

QUARTERLY REPORT

For the period ending September 2023

HIGHLIGHTS

Gulf Energy Limited (ASX: GGE) (Grand Gulf or the Company) is pleased to provide shareholders with the following summary of its activities during the June 2023 quarter.

Joint Development Agreement - \$1m to Jesse-3

- *Joint Development Agreement:* Heads of Agreement executed with TSX-listed Sage Potash Corp. to exploit synergies in both companies' co-located development and appraisal programs to minimize expenditure whilst de-risking and developing the respective assets.
- *Sage Contribution of Funds:* Sage to contribute US\$1m and the incremental cost to obtain a potash core in the Jesse-3 well.
- *Seismic Program Participation:* 50/50 cost share on a 3D seismic survey, following the Jesse-3 well, with the potential to accelerate a full field Jesse development plan.
- *Project Timeline:* Both parties will mutually define a timeline, budgets and mutual participating funds escrow agreement for the Jesse-3 Well and 3D Seismic program in a definitive agreement.

Jesse-3 Surface Land Use Agreement Secured

- Permitting and preparation activities on track to support Q4 2023 Jesse-3 spud.
- Surface Land Use Agreement executed with private landowner.
- Agreement grants the rights for easement and construction of the Jesse-3 well-pad and future minimal well-head production facilities to tie into the adjacent pipeline connected to the Lisbon helium processing plant.
- Jesse-3 location targets a structural seismic high proximal (1300 feet) to the Redd-1 well.
- Potential to be 70 feet high to Jesse-1A maximising reservoir in the gas column and stand-off to the gas/water contact mitigating potential water ingress.
- Redd-1 tested non-flammable gas in the primary Leadville target with 140 gross feet of porous dolomitic reservoir and zones with evidence of strong hydrothermal dolomitization and secondary vugular porosity.
- Redd-1 petrophysical logs indicate porous gas filled pay in both primary Leadville target and the secondary McCracken target.
- Proximal well control de-risks reservoir development and structure at the Jesse-3 location.

Leading North American Helium Drilling, Completion, Stimulation and Engineering Consultancy Group Appointed

- Leading North American upstream oil and gas consultancy Walsh Engineering LLC (Walsh) to assist with the Jesse development programme.
- Walsh have managed multiple successful helium projects in the Four corners area including the prolific Tocito Dome helium field.
- Walsh is advanced in reviewing the Jesse-1A completion and Jesse-3 new drill well plans.
- Good short-term availability of rigs in the area – bids received from multiple drilling contractors.

Placement to Raise \$3.2 Million for Jesse Development

- \$3.2 million placement ensures Grand Gulf is well-capitalized to progress development of the Jesse helium discovery.
- Strong support by new and existing professional and sophisticated investors.



About the Red Helium Project:

The Red Helium Project provides exposure to the burgeoning helium industry in a prolific proven helium-producing region, the Four Corners Area, that comprises:

- 250,713 acre area of mutual interest (AMI) with over 23,000 acres (private leases/Utah state leases) leased in drill-friendly Utah in the heart of the most prolific helium-producing region in the world;
- Geologically analogous to Doe Canyon Field. Doe Canyon is situated 15 miles due east of the Red Helium project, and is currently producing approximately 10,700,000 cubic feet of helium per month, the bulk of which comes from only 7 wells. Air Products (market cap US\$70b) is processing the helium, and it is anticipated that Doe Canyon will ultimately produce 3-5 billion cubic feet of helium. With additional drilling, this resource figure could increase;
- 315 kms of well-placed 2D seismic has been acquired and reprocessed identifying multiple drill targets – and confirming a structural trap 4-5 times larger than the Doe Canyon Field;
- Six historic wells exclusively targeting hydrocarbons were drilled within the project AMI, proving trap, seal, reservoir presence and gas charge and a working helium system, to differing degrees within each prospect. Several wells tested non-flammable gas, the only two analysed for helium confirmed helium presence; and
- 20 miles south of and connected by pipeline to the operational Lisbon Helium Plant (99.9995% purity).

