zydeco represents the first stage in executing Galilee's strategy to build a scalable US Gulf Coast oil and gas business focused on:

- Low-risk development and redevelopment opportunities
- Near-term production and cash flow generation
- Disciplined capital allocation
- Repeatable growth through reinvestment and acquisition

The strategy is supported by Galilee's US Advisory Board, which comprises experienced US oil and gas operators, technical specialists and commercial advisors with extensive Gulf Coast experience.

The Advisory Board has already assisted in advancing Zydeco from acquisition to drilling within a relatively short timeframe and has been instrumental in sourcing and evaluating additional opportunities.

Final participation structures and funding arrangements on these opportunities are expected to be formalised post success at Zydeco-1.

FOUNDATION ASSET: ZYDECO GAS PROJECT – OVERVIEW

Zydeco-1 is primarily testing the Upper and Lower Tweedel objectives within a proven Gulf Coast gas-condensate fairway. The project has gross unrisked prospective resources of up to 13.7 Bcf of gas and 610,000 barrels of condensate across those two Tweedel targets. Homeseeker B and Stafford are additional targets and are not included in the current resource estimate. No resource estimate has been assigned to either interval. The sidetrack will evaluate all three intervals and determine whether potentially moveable hydrocarbons are present in commercial quantities.

In the event of success, Galilee intends to progress the project toward rapid commercialisation using existing regional infrastructure, including a short connection to the Texas Gas Pipeline.

- 325.3 acres of mineral leases in Acadia Parish, Louisiana
- Located within a proven Gulf Coast gas-condensate fairway
- Nearby producing fields including Indigo (2 km) and Frey (8 km)
- Short gas spur line to the Texas Gas Pipeline enabling rapid commercialisation
- Exposure to both US Gulf Coast Natural Gas and Condensate/Oil Pricing
- Simple development facilities including condensate stripping, storage and truck loading
- Targeting up to 13.7 Bcf of gas and 0.610 MMbbl of condensate/oil across multiple reservoir targets in the Tweedel[2]
- The existing gross unrisked prospective resource relates only to the Tweedel objectives; no prospective resources are currently attributed to Homeseeker B or Stafford, which represent additional exploration upside to be evaluated by the sidetrack.

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

[2] See Appendix 1 Page 7 – Zydeco-1 3U (high) Gross Prospective Gas Resource Estimate (before royalties). Refer to Galilee Energy ASX announcement dated 24 June 2026, "Zydeco-1 Drilling Pad Complete Ahead of 13.7 BCFG Prospective Gas Test" and Appendix 1. Prospective resource estimates are unrisked and have not been adjusted for chance of discovery or chance of development. The drilling of Zydeco-1 will determine the existence of a commercial quantity of potentially moveable hydrocarbons.

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. The geological observations reported in this announcement are preliminary and remain subject to final geological and petrophysical interpretation. Gas readings recorded while drilling are exploration indicators only and do not establish the presence, size, composition, recoverability or commercial significance of a hydrocarbon accumulation. Regional analogues are from different wells and fields and may not be directly comparable with Zydeco-1. The Homeseeker B figure is a test potential, not a current or sustained production rate, and the Stafford rates are from a historical completion test. These third-party results do not predict Zydeco-1 performance or support a resource estimate for Homeseeker B or Stafford.

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.

Forward-Looking Statements

This announcement contains forward-looking statements concerning the proposed sidetrack, funding requirements, costs, timing and future exploration activities. These statements are based on assumptions and information available to the Company at the date of this announcement.

Actual outcomes may differ materially due to funding availability, contractor availability, drilling conditions, equipment performance, geological uncertainty, regulatory requirements and other operational and commercial risks. The Company gives no assurance that the proposed funding or sidetrack will be completed, or that further drilling will identify a commercially recoverable hydrocarbon accumulation.

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 Tweedel.
	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 Tweedel	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 Tweedel	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 Tweedel	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 Tweedel	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.