GRANDGULF ENERGY LIMITED

ABN 22 073 653 175

Annual Report

for the financial year ended

30 June 2024

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CORPORATE DIRECTORY
FOR THE YEAR ENDED 30 JUNE 2024

DIRECTORS
Mr Keith Martens – Chairman
Mr Dane Lance–Managing Director
Mr Fergus Kiley– Non-Executive Director

COMPANY SECRETARY
Mr Lloyd Flint

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GGEO

ABN
22 073 653 175

DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity (**Company, Group or GGE**) for the year ended 30 June 2024.

DIRECTORS

The names of Directors who held office during or since the end of the year are:

Mr Keith Martens	*Non-Executive Technical Director and Chairman (appointed Chairman on 24 April 2024)*
Mr Dane Lance	*Managing Director*
Mr Craig Burton	*Non-Executive Chairman (resigned on 24 April 2024)*
Mr Fergus Kiley	*Non-Executive Director (appointed 24 April 2024)*

OPERATING RESULT

The Group incurred an operating loss after income tax for the year ended 30 June 2024 of $1,815,931 (30 June 2023: $2,282,303).

The Directors believe the Group is in a sound financial position to continue its exploration and development endeavours.

PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

Helium Offtake Agreement Secured[1]

- Gas Sales & Processing Agreement (GSPA, Offtake) executed with Green Natural Gas LLC (GNG), new owners of the advanced Lisbon Helium Processing Plant located 20 miles north of the Red Helium project.
- GSPA provides the opportunity to monetize a successful well, providing near-term cashflow with minimal time and CAPEX.
- The Lisbon facility includes a liquefaction train capable of generating 99.9995% purity helium suitable for the lucrative and premium-pricing semi-conductor, defense and space industries.
- The key terms of the GSPA include an industry standard revenue split in favour of the producer (GGE) as well as standard tariffs for gathering and processing, including access to helium liquefaction and associated premium grade helium markets and prices.
- Lisbon Plant is also currently processing 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.

Jesse-3 Drill Permit Secured[2]

- Jesse-3 Application for Permit to Drill (APD) has received technical and regulatory approval from the Utah Division of Oil, Gas and Mining (UDOGM).
- Jesse-3 will test deeper pay below the Leadville primary target by casing and perforating the entire basinal stratigraphic section.
- Jesse-3 well targets a seismic structural high and reservoir defined through proximal well control – twin of historical well drilled targeting hydrocarbons, with proven gas and reservoir.
- Surface Land Use Agreement (SLUA) executed with private landowner, granting 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.[3]

Potential Deeper Stacked Helium Reservoirs Add Scale to the Red Helium Project[4]

- Three significant deeper reservoir targets prospective for helium have been identified at the Red Helium Project, in addition to the primary Leadville and McCracken sandstone targets.
- Multiple nearby analogue helium fields have proven helium pay and production from these deeper reservoir targets.
- Additional potential helium reservoirs provide significant additional upside both in scale and the potential for higher helium concentration upside - no sub-Leadville gas sample has been analyzed at the Red Helium project.
- Four historic wells within the Red Helium Project area drilled below the Leadville, with proven gas across a maximum interpreted gross zone spanning 900 feet.
- Case and perforate well design in forthcoming operations will log and test all deeper reservoir targets - providing significant upside.

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[1] ASX Announcement 8 July 2024 – Helium Offtake Agreement Secured
[2] ASX Announcement 6 August 2024 – Red Helium Drill Permit Secured
[3] ASX Announcement 18 August 2023 – Jesse-3 Surface Land Use Agreement Secured
[4] ASX Announcement 15 April 2024 – Potential Deeper Stacked Helium Reservoirs Add Scale to the Red Helium Project

Red Helium Project Working Interest Increased to 83%[5]

- Pursuant to exploration and appraisal activities conducted in compliance with the Red Helium project Operating Agreement (OA) executed with partners Four Corners Helium (FCH), Grand Gulf has increased its working interest in the project (through incorporated joint venture company Valence Resources LLC (Valence) by 5.5%, bringing the Company's current total project working interest to 83%.
- The Company has the right to earn an additional 7.5% working interest, by facilitating/contributing the first US$1.5 million to a third Red Helium project well.

Leading North American Helium Drilling, Completion, Stimulation and Engineering Consultancy Group Appointed[6]

- Leading North American upstream oil and gas consultancy Walsh Engineering LLC (Walsh) to assist with the Jesse development programme.
- Walsh has managed multiple successful helium projects in the Four corners area including the Tocito Dome helium field.

Jesse-1A Flows 1 Million Cubic Feet Per Day[7]

- Significant Jesse-1A results demonstrate reservoir quality with measured helium concentrations trending up to 0.78%[8] - potentially consistent with the previously measured 1% helium from a downhole sample.
- Jesse-1A wellbore deemed unsuitable for production, due to limited water isolation, and has been suspended for a potential future sidetrack.
- Improved well engineering in future wells, in the form of a case & perforate design (cemented behind pipe), will provide water isolation, whilst allowing multiple production zones including deeper targets, and focused zonal stimulation providing production rate upside.

Jesse Leadville Formation Ideal for Stimulation – Gas Flow-rate Upside[9]

- Jesse-1A Leadville formation is an ideal candidate for acid stimulation providing significant gas production-rate upside.
- Jesse-1 acid solubility testing results completed with predominantly 73 – 80% of the Jesse-1A well Leadville rock cutting samples content dissolved after one hour.
- Halliburton, a leading international provider of upstream exploration and production services, has been engaged to design and optimize completion and stimulation activities at the Jesse helium prospect.
- Halliburton is an industry leader in carbonate completion and acidization stimulation with previous experience in the Paradox basin and performed the Jesse-1A acid solubility testing.

Jesse-1A Sidetrack Design Finalised[10]

- Walsh Engineering and Production completed the Jesse-1A side-track (drilling) case and perforation design, which provides full zonal isolation, whilst allowing focused stimulation to optimize gas production.
- Well design provides for multiple chances of success by testing several deeper known helium producing formations, including the highly prospective Devonian McCracken Sandstone.

Oil Production Returns to Pre-workover Levels

The Hensarling #1 well (Desiree Field) produced a total for the period of 6,088 barrels of working interest oil to GGE, with rates returning to pre Q2 2023 workover levels.