Since acquisition in September 2021 the company has continued to mature the project, including the following milestones:

- Maiden prospective gross project unrisks P50 helium resource of 10.9 billion cubic feet of helium;
- Jesse discovery (Jesse-1A), generally exceeding pre-drill expectation and highlights including:
 - Helium grade of up to 1%. An analogous Doe Canyon well at 1% helium and a raw gas rate of 20 million cubic feet per day would produce 200 thousand cubic feet of helium per day;
 - Productive and well pressured reservoir at 2465 psi on trend with virgin pressure at the neighbouring Doe Canyon.
 - Independent Auditor confirms Jesse helium discovery and maturation from Prospective to Contingent Resource category
 - over 200 feet of gross gas column; and
 - 101 feet of net pay;
- Helium Offtake Agreement with Paradox Resources LLC, a helium refiner and seller owner with extensive helium market experience and connections, and operator of the advanced Lisbon Valley helium plant;
- Strategic Alliance to expand on the Offtake terms and exploit the corporate synergies with Paradox;
- Drilled Jesse-2 flowing up to 0.9% helium to surface confirming a helium discovery in the Jesse Field and extended the proven helium play fairway following a significant 1.5 mile step-out from the Jesse-1A well.
- Matured three new drill locations on the Jesse structure and multiple prospects independent to Jesse, including the drill-ready Earp prospect, with plans to drill a third helium well; and
- Increased Working Interest in the Red Helium Project to 77.5% with a right to earn 85%;
- The Company continues to optimise lease position based on maximizing prospectivity using information gained from the wells to date.



Helium Offtake Agreement (“Offtake”):

Binding offtake executed with helium refiner and seller Paradox Resources LLC (“**Paradox**”) with industry standard 80/20 revenue sharing / allowing near immediate monetisation of a success case well to monetized with minimal time and Capex^{1,2}. The Red Helium project is 20 miles south of and connected by pipeline to the operational Lisbon Helium Plant.

The GPSA represents recognition from Paradox of the significant potential of the Red Helium Project and forms a relationship with a proven helium refiner and seller with deep helium processing and marketing experience. The key terms include an 80/20 industry standard revenue split in favour of the producer (GGE) as well as standard tariffs for gathering, compression and processing.

Paradox owns over 100,000 net acres and operates over 150 wells in the Paradox Basin in the Four Corners Region of Utah, Colorado, New Mexico and Arizona. Paradox is operator of 570 miles of operated gas gathering lines (220 miles of which is wholly owned) with four compression stations that feed directly to the Lisbon Valley Gas Plant.

The advanced Lisbon Valley Gas Plant is comprised of a 60 million cubic feet per day (mmcf) treating plant with a 45 mmcf cryogenic plant capable of liquefaction of 0.5 mmcf of high purity 99.9995% (5 ½ Nines) helium, that attracts premium pricing for advanced applications such as semiconductor, medical, research, space and defense industries. The plant has capacity for another 0.6 mmcf of purified ~99.989% gaseous helium currently sold to multiple suppliers and direct to downstream retail consumers via Paradox’s logistics arm comprising precisely engineered specialist tube trailers.

The Lisbon Plant is also currently sequestering carbon dioxide and is well advanced in the permitting process to qualify for carbon capture tax credits under Section 45Q (Revenue) of the US tax code. The recent Inflation Reduction Act increased the value of carbon dioxide sequestered to \$85 per metric tonne, making it a potential material revenue stream for the Red Helium Project.



Figure 4: Paradox Resources “5.5 Nines” Lisbon Valley Gas Processing Plant.

Strategic Alliance

Grand Gulf entered into a Strategic Alliance (“**Alliance**”) with helium refiner and seller Paradox designed to fast-track and optimise the significant commercial opportunities that exist in the current buoyant helium market³. The Alliance is structured to explore mutually commercially advantageous revenue sharing arrangement on such key items as:

- Optimize and prioritize near-term exposure to the burgeoning helium market
- Red Helium Project to be a potential priority supplier to re-start the Paradox liquefier capable of producing high purity 99.9995% helium (“5 ½ Nines”) - which attracts premium pricing
- Collaborative downstream marketing targeting end users of high-purity helium such as semi-conductor manufacturers and the space industry
- Expansion of the terms of the recently executed Offtake agreement to include discoveries after Jesse#1A
- Progress identified CO₂ disposal options with revenue generating potential:
 - i) Expansion of existing carbon sequestration activities at Paradox’s Lisbon Plant to include CO₂ from the Red Helium Project - potentially revenue-generating under Section 45Q of the US Tax Code; and
 - ii) Joint investigation into utilization of Red Helium Project CO₂ for enhanced oil recovery (flooding) from Paradox’s Lisbon Oil Field
- Potential synergistic commercial benefits in assessing corporate opportunities that involve both Paradox assets and the Red Helium Project

