

Media Release

Denison receives \$5.2 million grant for Rolleston Coal Seam Gas Pilot project in Bowen Basin, QLD

13 May 2024

- Denison Gas has received a \$5.2 million grant from the Queensland Government for its Rolleston Coal Seam Gas Pilot Project to advance activities
- Proposed drilling activities include a dual horizontal production well into the Bandanna Formation using new techniques and operational approaches
- The Queensland Government’s “Frontier Gas Exploration Grants Program” is designed to fast-track the development of future gas supply for Queensland and other east coast markets in Australia

Denison Gas Limited and its affiliates (**Denison** or the **Company**) is pleased to announce it has received a \$5.2 million grant from the Queensland Government to undertake drilling activities at the Rolleston Coal Seam Gas Pilot project.

Denison is one of four successful applicants to receive funding under the \$21.045 million “Frontier Gas Exploration Grants Program” (Program) which is an initiative of the Queensland Government. The Program has been designed to provide funding support for on-ground activities with the short-term objective to increase identified gas resources and reserves in the Bowen and Galilee Basins. The longer-term objective is to help bolster future gas supply to Australia’s east coast market.

The grant was announced just a day after the Federal Government’s Future Gas Strategy which strongly acknowledges the importance of gas to avert projected energy shortages, ease cost-of-living pressures and ultimately reach zero emissions goals by playing a pivotal role in the clean energy transition.

The Company will apply the grant towards drilling a dual horizontal production well into the Bandanna Formation using new techniques and operational approaches. The aim of the well is to extend knowledge of the gas reservoir and provide valuable information on the production characteristics for future development. The drilling program is expected to begin in June with a view to commencing the production testing in August of this year. Success at the well in proving a commercial gas production rate is expected to lead to a conversion of some of the large CSG contingent resource Denison holds to reserves.

Dr Xingjin Wang, Executive Chairman of Denison, commented:

“Denison looks forward to accelerating the exploration of the Bowen Basin for CSG to contribute to the market for gas and reduce the existing and forecast shortage. This grant will allow Denison to enhance its ability to grow its reserve base, to diversify the source of its production from pure conventional gas

to a mix of conventional and coal-seam gas, thus increasing the cost-efficiency of its production activities and expanding its access westward to other existing CSG potential areas.”

About Denison:

Denison is a gas production and exploration company focused on both efficiently increasing its existing conventional gas production and developing the significant CSG resources within its Denison Trough tenement areas in Queensland.

Since April 2019, Denison has operated 14 gas fields, 2 gas processing facilities, 4 additional gas compression facilities and a 200-kilometre gas pipeline network connected to the open-access Eastern Australian gas transmission system.

Following the restart in early 2020 of the Denison North production operations that had been shut-in by the previous operator since 2011, Denison embarked on a program to bring its remaining 2P conventional gas reserves into production, fill its available gas processing capacity, meet its executed gas sales agreements through to 2026, and to allow contracting of new gas sales. Denison is also focused on the development of its contingent CSG resources to position itself to become a significant independent producer into the East Australian gas market.

More information regarding Denison Gas is available at www.denisongas.com.au.

For further enquiries, please contact Denison at info@denisongas.com.au

Location Map