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[5] ASX Announcement 27 May 2024 – Grand Gulf Increases Interest in Red Helium Project
[6] ASX Announcement 10 October 2023 – Leading North American Helium Drilling, Completion, Stimulation and Engineering Consultancy Group Appointed
[7] ASX Announcement 21 December 2024–Jesse-1A Flows 1 Million Cubic Feet Per Day
[8] ASX Announcement 11 December 2023 – Jesse-1A Flows Helium to Surface
[9] ASX Announcement 26 February 2024 – Jesse Leadville Ideal for Stimulation – Gas Flow-rate Upside
[10] ASX Announcement 7 February 2024 – Jesse-1A Side-track Drilling Planned for Early 202

ABOUT THE RED HELIUM PROJECT

Helium Prolific Location - "the Saudi Arabia of Helium"

- The Red Helium project, located in the proven helium producing 'Four Corners' area of Utah, USA, contains a gross **P50 unrisked helium Prospective Resource of 12.7 bn cubic feet** (bcf independently verified, based on ~28,000 gross acres with ~19,000 net acres).
- GGE currently own 83% of the incorporated joint venture company Valence Resources LLC, operator of the Red Helium project, with the right to earn 90.5% for a further US$1.5M spend.
- The adjacent (15 mi east) giant Doe Canyon (DC) helium field (est. 3 – 5 bcf helium), operated by Air Products (NYSE:APD), with a Market Capitalization (MC) of US$61B, demonstrates the same geology as the Red Helium Project de-risking the primary formation play elements.
- Doe Canyon has **high productivity wells**, an average DC well initial production (IP) rate is 20 million cubic feet per day (mmcfd) of raw gas = 200,000cfd helium @1% concentration.
- Exxon (NYSE: XOM, MC US$528B) LaBarge field (north in Wyoming) has the same geology and produces 20% of world supply.
- The Company currently has ~30,000 gross acres (~14,500 net acres) leased (private leases/state leases), as it continues to optimize its lease position around the Jesse-1A discovery, in a 250,000-acre Area of Mutual interest (AMI) in the heart of **drill friendly Utah,** one of the most prolific helium-producing regions in the world.

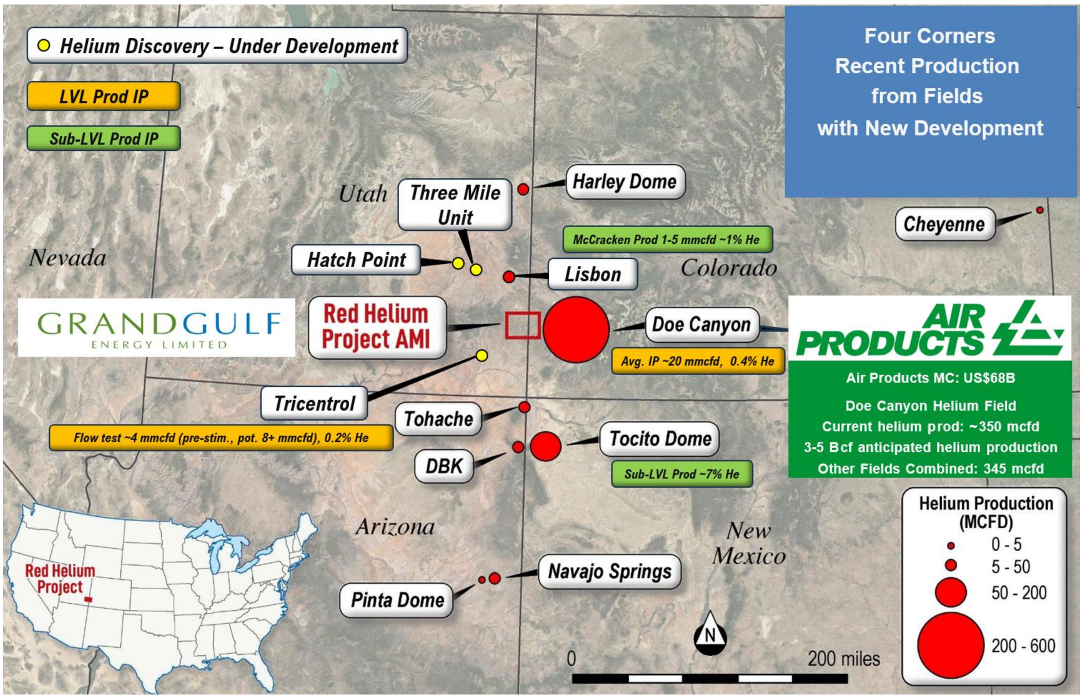


Figure 1: Red Helium project location in the helium prolific 'Four Corners', adjacent the giant Doe Canyon helium field, showing offset helium production and development.

Jesse Discovery

- The Jesse-1A wildcat intersected a **200-foot gross gas column** in the Leadville Dolomite formation, with **101 feet of net pay** (independently verified and meets criteria for contingent resource), and a **1% helium** downhole sample.
- The Jesse-1A flow-test demonstrated **commercial helium concentrations flowing to surface at a material rate of 1mmcfd.** The current wellbore completion configuration / water isolation made the wellbore unsuitable for production.
- **Improved well engineering in future wells**, in the form of a case & perforate design (cemented behind pipe), provides water isolation, allows multiple production zones including deeper targets, and focused zonal stimulation providing production rate upside.
- **Deeper potential to be tested in future wells.** The historic Redd-1 well intersected gas on logs in the Devonian McCracken sandstone formation, which produces at 7-8% helium south in New Mexico in the Tocito Dome Helium field, and at 1% helium 20 miles north in the Lisbon with examples of initial production rates of >1-5mmcfd.
- The Jesse areal closure spans >70,000 acres, over 4x DC, with the **potential to host 20+ development wells**, based on the DC analogue.