¹ ASX Announcement 16 March 2022 – Helium Offtake Agreement Secured

² ASX Announcement 9 Jan 2023 – Helium Offtake Agreement Secured for Jesse-2

³ ASX Announcement 11 April 2022 – Strategic Alliance with Helium Offtake Partner

Prospective Helium Resource

Table 1 - Valence Combined Leadville / McCracken Prospective Resources

Recoverable Helium	1U (P90) (BCF)	2U (P50) (BCF)	3U (P10) (BCF)
Gross to Valence - (28,046 gross acres)	8.1	12.7	17.6
Net to Valence - (18,959 net acres)	5.6	8.7	11.7
Net to GGE - (earning 85% of net Valence)	4.7	7.4	9.9
Red Project Total (Jesse McCracken)	9.3	25.7	71.1

Table 2 - Valence Mississippian Leadville Prospective Resources⁴

Recoverable Helium	1U (P90) (BCF)	2U (P50) (BCF)	3U (P10) (BCF)
Gross to Valence - (28,046 gross acres)	7.6	10.9	12.9
Net to Valence - (18,959 net acres)	5.2	7.4	8.5
Net to GGE - (earning 85% of net Valence)	4.4	6.3	7.2
Red Project Total	7.9	20.8	57.6

Table 3 - Valence Devonian McCracken Prospective Resources

Recoverable Helium	1U (P90) (BCF)	2U (P50) (BCF)	Mean (BCF)	3U (P10) (BCF)
Gross to Valence - (19,508 gross acres)	0.5	1.8	2.3	4.7
Net to Valence - (13,336 net acres)	0.4	1.3	1.6	3.2
Net to GGE – (earning 85% of net Valence)	0.3	1.1	1.3	2.7
Red Project Total (Jesse McCracken)	1.4	4.9	6.3	13.5

The estimated quantities of helium that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal is required to determine the existence of a significant quantity of potentially moveable helium.

GGE now has a 77.5% interest in Valence with a right to secure a further 7.5% interest (total of 85%) on the following terms:

Earning 85% of Valence Resources	Max Commitment Spend	Cumulative Interest
Current Working Interest		77.5%
Drilling third well	US\$1.5M	85%

Notes on Table 1

Note 1: The Prospective Resource evaluations of the Leadville (from Sproule) and the McCracken (from GGE) are both done under the SPE-PRMS Guidance and the GGE McCracken methodology has been reviewed by Sproule. The resource numbers that are disclosed are from two separate reports and have been combined to generate Table 1 in this press release.

Note 2: Table 1 is generated by arithmetic summing of Table 2 and Table 3

Notes on Table 3

Note 1: The resource estimates have been prepared using the probabilistic method and are presented on an unrisks basis. In a probabilistic resource distribution, 1U (P90), 2U (P50), 3U (P10) estimates represent the 90% probability, 50% probability and 10%

⁴ Sproule as announced on ASX on 8 December 2021. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.



probability respectively that the quantity recovered will equal or exceed the estimate assuming a success case in the prospect. The mean is the average of the generated probability distribution.

Note 2: The resource estimates provided have an effective date of 10th June 2023.

Note 3: GGE has the right to earn 85% of the incorporated joint venture company Valence Resources LLC (Valence) by drilling a third well at the Red Helium Project

Note 4: The Red Project comprises private and Utah State leases as described in Schedule A.

Note 5: Resources have been calculated as those helium volumes that the entity is allowed to lift and sell on behalf of the royalty owner

Note 6: The totals shown are the for the Jesse McCracken closure as described in the Methodology section of Schedule A.

