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GRANDGULF
ENERGY LIMITED

6 May 2022

Jesse#1A Drilling Update

Grand Gulf Energy Ltd (ASX:GGE) (“Grand Gulf” or the “Company”) is pleased to provide a drilling update for Jesse1#A, its potentially company-making maiden pure-play helium well in the Red Helium Project.

The Red Helium Project has a P50 gross prospective helium resource of 10.9bcf¹, with the Jesse1#A well targeting one of four mature independent prospects within the Red Helium Project, with additional running room and deeper unexplored potential identified².
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The Jesse1#A well top hole section has been drilled to a depth of 3095 feet and 9 5/8 inch casing successfully cemented. The well will continue drilling to an anticipated depth of 8077 feet, and run 7 inch casing, before drilling on to test the primary helium target at 8300 feet (Leadville Formation).

The Jesse#1A well is located immediately adjacent to unutilised pipeline connected to the Lisbon helium processing plant (Lisbon), operated by Paradox Resources LLC (Paradox). Grand Gulf executed a Helium Offtake Agreement (Oftake) with Paradox in March 2022, providing a pathway to monetisation of a successful Jesse#1A with minimal time / CapEx³.
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Managing Director Dane Lance commented:

“To be testing the Jesse prospect with the drill bit in the Red Helium Project in under 8 months from acquisition through permitting to spudding is testament to the amazing work of the fully integrated technical and operational team.

We are extremely pleased with the drilling progress to date, with the potential for timely helium production when the US and world is experiencing once of the most notable shortages of helium in history. These circumstances successfully position Grand Gulf to take advantage of the current buoyant market conditions”

¹ Maiden Prospective Resource, based on Sproule Report, 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.

² ASX announcement 1 April 2022

³ ASX announcement 16 March 2022



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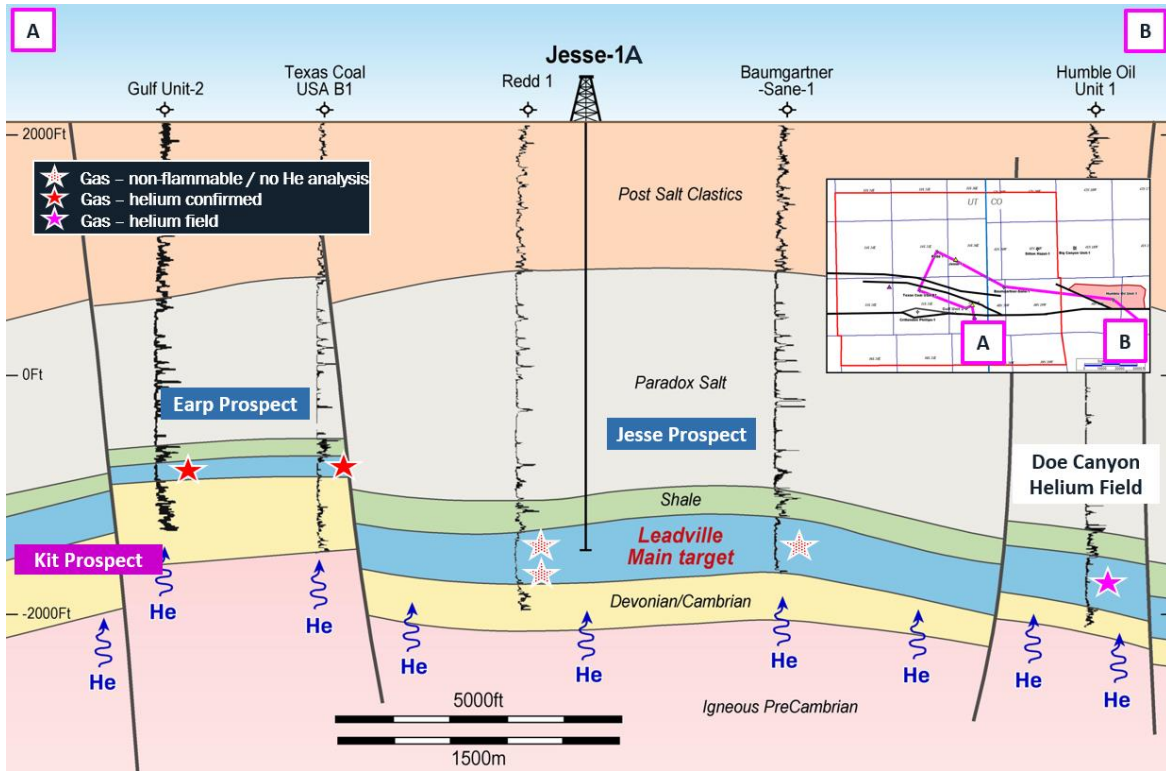