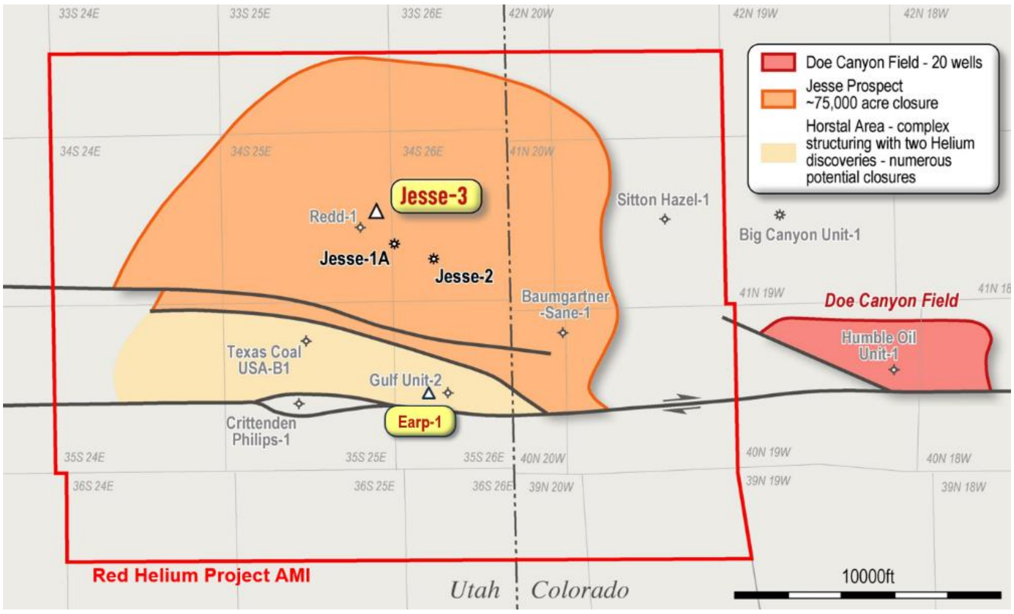


Figure 2: Red Helium project area showing structural closure, six historic wells, Jesse-1A and Jesse-2 locations, and the proposed Jesse-3 (up-dip twin to Redd-1) and Earp-1 (up-dip twin to Gulf Unit-2) locations, and the giant Doe Canyon helium field.

Midstream: Potential for Near Immediate Production and FCF with Minimal Time and Capex

- The Jesse field is located under an **existing gathering system (pipeline) connected to the Lisbon helium plant**.
- A **binding helium offtake agreement** has been executed with Green Natural Gas LLC, owners of the advanced Lisbon helium processing plant located 20 miles north of the Red Helium Project.
- The Red Helium Project is set to be a **potential priority supplier** to re-start the Lisbon liquefier (current helium production derived from the purifier train only) – capable of producing **high purity 99.9995% helium - which attracts premium pricing.**
- The Lisbon plant is currently processing CO_2 and advanced in permitting for 45Q sequestration tax credits (revenue).
- **CO_2 sequestration is a potential material future revenue stream** for the Red Helium project, with the Biden Inflation Reduction Act 2022 increase 45Q CO_2 price to \$85/mt or ~\$4.5/mcf, or >2x natural gas price.
- The US is also facing an acute food grade CO_2 shortage, providing further project upside.

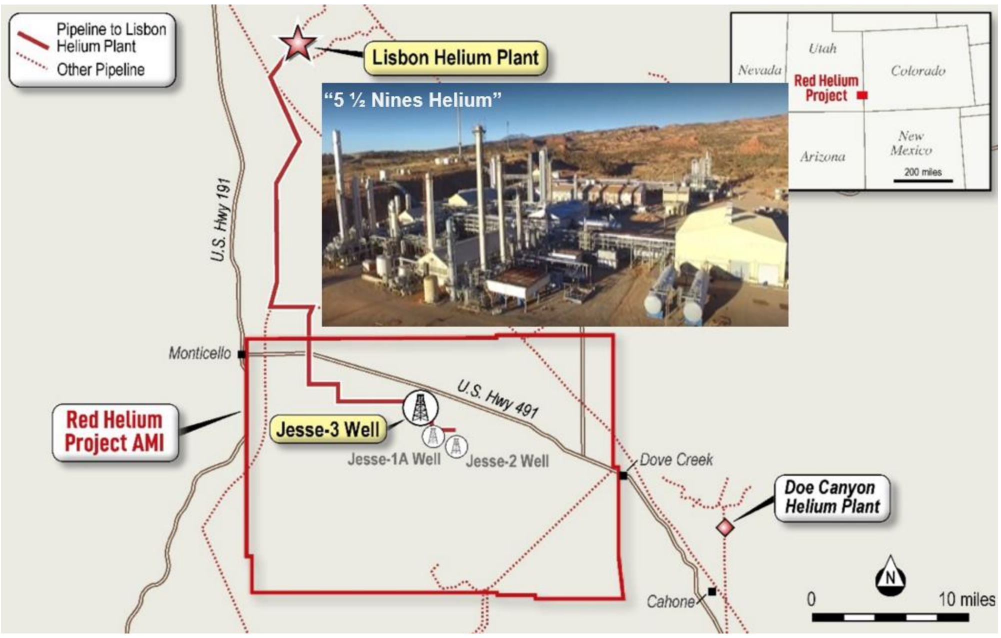


Figure 3: Jesse-3 well location in the Red Helium project AMI with local pipelines / gas transport route to the advanced Lisbon Helium Plant.

Multiple Independent Development Opportunities, Near-term Production Potential

- **Production Potential 6 Months from Success:** Minimal wellhead facilities cost <US$4M, with a new build execution time frame of 6-9 months, and the potential to accelerate by renting / purchasing pre-owned reducing Capex.
- **Jesse-3 New Drill (Permitted) – Up-dip Twin of Historical Well with Proven Gas/Reservoir:** Jesse-3 targets a seismic structural high, proximal and up-dip to a historic well targeting hydrocarbons (Redd-1), with proven gas in Leadville and gas on logs in the McCracken with good porosity development in both formations.
- **Earp-1 New Drill (Permitted) – Up-dip Twin of Historical Well with Proven Gas/Reservoir:** Earp-1 is in an upthrown fault block independent to Jesse, containing two historic helium discoveries. Earp-1 targets a seismic structural high, proximal and up-dip to a historic well targeting hydrocarbons (Gulf Unit-2), with proven gas in the Leadville/McCracken and good porosity development in both formations, with and gas on logs and porosity in three deeper untested formations.
- **Well Engineering and Design to Unlock Red Helium Value:** Case and perforate well design (cemented behind pipe) provides water isolation, whilst facilitating multiple production zones, including deeper targets (non-binary) and zonal stimulation. The well design allows penetration and testing of the full basinal stratigraphic section to the basement.
- **Production rate upside:** Excellent acid solubility observed in rock cutting samples from Jesse-1A analyzed by Halliburton make the Leadville formation an ideal candidate for acid stimulation and provides production rate upside.
- **Running Room:** Multiple independent targets and formations. Gulf Unit-2 has good porosity and gas on logs in three deeper formations to be tested in future wells. Deeper targets proximal to the basement helium source have helium concentration upside.
- **Experienced US Engineering and Execution team:** Walsh Engineering LLC engaged to provide drilling, completion, stimulation, engineering and wellsite management support. Walsh have the requisite in-depth knowledge and relevant experience in drilling, completing and testing helium wells in the precise area of the Paradox Basin where the Red Helium Project is located, with 50 years' operating O&G and helium assets in the Four Corners, with access to an extensive network of local contractors and over greater North America.
- **Low-Cost Jesse-1A Sidetrack:** Jesse-1A to be deepened (drilled), with Jesse-1A within the McCracken gas zone proven by Redd-1, and to be completed/tested in the upper and middle Leadville and the McCracken for a modest cost.

