Media Release

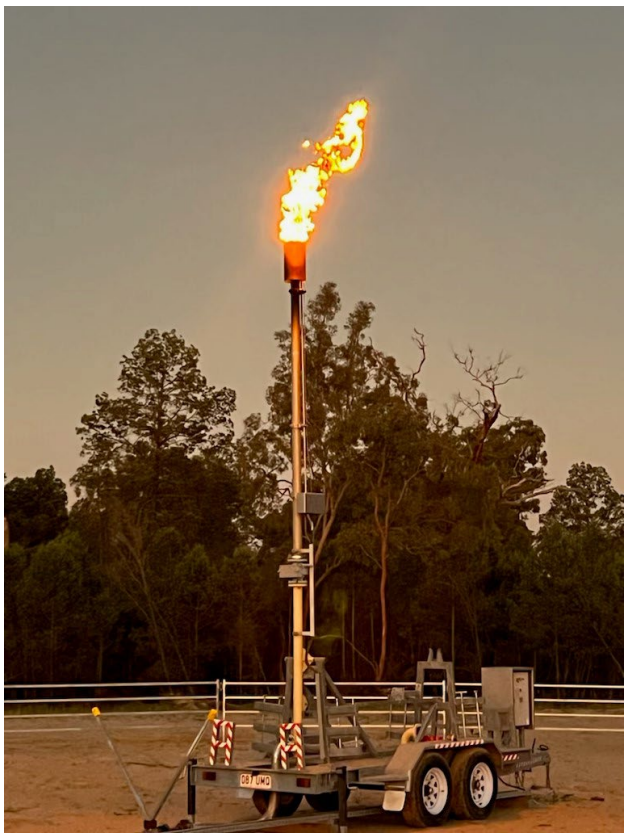
Denison announces success with initial CSG well

21 November 2022

- Maiden CSG pilot well, Yellowbank 10, produces first gas sooner than expected
- Yellowbank 10 expected to connect through existing infrastructure into the Yellowbank Gas Plant
- Potential for CSG to provide a material uplift to Denison's future gas production

Denison Gas Limited, and its affiliates (Denison), is pleased to announce its initial CSG pilot well, Yellowbank 10, has successfully produced first gas and anticipates connecting this well through existing flowlines into the Yellowbank Gas Plant in coming weeks.

The Yellowbank 10 CSG well was spudded in late August as part of Denison's recently announced 5-well drilling program in the Denison Trough (four conventional wells in the Punchbowl Gully field plus Yellowbank 10) and was completed in mid-September.



The well's main target was the YB3 seam in the Bandanna coal measures at a depth of approximately 700 metres below surface. The well was horizontally drilled for approximately 1000 metres within the coal seam, providing excellent natural connectivity with a large reservoir section.

Underbalanced drilling techniques were used for the well. Fluid inflows to the well observed during drilling remained consistent into the de-watering phase providing early indications of good reservoir permeability. These early positive signs at the location have been further enhanced by first gas being produced sooner than the originally anticipated early/mid-December timing. The well is currently performing at the upper end of pre-drill estimates and gas flow rates are expected to increase over coming weeks.

The rig has now been released following the successful drilling of the development wells in the conventional Punchbowl Gully field. These wells will be completed shortly and connected into Denison's Yellowbank Gas Plant to complement production for existing customers and provide the basis for additional gas sales arrangements.

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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, 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 Jemena-operated Queensland Gas Pipeline.

Following the restart of its Denison North project in early 2020, Denison 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 2025, and to allow contracting of new gas sales. The Company is also focused on development 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.

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

Location Map