Figure 1: Stylised cross section showing Jesse#1A, Doe Canyon helium field and historic gas samples

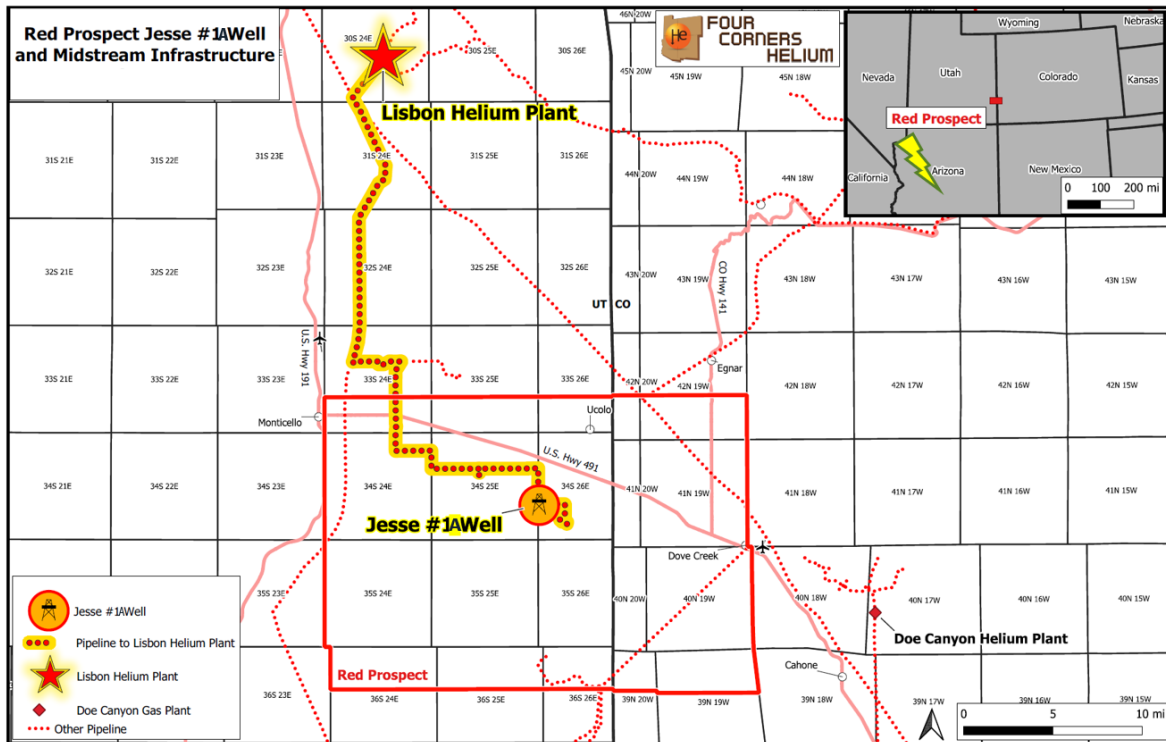


Figure 2: Jesse#1A location in the Valence AMI containing the Red Helium project with local pipelines showing the gas transport route to the Lisbon Helium Plant.



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Recoverable helium (bcf)	P90 (1U)	P50 (2U)	P10 (3U)
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 Valence)	4.4	6.3	7.2
Red Project Total	7.9	20.8	57.6

Table 1 – September 2021 Maiden Helium Prospective resource

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.

This ASX announcement has been authorised for release by the Board of Grand Gulf Energy Ltd.

For more information about Grand Gulf Energy and its projects, contact:

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About Grand Gulf Energy:

Grand Gulf Energy Ltd (ASX:GGE) is an independent exploration and production company, headquartered in Australia, with operations and exploration in North America. The Red Helium project represents a strategic pivot to a pure-play helium exploration project, located in Paradox Basin, Utah, in the prolific Four Corners region. For further information please visit the Company's website at www.grandgulfenergy.com

Competent Person's Statement:

The information in this report is based on information compiled or reviewed by Mr Keith Martens, Technical Director of Grand Gulf. 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.

Forward Looking Statements:

This release may contain forward-looking statements. These statements relate to the Company's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "anticipate", "believe", "intend", "estimate", "expect", "may", "plan", "project", "will", "should", "seek" and similar words or expressions containing same. These forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this release and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. These include, but are not limited to, risks or uncertainties associated with the discovery and development of oil, natural gas and helium reserves, cash flows and liquidity, business and financial strategy, budget, projections and operating results, oil and natural gas prices, amount, nature and timing of capital expenditures, including future development costs, availability and terms of capital and general economic and business conditions. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to GGE, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise



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