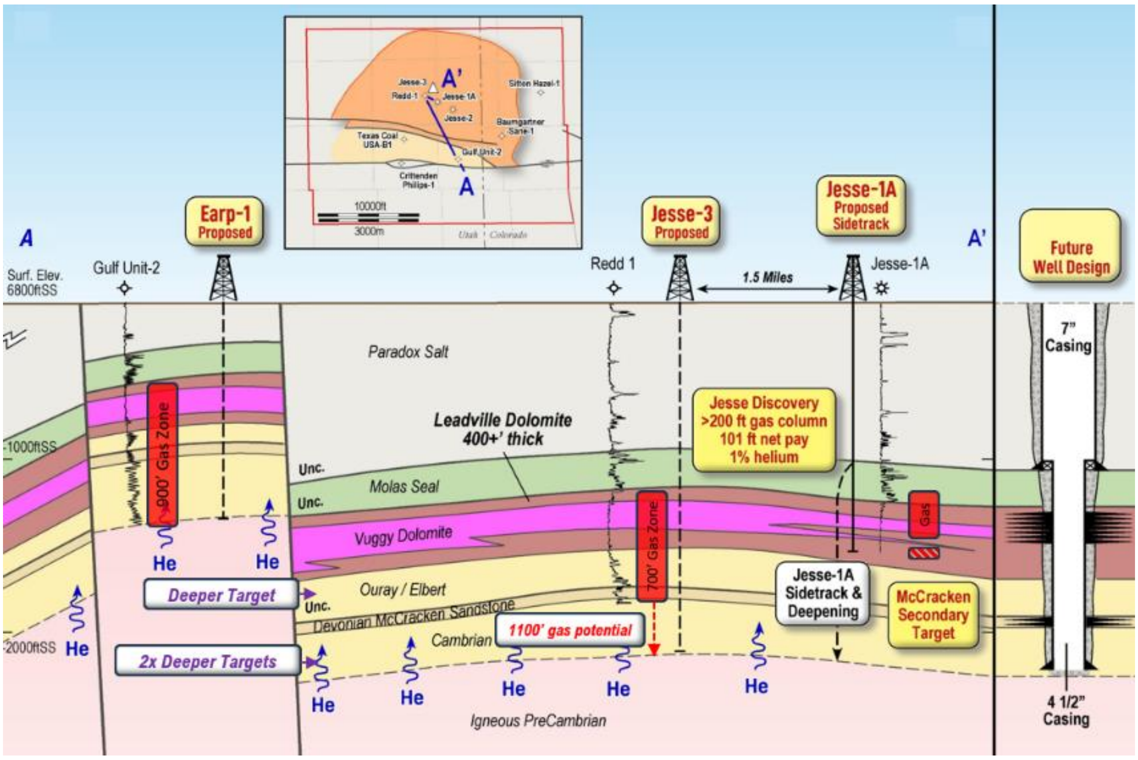


Figure 4: Stylised cross-section showing the Jesse-1A discovery well, the proposed Jesse-3 (up-dip twin to Redd-1) and Earp-1 (up-dip twin to Gulf Unit-2) locations, and the Jesse-1A discovery well and proposed sidetrack.

Booming Commodity - Helium at >300x Natural Gas Prices

- **Helium is irreplaceable** in multiple high growth **state of the art technologies** such as Semiconductors, Medical, Space, Defense and Fibre Optics.
- A **structural deficit in the helium market** whilst demand continues to grow, due to multiple factors outlined below, has the world facing an ongoing helium shortage, due to multiple factors outlined below, leading to **sustained upward price pressure** – decoupled from normal commodity cycles and geopolitics.
- **US production is declining from a historical majority** producer of ~70% of global helium supply, to a projected value of ~30% in 2025, whilst being replaced by historically unreliable actors such as Russia, Qatar and Algeria.
- There is potential for further **near-term price pressure** with recent **EU sanctions on Russian helium** and natural gas, and US sanctions on Russian use of the SWIFT international money transfers, set to restrict Russian helium export capability (20% global).
- Algeria is diverting gas from LNG production to Europe due to the Ukraine conflict meaning helium is not stripped/sold.
- US strategic helium reserve has been privatised and sold resulting in near depletion (10% world supply).
- **In 2022 NASA signed a long-term contract**, US$1.1B for 0.9Bcf helium, with Air Products (DC helium operator) at an implied price of **~US$1200/mcf.**
- **Biden 2022 $52B CHIPS Act:** Promoting **domestic helium-hungry semiconductor fabrication**, among an ongoing AI driven surge in chip production levels (eg. NVIDIA, NASDAQ: NVDA, MC – US$2.9T).
- Plethora of investment proximal to the Red Helium project - Intel and TSMC investing >US$60B in Arizona, and in 2023 Texas Instruments made the largest ever Utah economic investment of $13B. (MC: NYSE:TSM - US$762B, NASDAQ:INTC - US$85B, NASDAQ:TXN - US$178B)

Prospective Helium Resource

Table 1 - Valence Combined Leadville / McCracken Prospective Resources[11]

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 90.5% of net Valence)	5.1	**7.9**	10.6
Red Project Total (Jesse McCracken)	9.3	**25.7**	71.1

Table 2 - Valence Mississippian Leadville Prospective Resources

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 90.5% of net Valence)	4.7	**6.7**	7.7
Red Project Total	7.9	**20.8**	57.6

[11] *The Prospective Resource evaluations of the Leadville (Sproule, ASX 8 December 2021) and the McCracken (GGE verified by Sproule, 22 June 2023) 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.*

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.

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 90.5% of net Valence)	0.4	**1.2**	**1.4**	2.9
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 83% interest in Valence with a right to secure a further 7.5% interest (total of 90.5%) on the following terms:

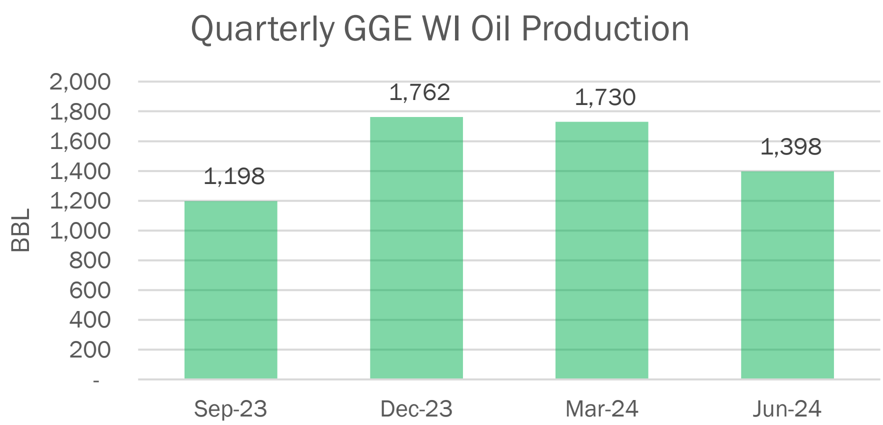
Earning 90.5% of Valence Resources	**Max Commitment Spend**	**Cumulative Interest**
Current working interest		83%
Drilling third well	US$1.5M	90.5%