Note 7: Red Project Total incorporates the entire Red Helium Jesse closure for the McCracken



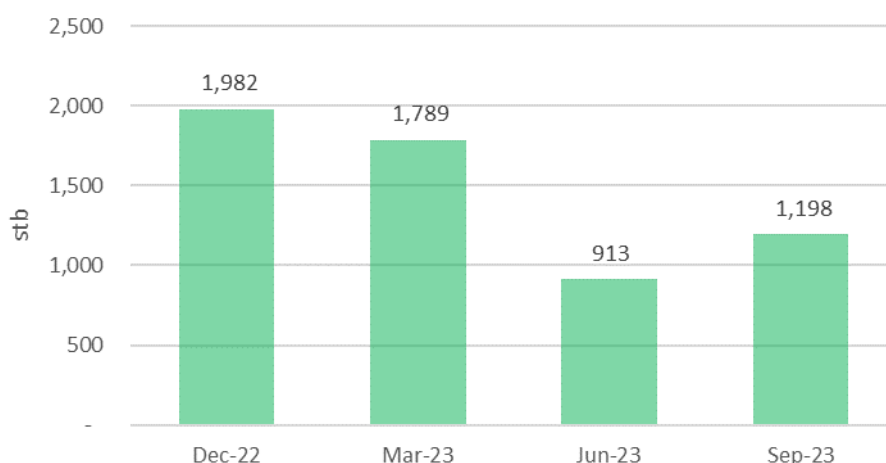
PRODUCTION SUMMARY

Total Grand Gulf Working Interest Quarterly Oil Production⁵

	Dec-22	Mar-23	Jun-23	Sep-23
Oil (bbls)	1,982	1,789	913	1,198

	Working Interest (WI)	Parish	Quarterly Bo		Daily Bo	
			Gross	GGE WI	Gross	GGE WI
Desiree Field	39.65%	Assumption	2,987	1,198	32	13

Quarterly GGE WI Oil Production



Desiree Field

Desiree, Assumption Parish, Louisiana, Non-Operator 39.65% Working Interest

The Hensarling #1 well (Desiree Field) produced a total for the period of 2,987 barrels of oil and 1,198 barrels of working interest oil to GGE. As at 30 June 2023, the 3P reserves attributed to the Cris RII and RIII sands ~111,000 bbls net to GGE⁶.

2023 Reserves and Resources Summary

Reserves and Resources as of 30 June 2023

Net to Grand Gulf Energy Ltd

FILED (LICENCE)	NET REV INTEREST	PROVED(1P)			PROVED + PROBABLE (2P)			PROVED, PROBABLE, POSSIBLE (3P)		
		LIQUIDS MBBL	GAS MMCF	OIL EQUIV ⁽¹⁾ MBOE	LIQUIDS MBBL	GAS MMCF	OIL EQUIV ⁽¹⁾ MBOE	LIQUIDS MBBL	GAS MMCF	OIL EQUIV ⁽¹⁾ MBOE
Reserves										
USA										
Desiree	30.96%	37	-	37	96	-	96	111	-	111
Total Reserves		37	-	37	96	-	96	111	-	111
CONTINGENT RESOURCES										
Reserves										
USA										
Desiree	30.96%	-	-	-	-	-	-	-	-	-
Total Contingent Resources		-	-	-	-	-	-	-	-	-
Total Reserves and Resources		37	-	37	96	-	96	111	-	111

⁽¹⁾ Oil equivalent conversion factor: 6MSCF per BBL.

Competent Persons Statement

The information contained in these statements has been compiled by Kevin James Kenning, Registered P.E. State of Texas #77656, who is a consultant of the Company, is qualified in accordance with ASX listing rule 5.11 and has consented to the publication of this report.

⁵ Grand Gulf is entitled to its Working Interest (WI) share after royalty payment to the oil and gas mineral rights owners. Historical production corrected for updated WI calculation.

⁶ Reserves calculated on a Net Revenue Interest (NRI) Basis



DJ Basin, Colorado, USA (66% WI)

The Company has ~66% working interests in 355 net acres in Weld County. Whilst progress in the quarter was limited, the asset is currently under review and the Company continues to look at ways to unlock the sale of its interest in the DJ Basin, buoyed by the current high oil price environment.

BUSINESS DEVELOPMENT

The Company is actively reviewing and assessing potential strategic helium acquisitions with synergies to the Red Helium project.

