



27 August 2014

LOUISE WELL DRILLING UPDATE 4: OIL & GAS SHOWS

- o The Company is pleased to confirm that the **Templet #1 well** is drilling ahead at 11,470ft MD.
- o The well has encountered shows in the Cris R II and III (both secondary objectives)
- o Cris R II (11,211-11,225ft (MD)) show was relatively weak with sample fluorescence of 10% but with little additional gas in the mud.
- o Cris R III (11,401-11,420ft (MD)) show is indicative of oil and comprises sample fluorescence at 50% accompanied by a significant gas increase in the mud.
- o Mud Logs indicate the well is running 40-50ft higher than anticipated.
- o The primary objective (Cris R IV) is expected approximately 300 ft below the Cris R III.
- o Additional secondary objectives exist in the Cris R V and Cris R VI with the planned TD of 13,147ft (MD).
- o 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.
- o The well is expected to penetrate an accumulation of oil in Cris R sands in a 3D defined, normally pressured, block updip from a productive well where an equivalent target interval has produced 2.2 Mbbl oil and 10.5 Bcf gas.

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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