US PRODUCING OIL AND GAS ASSET SUMMARY

Total Grand Gulf Working Interest Quarterly Oil Production[12]

	Sep-23	Dec-23	Mar-24	Jun-24
Oil (BBL)	**1,198**	**1,762**	**1,730**	**1,398**

			FY24 BBL		Avg, Daily BOPD	
	Working Interest (WI)	Parish	Gross	GGE WI	Gross	GGE WI
Desiree Field	39.65%	Assumption	**15,179**	**6088**	**42**	**17**



[12] 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.

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 15,179 barrels of oil and 6,088 barrels of working interest oil to GGE with sustained oil production rates returning to pre-workover levels (June 2023 quarter).

As of 30 June 2024, the 3P reserves attributed to the Cris RII and RI sands ~105,000 bbls net to GGE[13].

2024 Reserves and Resources Summary

Net to Grand Gulf Energy as of 30 June 2024[14]

Reserves and Resources			**Oil**		
			MBBL	MMBBL	MBBL
Reserves		**NRI**	1P	2P	3P
Desiree		30.96%	**32**	**91**	**107**
Total Reserves		30.96%	**32**	**91**	**107**
Contingent Resource		**NRI**	1C	2C	3C
Desiree		30.96%	**0**	**0**	**0**
Total Resources		30.96%	**0**	**0**	**0**
Total Reserves and Resources			**32**	**91**	**107**

BUSINESS DEVELOPMENT

During the period, the Company engaged in discussions in relation to the potential farm-out of the Red Helium Project which would provide the funding for the drilling of the next well on the Red Helium Project in exchange for an interest in the Red Helium Project. The discussions are continuing but the Company notes there is no guarantee that such discussions will result.

In addition, the Company has actively been reviewing and assessing potential strategic helium or oil and gas acquisitions and opportunities in onshore and offshore basins.

[13] Reserves calculated on a Net Revenue Interest (NRI) Basis
[14] Based on 30 June 2023 reserves estimate, accounting for FY24 production. 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.

The Directors of Grand Gulf Energy Limited submit herewith the annual financial report of the Group consisting of Grand Gulf Energy Limited and the entities it controlled at the end of, or during the year ended 30 June 2024 (referred to hereafter as the Group).

DIRECTORS

The names and details of the Directors of the Company in office during the financial year and until the date of this report, unless otherwise stated, are:

Mr Keith Martens B.Sc. (University of British Columbia) Technical Director Appointed 11 October 2021 Chairman Appointed 24 April 2024	**Experience and Expertise** Mr Martens is a Geophysicist/Geologist with 45 years petroleum experience. Keith has worked in various senior roles, mainly in Australia and North America. Recent client and staff positions in Australia have included Victoria Petroleum/Senex, Buru Energy and Tap Oil on local and international projects. Keith has also worked in Canada and the USA for various companies large and small, for half of his career. A strength of his background is experience in all facets of petroleum exploration and development especially is mature basins where novel and cutting-edge thinking is needed to revitalize areas which are thought to be fully explored. **Former and current directorships in last 3 years** Nil.
Mr Dane Lance B.Sc. (Physics), B.E. Mechanical Engineering Managing Director Appointed 23 February 2022	**Experience and Expertise** Mr Lance is a senior oil and gas professional and Reservoir Engineer with over 18 years' industry experience across the asset lifecycle, with a focus on resource maturation and monetisation. Mr Lance has been involved in exploration, appraisal, development, and MA&D on four continents, providing economic and technical evaluations for investment decisions, commercial negotiations, gas sales agreement terms, and corporate and asset acquisition & divestment. Mr Lance has worked for Woodside, Ophir and Oil Search. This included working on several major development projects as well as ongoing reservoir management and production optimisation, and non-operated joint ventures. Mr Lance is responsible for strategy, finance, corporate, acquisition, exploration and production activities and the day to day management of Grand Gulf Energy. **Former and current directorships in last 3 years** Nil.
Mr Craig Burton Non-Executive Chairman Appointed 5 March 2019 Resigned 24 April 2024	**Experience and Expertise** Mr Burton is an experienced investor in emerging companies, projects and businesses. He has a track record of providing financial backing and strategic advice to successful technical teams and business managers. He is an active investor in the oil and gas sector with an in-house technical and project generation team. Mr Burton is Chairman of the Board of Directors. Mr Burton is responsible for guiding Company strategy and for reviewing and providing guidance on finance, corporate, acquisition, exploration and production activities. **Former and current directorships in last 3 years** Nil

DIRECTORS

Mr Fergus Kiley B.Sc. (Hons), Geology, Geological and Earth Sciences/Geosciences Master's Degree, Finance, General Non-Executive Director Appointed 24 April 2024	**Experience and Expertise** Mr Kiley brings more than 15 years' experience in capital markets and the resources sector, with extensive knowledge of business development, project finance, geological and technical project evaluation across all asset lifecycle stages. Mr Kiley is currently General Manager Operations with Nico Resources Ltd. (ASX: NC1) ("Nico"), having been with the Company since its inception in January 2022. Mr Kiley successfully delivered the Wingellina Pre-Feasibility Study, a project NPV (post-tax) Base Case of AUD$3.34bn and Spot Case of AUD$6.64bn with an I.R.R of 18% and 25.8% respectively. Mr Kiley has significant expertise in navigating various stakeholder landscapes, including engagement with investors, government bodies, indigenous communities, and local stakeholders. He also has strong proficiency in attracting, negotiating, and managing international Joint Venture Agreements with strategic partners. As an experienced geologist with a deep understanding of ASX corporate governance and compliance, board management, and Environmental, Social and Governance ("ESG") reporting, Mr Kiley brings wide-ranging knowledge and skills that will be of substantial benefit to the Company. **Former and current directorships in last 3 years** Nil.

Company Secretary

Mr Flint BAcc, MBA, CAANZ, FGIA. Appointed 13 April 2022. Mr Flint is an experienced professional gained over 25 years including periods as CFO and Group Company Secretary for a number of listed ASX companies. Mr Flint provides financial and company secretarial services to a number of ASX listed companies.