CORPORATE

During the period the Company completed a A\$3.2m Placement to professional and sophisticated investors via 2 tranches. A total of 400,000,000 new shares ("New Shares") were placed at an issue price of \$0.008 per Share along with attaching Options to Placement investors on a 1 for every 4 basis. Tranche 2 was subject to Shareholder approval which was obtained at an extraordinary general meeting ("EGM") on the 9th of October post the September 2023 quarter financial end.

RELATED PARTY PAYMENTS

During the quarter ended 30 Sep 2023, the Company made payments of \$93,748 to related parties and their associates. These payments are directors fees and are in accordance with existing remuneration agreements with Directors.



LEASE SCHEDULE

The Company provides the following Schedule of lease interest held for the quarter as at 30 June 2023 as required by ASX Listing Rule 5.3.

Project	Location	Lease	Interest at Beginning of the Quarter	Interest at the end of the Quarter
Desiree/Louise	Assumption Parish, Louisiana	CL-0130	39.6/22.0%	39.6/22.0%
Desiree	Assumption Parish, Louisiana	12S14E52-031A (CL-0131)	39.60%	39.60%
Desiree	Assumption Parish, Louisiana	12S14E52-031B (CL-0131)	39.60%	39.60%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-001	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-003	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-005	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-006	39.6/22.0%	39.6/22.0%
Desiree	Assumption Parish, Louisiana	12S14E52-008	39.60%	39.60%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-009	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-011	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-013	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-014	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-015	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-016	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-019	39.6/22.0%	39.6/22.0%
Desiree	Assumption Parish, Louisiana	12S14E52-020	39.60%	39.60%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-022A	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-022B	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-012	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-018	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-021A	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-021B	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-024	39.6/22.0%	39.6/22.0%
Louise	Assumption Parish, Louisiana	12S14E52-025	39.60%	39.60%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-026	39.6/22.0%	39.6/22.0%
Louise	Assumption Parish, Louisiana	12S14E52-028	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E53-001	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E53-002A	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E53-002B	22.00%	22.00%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002C	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002D	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002E	39.6/22.0%	39.6/22.0%
Louise	Assumption Parish, Louisiana	12S14E53-003	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E53-004	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E53-005	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E53-006	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E53-007	22.00%	22.00%
Desiree	Assumption Parish, Louisiana	12S14E52-032 (CL-0068 &	39.60%	39.60%
Louise	Assumption Parish, Louisiana	12S14E52-029	22.00%	22.00%
Louise	Assumption Parish, Louisiana	12S14E52-030	22.00%	22.00%
DJ Basin	Weld County, Colorado	Lease A	52.20%	52.20%
DJ Basin	Weld County, Colorado	Lease B	52.20%	52.20%
DJ Basin	Weld County, Colorado	Lease C	52.20%	52.20%
Red Helium Project	San Juan County, Utah	1000	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1001	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1002	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1003	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1004	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1005	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1006	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1007	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1008	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1009	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1010	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1011	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1012	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1013	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1014	55.00%	55.00%
Red Helium Project	San Juan County, Utah	1015	55.00%	55.00%



Red Helium Project	San Juan County, Utah	ML 54124 OBA	55.00%	0.00%
Red Helium Project	San Juan County, Utah	ML 54125 OBA	55.00%	0.00%
Red Helium Project	San Juan County, Utah	ML 54126 OBA	55.00%	0.00%
Red Helium Project	San Juan County, Utah	ML 54127 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54128 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54129 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54130 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54131 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54132 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54133 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54134 OBA	55.00%	0.00%
Red Helium Project	San Juan County, Utah	ML 54135 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54136 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54137 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54138 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54139 OBA	55.00%	0.00%
Red Helium Project	San Juan County, Utah	ML 54140 OBA	55.00%	0.00%
Red Helium Project	San Juan County, Utah	ML 54141 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54142 OBA	55.00%	0.00%
Red Helium Project	San Juan County, Utah	ML 54143 OBA	55.00%	55.00%
Red Helium Project	San Juan County, Utah	ML 54144 OBA	55.00%	55.00%

Forward Looking Statements

This report contains forward looking statements that are subject to risk factors associated with resources businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

Competent Persons Statement

The oil & gas information in this report has been reviewed and signed off by Kevin Kenning (Registered Reservoir Engineer, Registered P.E. State of Texas #77656) with over 38 years relevant experience within oil and gas sector, who is a consultant of the Company, is qualified in accordance with ASX listing rule 5.11 and has consented to the publication of this report.

