



ACTIVITIES REPORT
QUARTER ENDED 31st MARCH 2021

30th April, 2021

SUMMARY

Philippines

- Service Contract 44 (“SC 44”) operations remain suspended on claim of Force Majeure by the Company as the State of Calamity in Philippines and travel sanctions in the Philippines, Australia and other Asian countries remain in force due to the Covid-19 pandemic.
- Department of Energy (“DOE”) has not yet responded to the Company’s application in March 2020 for suspension of SC 44 contract obligations under Force Majeure arising from the Covid-19 sanctions.
- The Technical Moratorium of SC 44 which had an expiry date of 2nd September, 2020 remains valid legally until the Force Majeure situation is resolved to allow the Company to complete its deepening of the Nuevo Malolos-1 (“NM-1”) well. The Company’s Manila based lawyers are assisting for a resolution with the Department of Energy.

France

- The Tribunal has not yet nominated a hearing date for the Company’s compensation claim against the French Government of €34.35 million (approximately A\$53.5 million at current exchange rate) following the defence statement lodged by the French Government on 15th February, 2021 the deadline set by the Tribunal.

New Ventures

- The Company continues its search and review of Australian new venture opportunities.

Funding

- The Company raised new capital totalling \$2,542,000 before costs by private placement on 26th February, 2021 of 399,054,054 fully paid ordinary shares at \$0.0037 per share and on 24th March, 2021 of 266,500,000 fully paid ordinary shares at \$0.004 per share. The proceeds of the issue are to be applied to new ventures and general working capital.

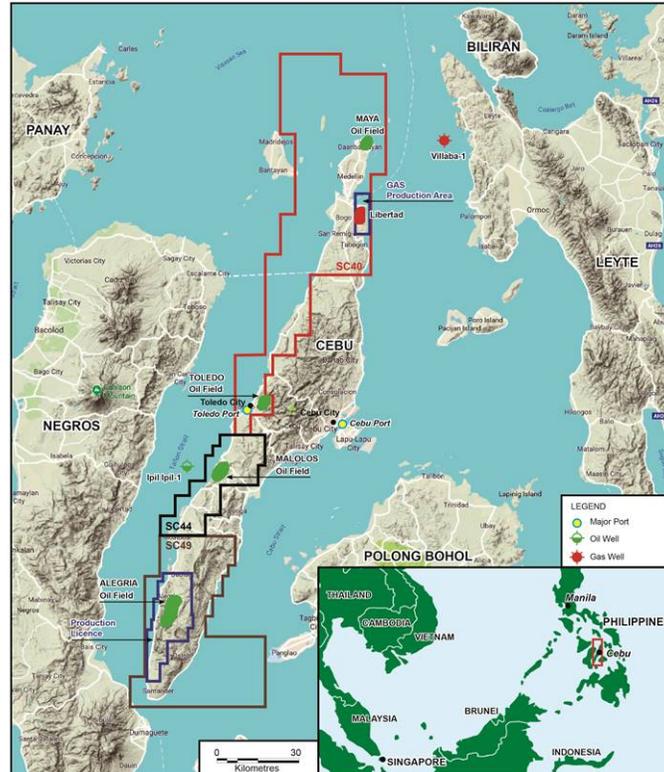
PHILIPPINES

SERVICE CONTRACT 44 (100% working interest), Onshore Cebu

The Company commenced the drilling and deepening operation at NM-1 in September, 2019 and suspended the operations in March, 2020 under Force Majeure when travel sanctions were imposed and international borders closed in response to Covid-19 pandemic and a State of Calamity was declared in Philippines. In September 2020, that State of Calamity was extended by a year to September 2021 which may mean the operations could be suspended until that time if there is no change in the pandemic control management.

The DOE has not come to a decision on the Company's claim of Force Majeure to suspend operations. Manila based lawyers are assisting in the Company's discussions with the DOE to allow the Company to recommence the NM-1 drilling operations when the country's management of the Covid-19 containment changes.

The Company looks forward to the Government's support which has seen the need to fast track oil and gas exploration/development in the country under the recent Presidential Decree 87 and having regards to the funds already invested in an incomplete deepening of NM-1.



Petroleum Service Contracts and Production Licences, Cebu Island, Philippines

FRANCE

Legal Claim: ST. GRIEDE (100% working interest), Onshore Aquitaine Basin – Renewal Renounced

In early January 2020, the Company lodged at the Pau Tribunal, France, a claim of €34.35 million (approximately A\$53.5 million at current exchange rate) for compensation against the French Government. This claim is in respect to the damages caused by the French Government in refusing, unlawfully as ruled by the French Courts, to renew the St Griede conventional hydrocarbon exploration permit in accordance with the prevailing mining law.

The French Government submitted their defence statement to the claim on 15th February, 2021 the final deadline set by the Tribunal. The Tribunal has not yet nominated a hearing date to make a decision on the claim.

While the Company believes it has a good chance of success, based on legal advice, the timing for the decision and the outcome are uncertain.

On 15 December 2020, a decision was handed down by the Court of Appeal of Bordeaux in appeal proceedings that the French Government would have exercised on 10 September 2018. The decision notified to the Company in February 2021 annulled the Pau Tribunal judgement of 5 July 2018 that imposed penalties of €383,500 on the Government in respect of delays to grant a 5 year extension to the St Griede permit as decided by the Pau Tribunal in November 2016. The penalties were paid to the Company in August 2018 prior to the French Government lodging an appeal in September 2018. Resolutions on the decision are being sought in Courts in France. The timing for a resolution and the final outcome of this matter is uncertain.

See the Activities Report for both the June, 2020 and September, 2020 Quarters and the ASX release dated 12th January and 16th February, 2021 for more background information on the legal matters.

NEW VENTURES

The Company has continued its search for suitable Australian new ventures.

EXPLORATION EXPENDITURE

As SC 44 is suspended under Force Majeure there has been no exploration expenditure incurred in the quarter.

Competent Person

The information on oil and gas projects in this report has been compiled by Dennis Morton, Managing Director of Gas2Grid Limited, who graduated with First Class Honours in Geology (Macquarie University) and has over 40 years' experience in the oil and gas industry.

Forward-Looking Statement

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward-looking statements. Although Gas2Grid Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

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