CORPORATE INFORMATION

Corporate Structure

Grand Gulf Energy Limited is a company limited by shares that is incorporated and domiciled in Australia. Grand Gulf Energy Limited has prepared a consolidated financial report incorporating the entities that it controlled during the financial year.

Nature of Operations and Principal Activities

Grand Gulf's principal activity is the development of the Red Helium Project in Utah USA. As at 30 June 2024 the consolidated cash position was $267,316 (2023: $1,223,552).

EVENTS SINCE THE END OF FINANCIAL YEAR

On 21 August 2024, the Company announced that it has received firm commitments to raise $1 million (before costs) through a placement of 250 million fully paid ordinary shares to professional and sophisticated investors at an issue price of $0.004 per Placement Share together with 62,500,000 free attaching Placement Options on the basis of 1 Placement Option for every 4 Placement Shares issued.

On 29 August 2024, the Company completed the issue of 250,000,000 Placement Shares and 62,500,000 Placement Options, raising $1 million before costs. On 25 September 2024, the Company issued 50,000,000 unlisted options with exercise price of $0.012 to the lead broker as part of the fees for capital arrangement.

The Company also undertook a 1 for 8 pro-rata non-renounceable rights issue to raise up to approximately another $1 million (before costs) on the same terms as the Placement (Rights Issue). On 19 September 2024, the Company issued 105,140,121 shares at $0.004 per share and 26,284,977 options pursuant to the Rights Issue.

Other than the matters highlighted in the Review of Operations and the above, no other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 17 August 2023, the Company announced that an agreement was executed with TSX-listed Sage Potash Corp. ("Sage") where Sage contributes US$1million to obtain a potash core in the Jesse-3 well.

On 25 August 2023, the Company announced a placement of $3.2 million for Jesse development. The Placement to professional and sophisticated investors is to be conducted via 2 tranches. A total of 400,000,000 new shares ("New Shares") are to be placed at an issue price of $0.008 per Share along with attaching Options to Placement investors on a 1 for every 4 basis.

On 5 September 2023, the Company entered into a mandate with S3 Consortium Pty Ltd under which it has agreed to issue 20,000,000 Shares and 5,000,000 Options, exercisable at $0.025 each on or before the date that is three (3) years from the date of issue, for digital marketing services to be provided by S3 Consortium.

In October 2023, the Company completed a Share Placement to issue 400,000,000 shares to sophisticated and professional investors at $0.008 cents per share. The Company also issued 120,000,000 to the lead manager of the Placement, CPS Capital Group Pty Ltd (Lead Manager Options).

From 1 May 2024, the Group has increased its working interest in its Red Helium project (through its subsidiary company Valence Resources LLC) by 5.5%, bringing the Group's current total project working interest to 83%.

Other than the matters highlighted in the Review of Operations, there were no other significant changes to the state of affairs.

DIVIDENDS

The Directors recommend that no amount be paid by way of dividend. No dividend has been paid or declared since the start of the financial year (2023: nil).

ENVIRONMENTAL REGULATION

The Group holds various exploration licences to regulate its exploration activities in the USA. These include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities. So far as Directors are aware, all exploration activities have been undertaken in compliance with all relevant environmental regulations in all jurisdictions in which the Group operates.

NGER ACT

The Directors consider the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act will have no effect on the Company for the current nor subsequent financial year. The Directors will reassess this position as and when the need arises.

SHARE OPTIONS

As at the date of this report, there were 328,333,333 listed options (2023: 103,333,333 listed options) and 294,012,250 unlisted options (2023: 155,227,273 unlisted options).

Option holders do not have any right, by virtue of an option, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme. During the financial year, the Company did not issue any employee options. There were no shares issued on the exercise of options during the year.

PERFORMANCE SHARES AND PERFORMANCE RIGHTS

As at the date of this report, there were 100,000,000 Performance Shares (2023: 100,000,000) and 70,000,000 Performance Rights (2023: 70,000,000) in issue and not yet vested.

During the financial year, the Company did not issue any Performance Shares or Performance Rights. There were no shares issued on the exercise of Performance Shares or Performance Rights during the year.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

Securities

As at the date of this report the interests of the Directors in the shares and options of Grand Gulf Energy Limited were as follows:

Ordinary Shares

Holder	Balance at Beginning of Year	Balance at the date of appointment	Issued after year end	Balance at the date of resignation	Balance at the date of report
Mr C I Burton[1]	97,006,869	-	-	(97,006,869)	-
Mr K Martens	28,775,516	-	-	-	28,775,516
Mr D Lance	-	-	-	-	-
Mr F Kiley[2]	-	898,795	112,349	-	1,011,144
Total	**125,782,385**	**898,795**	**112,349**	**(97,006,869)**	**29,786,660**

Options

Holder	Balance at beginning of year	Issued during the year	Lapsed during the year	Issued after year end	Balance as at date of report	Vested and exercisable
Mr C I Burton[1]	-	-	-	-	-	-
Mr K Martens	-	-	-	-	-	-
Mr D Lance	10,000,000	-	-	-	10,000,000	-
Mr F Kiley[2]	-	-	-	28,087	28,087	-
Total	**10,000,000**	**-**	**-**	**28,087**	**10,028,087**	**-**

Performance shares

Holder	Balance at beginning of year	Balance as at date of report	Vested and exercisable
Mr C I Burton[1]	-	-	-
Mr K Martens	3,061,226	3,061,226	3,061,226
Mr D Lance	-	-	-
Mr F Kiley[2]	-	-	-
Total	**3,061,226**	**3,061,226**	**3,061,226**

[1] Resigned on 24 April 2024.
[2] Appointed on 24 April 2024.

Performance rights – Class A

Holder	Balance at beginning of year	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr C I Burton[1]	2,500,000	-	(2,500,000)	-	-
Mr K Martens	-	-	-	-	-
Mr D Lance	-	-	-	-	-
Mr F Kiley[2]	-	-	-	-	-
Total	**2,500,000**	**-**	**(2,500,000)**	**-**	**-**

Performance rights - Class B

Holder	Balance at beginning of year	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr C I Burton[1]	2,500,000	-	(2,500,000)	-	-
Mr K Martens	15,000,000	-	-	15,000,000	-
Mr D Lance	10,000,000	-	-	10,000,000	-
Mr F Kiley[2]	-	-	-	-	-
Total	**27,500,000**	**-**	**(2,500,000)**	**25,000,000**	**-**

Performance rights - Class C

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Lapsed during the year	Balance as at date of report	Vested and exercisable
Mr C I Burton[1]	-	-	-	-	-
Mr K Martens	-	-	-	-	-
Mr D Lance	20,000,000	-	-	20,000,000	-
Mr F Kiley[2]	-	-	-	-	-
Total	**20,000,000**	**-**	**-**	**20,000,000**	**-**

[1] Resigned on 24 April 2024.
[2] Appointed on 24 April 2024.