The helium information in this report is based on information compiled or reviewed by Sproule Energy Consulting ("Sproule") and Mr Keith Martens. Sproule is an independent resources and reserves certification specialist and is considered the world's leading helium evaluator. Mr Martens is a qualified oil and gas geologist/geophysicist with over 45 years of Australian, North American, and other international executive oil and gas experience in both onshore and offshore environments. He has extensive experience of oil and gas exploration, appraisal, strategy development and reserve/resource estimation. Mr Martens has a BSc. (Dual Major) in geology and geophysics from The University of British Columbia, Vancouver, Canada.

Oil and Gas Glossary

Abbreviation	Abbreviation meaning	Abbreviation	Abbreviation meaning
1P	proved reserves	A\$ or AUD	Australian dollars
2P	proved plus Probable reserves	US\$ or USD	United states dollars
3P	proved plus Probable plus Possible reserves	Q1	first quarter ended September 30 th
bbl or bbbls	barrel of oil	Q2	second quarter ended December 31 st
boe	barrel of oil equivalent (1 bbl = 6 Mcf)	Q3	third quarter ended March 31 st
d	suffix - per day	Q4	fourth quarter ended June 30 th
GJ	gigajoules	YTD	year-to-date
mbbl	thousands of barrels	YE	year-end
mboe	thousands of barrels of oil equivalent	H1	six months ended June 30 th
Mcf	thousand cubic feet	H2	six months ended December 31 st
MMcf	million cubic feet	B	Prefix - Billions
PDP	proved developed producing reserves	MM	Prefix - Millions
PUD	Proved Undeveloped Producing	M	Prefix - Thousands
C	Contingent Resources - 1C/2C/3C - low/most likely/high	/d	Suffix - per day
Net	Working Interest after Deduction of Royalty Interests	bbl	Barrel of Oil
NPV (10)	Net Present Value (discount rate), before income tax	boe	Barrel of Oil Equivalent (1bbl = 6 mscf)
EUR	Estimated Ultimate Recovery per well	scf	Standard Cubic Foot of Gas
WTI	West Texas Intermediate Oil Benchmark Price	Bcf	Billion Standard Cubic Foot of Gas
LLS	Louisiana Light Oil Benchmark Price	CY	Calendar Year
1P or TP	Total Proved	OCF	Operating Cash Flow, ex Capex
2P or TPP	Total Proved plus Probable Reserves	E	Estimate
3P	Total Proved plus Probable plus Possible Reserves	Net Acres	Working Interest
EBITDA	Earnings before interest, tax, depreciation, depletion and amortisation		



Appendix 5B

Mining exploration entity or oil and gas exploration entity
quarterly cash flow report

Name of entity

GRAND GULF ENERGY LTD

ABN

22 073 653 175

Quarter ended ("current quarter")

30 September 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	91	91
1.2	Payments for		
	(a) exploration & evaluation	(1,861)	(1,861)
	(b) development	-	-
	(c) production	(104)	(104)
	(d) staff costs	(44)	(44)
	(e) administration and corporate costs	(149)	(149)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(2,067)	(2,067)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,532	1,532
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(101)	(101)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,431	1,431
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,223	1,223
1,	Net cash from / (used in) operating activities (item 1.9 above)	(2,067)	(2,067)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,431	1,431

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	5	5
4.6	Cash and cash equivalents at end of period	593	593

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	593	1,223
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	593	1,223

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	94
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(2,067)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,067)
8.4	Cash and cash equivalents at quarter end (item 4.6)	593
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	593
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.29
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes. The Company has the ability to curtail expenditure when required. Planned expenditure will be curtailed accordingly.	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: The company will not undertake the drilling of Jess#3 until such time that it has adequate cash resources to do so. The Company can meet its debts as and when they fall due and has undertaken a placement of shares to raise funds.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: The Company will be able to meet its business objectives. Expenditure has currently been significantly cut back in the interim. The Company can meet its debts as and when they fall due. The company has completed the second tranche of a fundraising subsequent to quarter end.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2023

Authorised by:By the board of directors.

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.