Media Release

# Denison Announces 5 Well Drilling Program in Bowen Basin, QLD

1 August 2022

- Five well drilling program commenced in the Denison Trough of the Bowen Basin, QLD
- Drilling consists of four conventional gas wells and one unconventional CSG pilot well in areas where Denison has a 100% beneficial interest
- Drilling program is expected to complete by the end of October 2022

Denison Gas Limited, and its affiliates (Denison or the Company), is pleased to announce it has commenced a five well drilling program consisting of both conventional and unconventional wells in areas where Denison holds a 100% benefical interest in granted permits.

**Conventional wells:**

Four development wells are to be drilled in the Punchbowl Gully gas field with the primary targets for these wells being the Aldebaran and Staircase Sandstones. Pad drilling techniques will be employed for these wells to reduce construction impact, drilling time and connection costs.

The production contribution from these wells aims to further increase the output from the Southern Project area and build on the eight-well appraisal and development program completed in FY22.

**Unconventional CSG Pilot well:**

The Company will be drilling its first unconventional pilot well, the Yellowbank 10 horizontal CSG well, which will evaluate the thick YB3 coal seam within the Bandanna coal measures (refer Figure 1).

The pilot well will intersect the existing Yellowbank 8 well and continue to drill up dip within the YB3 seam for ~1,000m. The Yellowbank 8 well will then be completed as the vertical production pilot well in early September with flow testing to commence shortly thereafter.

The pilot well is located within 3.5km of the Yellowbank Gas Plant with infrastructure currently in place to readily commercialise any gas should flow testing prove successful.

Yellowbank lies within the prospective PL43 and PL44 permit areas which are currently estimated to contain a 2C Contingent Resource of 279 Bcf. Further CSG pilot drilling is anticipated within this area once early production performance has been determined from the initial well to quickly move these resources to reserves status.

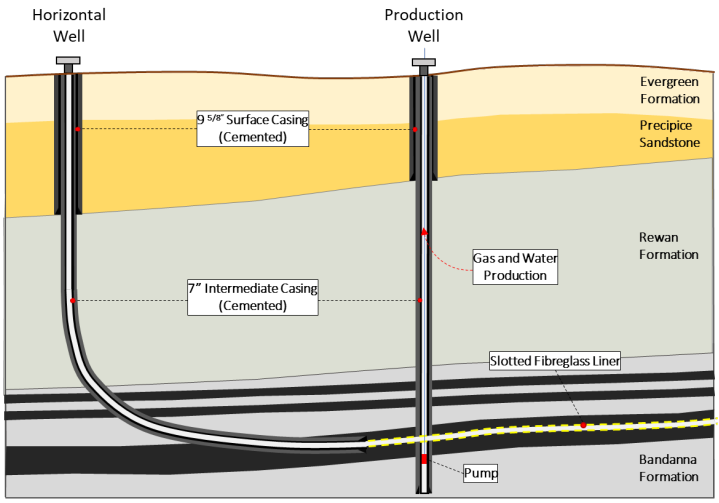



**Figure 1 – Yellowbank 10 CSG pilot well**


Denison Gas Limited
ABN 86 625 883 561

S1501 Tower A The Zenith
821 Pacific Highway
Chatswood NSW 2067

t. +61 2 9419 7657
e. info@denisongas.com.au
denisongas.com.au

**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.

Since April 2019, the Company has operated 14 gas fields, 2 gas processing facilities, 4 additional gas compression facilities and a 200-kilometre gas pipeline network connected to the Jemena operated Queensland Gas Pipeline.

Following the restart of its Denison North project in early 2020, the Company embarked on a program to bring its remaining 2P conventional gas reserves into production, to fill its available gas processing capacity, to meet its executed gas sales agreements through to 2023, and to allow contracting of new gas sales. The Company will also commence a pilot well testing program focused on a portion of its contingent CSG resources to position itself to become a significant independent producer into the East Coast gas market.

More information regarding Denison is available at www.denisongas.com.au. Alternatively, please contact Benson Wong at bwong@denisongas.com.au