REMUNERATION REPORT (Audited)

Details of key management personnel

Mr K Martens – Technical Director and Chairman (appointed Chairman on 24 April 2024)
Mr D Lance – Managing Director (appointed 23 February 2022)
Mr C I Burton – Chairman (resigned on 24 April 2024)
Mr F Kiley – Non-Executive Director (appointed on 24 April 2024)

This report outlines the remuneration arrangements in place for Directors and Executives of Grand Gulf Energy Limited. The report has been set out under the following main headings:

A. Principles Used to Determine the Nature and Amount of Remuneration
B. Service Agreements
C. Details of Remuneration
D. KMP Interest in Securities

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

A. Principles Used to Determine the Nature and Amount of Remuneration

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and Executive Officers. The Board has determined due to the size and nature of the Company the functions of the remuneration committee will be performed by the Board. The Board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Such officers are paid their base remuneration in cash only.

To assist in achieving these objectives, the Board will link the nature and amount of executive Directors' and officers' emoluments to the Company's financial and operational performance.

Executive Officers are those directly accountable for the operational management and strategic direction of the Company and the Group. The following table shows key performance indicators for the Group over the last five years:

	2024	2023	2022	2021	2020
(Loss) / Profit for the year ($)	(1,815,931)	(2,282,303)	(18,703,757)	115,218	324,514
Basic (loss) / earnings per share (cents per share)	(0.089)	(0.145)	(1.771)	0.041	0.042
Dividend payments	-	-	-	-	-
Dividend payment ratio (%)	-	-	-	-	-
30 June share price	$0.006	$0.011	$0.023	$0.010	$0.004

Non-executive Directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Chairman's fees are determined by the Board independently to the fees of non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Fixed remuneration

Fixed remuneration consists of a base remuneration package, which includes directors' fees (in the case of Directors), salaries, consulting fees and employer contributions to superannuation funds.

Fixed remuneration levels for Directors and executive officers are reviewed annually by the Board through a process that considers the employee's personal development, achievement of key performance objectives for the year, industry benchmarks wherever possible and CPI data. Key performance indicators (KPIs) are individually tailored by the Board for each director and executive officer each year and reflect an assessment of how that employee can fulfil their particular responsibilities in a way that best contributes to Company performance and shareholder wealth in that year.

Performance-linked remuneration

All employees may receive bonuses and/or share options as part of a package to retain their services and/or based on achievement of specific goals related to performance against individual KPIs and to the performance of the Company as a whole as determined by the Directors, based on a range of factors. These factors include traditional financial considerations such as operating performance, cash consumption and deals concluded and also industry-specific factors relating to the advancement of the Company's exploration and development activities and relationships with third parties and internal employees.

The plan rules contain a restriction on removing the 'at risk' aspect of the instruments granted to executives. Plan participants may not enter into any transaction designed to remove the 'at risk' aspect of an instrument before it vests.

The Board determines the total amount of performance-linked remuneration payable as a percentage of the total annualised salaries for all employees employed as at the end of the financial year (with pro rata reductions to the annualised salary made for any employee not employed for the entire financial year). Once the Board has determined the total performance-linked remuneration payable across the Company, Board Members assess the performance of each individual staff member within their department, relative to that staff member's KPIs and decide how much performance-linked remuneration should be paid to that person.

The Company did not engage with remuneration consultants during the year.

Voting and comments made at the Company's 2023 Annual General Meeting

GGE received 97.78% of "yes" votes (excluding director's votes) on its remuneration report for the 2023 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

B. Service Agreements

Remuneration and other terms of employment for the Executive Director is formalised in a service agreement. The agreement provides for the provision of performance-related cash bonuses, performance shares and performance rights, determined and paid on the basis of the Company's performance reflected through increase in the market capitalisation of the Company and upon successful capital raisings, other benefits including health insurance, car allowances, and participation when eligible, in the Grand Gulf Energy Limited Employee Option Plan.

Other major provisions of the agreements relating to remuneration are set out below. The contract may be terminated early by the Company with reason or by the executive, with three months' notice, or by the Company without reason, giving 3 months' notice, subject to termination payments as detailed below:

Name	Term of agreement	Base salary including superannuation	Termination benefit
Mr CI Burton	Resigned on 24 April 2024	$30,000	Nil
Mr K Martens	Commencing 11 October 2021	$10,000/month	3 months base salary
Mr D Lance	Commencing 22 February 2022	$22,916/month	3 months base salary
Mr F Kiley	Commencing 24 April 2024	$50,000	Nil

C. Details of Remuneration

Details of the remuneration of the Directors and the key management personnel of Grand Gulf Energy Limited consolidated Group are set out in the following tables. The key management personnel of Grand Gulf Energy Limited consolidated Group during the year ended 30 June 2024 includes the following Directors and executives:

- Mr K Martens (Technical Director and Chairman)
- Mr D Lance (Managing Director)
- Mr C I Burton (Chairman – resigned on 24 April 2024)
- Mr F Kiley (Non-Executive Director – appointed on 24 April 2024)

Remuneration packages contain the following key elements:

a) Primary benefits – salary / fees and bonuses;
b) Post-employment benefits – including superannuation;
c) Equity – share options granted under the Employee Share Option Plan; and
d) Other benefits.

The following tables disclose the detailed remuneration of the Directors of Grand Gulf Energy Limited and controlled entities within the Group:

2024

	Short term benefits		Post-employment	Equity		Total	
	Salary and fees	Bonus	Superannuation	Rights	Options		% Performance related
	$	$	$	$	$	$	
Directors							
Mr CI Burton[1]	24,500	-	-	-	-	24,500	-
Mr K Martens[2]	120,000	-	-	-	-	120,000	-
Mr D Lance[3]	274,992	-	-	-	-	274,992	-
Mr F Kiley[4]	8,334	-	-	-	-	8,334	-
Total	**427,826**	**-**	**-**	**-**	**-**	**427,826**	**-**

1. Mr Burton was paid $29,500 during the year of which $5,000 related to prior year, $24,500 for current year fees to April 24. He resigned on 24 April 2024.
2. Mr Martens was paid $110,000 during the year of which $10,000 related to prior year, $100,000 for current year fees to April 24. $20,000 of fees is owing to him for May 24 and June 24.
3. Mr Lance was paid $206,244 during the year of which $45,832 related to prior year, $160,412 for current year fees to Jan 24. $114,580 of fees is owing to him for February 24 to June 24.
4. Mr Kiley was appointed on 24 April 2024. He was paid $4,584 during the year. $4,583 of fees is owing to him for June 24.

