



25 August 2014

LOUISE WELL DRILLING UPDATE 3

- The Company is pleased to confirm that the **Templet #1 well** is drilling ahead at 10,800ft MD.
- The primary objective is the Cris R IV at 11,660ft TVD,
- Secondary objectives exist in the Cris R Lime, Cris R II, Cris R III, Cris R V and Cris R VI with the planned TD of 13,000ft.
- Current rate of penetration (ROP) is 19ft p/hr with TD anticipated in ~6 days, following which electric logs will be run.
- The well is located on the **Louise Prospect** on the Napoleonville Dome and is targeting **600,000-800,000 bbls oil** in an updip segment of a proven oil bearing compartment.
- The Company owns a 22.57% WI and will be paying 19.26% of the dry hole well costs.
- The well is expected to penetrate an accumulation of oil in a 3Ddefined, normally pressured, block updip from a productive well where an equivalent target interval has produced 2.2 Mbbbl oil and 10.5 Bcf gas. The prospect follows the same style as Desiree and is located to the immediate south and was developed using by the Company's inhouse Geological and Geophysical team. This well is considered low risk both from drilling operations and geological and geophysical perspectives.

Grand Gulf Energy Ltd (ASX: GGE) 22.57% WI
OGI Group Ltd (ASX: OGI) 3.28% WI
Other Partners et al 74.15% WI

COMPETENT PERSONS STATEMENT: The information in this report has been reviewed and signed off by Mr KC Whittemore (Registered Geologist, Texas USA), and Kevin Kenning (Registered Reservoir Engineer) with over 36 and 30 years relevant experience respectively within oil and gas sector.

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.

Board & Management

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