2023

	Short term benefits		Post-employment	Equity		Total	
	Salary and fees	Bonus	Superannuation	Rights	Options		% Performance related
	$	$	$	$	$	$	
Directors							
Mr CI Burton[1]	30,000	-	-	-	-	30,000	-
Mr K Martens[2]	120,000	-	-	-	-	120,000	-
Mr D Lance[3]	270,713	-	-	-	46,471	317,184	15%
Total	**420,713**	**-**	**-**	**-**	**46,471**	**467,184**	**-**

1. Mr Burton was paid $45,000 during the year of which $20,000 related to prior year, $25,000 for current year fees to April 23. $5,000 of fees is owing to him for May 23 and June 23.
2. Mr Martens was paid $110,000 during the year. $10,000 of fees is owing to him for June 23.
3. Mr Lance was paid $224,881 during the year for current year fees to April 23. $45,832 of fees is owing to him for May 23 and June 23.

D. KMP Interest in Securities

The number of options over ordinary shares in the Company held during the financial year by each Director of Grand Gulf Energy Limited and other key management personnel of the Group, including their personally related parties, are set out below.

Options

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Lapsed during the year	Balance as at date of report	Vested and exercisable
Mr CI Burton[1]	-	-	-	-	-
Mr K Martens	-	-	-	-	-
Mr D Lance	10,000,000	-	-	10,000,000	-
Mr F Kiley[2]	-	-	-	-	-
Total	**10,000,000**	**-**	**-**	**10,000,000**	-

Shareholdings

The number of ordinary shares in Grand Gulf Energy Limited held by Key Management Personnel during the financial year is as follows:

Holder	Balance at Beginning of Year	Balance as at date of appointment	Balance as at date of resignation	Balance at the date of report
Mr CI Burton[1]	97,006,869	-	(97,006,869)	-
Mr K Martens	28,775,516	-	-	28,775,516
Mr D Lance	-	-	-	-
Mr F Kiley[2]	-	898,795	-	898,795
Total	**125,782,385**	**898,795**	**(97,006,869)**	**29,674,311**

[1] Resigned on 24 April 2024.
[2] Appointed on 24 April 2024.

Performance Shares

The number of performance shares in Grand Gulf Energy Limited held by Key Management Personnel during the financial year is as follows:

Holder	Balance at beginning of year/Date of Appointment	Balance as at date of report	Vested and exercisable
Mr CI Burton[1]	-	-	-
Mr K Martens	3,061,226	3,061,226	3,061,226
Mr D Lance	-	-	-
Mr F Kiley[2]	-	-	-
Total	**3,061,226**	**3,061,226**	**3,061,226**

Performance Rights – Class A

The number of class A performance rights in Grand Gulf Energy Limited held by Key Management Personnel during the financial year is as follows:

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr CI Burton[1]	2,500,000	-	(2,500,000)	-	-
Mr K Martens	-	-	-	-	-
Mr D Lance	-	-	-	-	-
Mr F Kiley[2]	-	-	-	-	-
Total	**2,500,000**	**-**	**(2,500,000)**	**-**	**-**

Performance Rights – Class B

The number of class B performance rights in Grand Gulf Energy Limited held by Key Management Personnel during the financial year is as follows:

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr CI Burton[1]	2,500,000	-	(2,500,000)	-	-
Mr K Martens	15,000,000	-	-	15,000,000	-
Mr D Lance	10,000,000	-	-	10,000,000	-
Mr F Kiley[2]	-	-	-	-	-
Total	**27,500,000**	**-**	**(2,500,000)**	**25,000,000**	**-**

[1] Resigned on 24 April 2024.
[2] Appointed on 24 April 2024.

Performance Rights – Class C

The number of class C performance rights in Grand Gulf Energy Limited held by Key Management Personnel during the financial year is as follows:

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Lapsed during the year	Balance as at date of report	Vested and exercisable
Mr CI Burton[1]	-	-	-	-	-
Mr K Martens	-	-	-	-	-
Mr D Lance	20,000,000	-	-	20,000,000	-
Mr F Kiley[2]	-	-	-	-	-
Total	**20,000,000**	**-**	**-**	**20,000,000**	**-**

[1] Resigned on 24 April 2024.
[2] Appointed on 24 April 2024.

Share-based compensation

There were no share-based compensation to key management personnel recognised in the current year.

Loans to key management personnel

No loans were provided to the key management personnel or to any of their associates.

Other transactions with key management personnel

There were no other transactions with key management personnel during the financial year.

This the end of the audited remuneration report.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the financial year and the number of meetings attended by each Director (while they were a director or committee member).

	Board of Directors	
	Held	Attended
Mr C I Burton[1]	1	1
Mr K Martens	3	3
Mr D Lance	3	3
Mr F Kiley[2]	2	2

[1] Resigned on 24 April 2024.
[2] Appointed on 24 April 2024.

RISK MANAGEMENT

The Company manages risks in accordance with its risk management policy with the objective of ensuring all risks inherent in oil and gas exploration and production activities are identified, measured and then managed or kept as low as reasonably practicable. The Board performs risk assessments on a regular basis.

Key risks which may materially impact the execution and achievement of the business strategies and prospects for Grand Gulf are summarised below and are risks largely inherent in the oil and gas industry. This should not be taken to be a complete or exhaustive list of risks nor are risks disclosed in any particular order. Many of the risks are outside the control of the Company and its officers.

Appropriate policies and procedures are continually being developed and updated to manage these risks.

	Risk	Description
1	Exploration	Exploration is a speculative activity with an associated risk of discovery to find any helium, oil and gas in commercial quantities and a risk of development. If Grand Gulf is unsuccessful in locating and developing or acquiring new reserves and resources that are commercially viable, this may have a material adverse effect on future business, results of operations and financial conditions. Grand Gulf utilises established methodologies and experienced personnel to evaluate prospects and manage the risk associated with exploration. The Company also ensures that all major decisions are subjected to assurance reviews which includes external experts and contractors where appropriate.
2	Development and Production	Development and production of oil and gas projects, including helium, may be exposed to low side reserve outcomes, cost overruns, production decrease or stoppage, which may result from facility shutdowns, mechanical or technical failure and other unforeseen events. Grand Gulf undertakes technical, financial, business and other analysis in order to determine a project's readiness to proceed from an operational, commercial and economic perspective. Even if Grand Gulf Energy recovers commercial quantities of oil and gas, there is no guarantee that a commercial return can be generated. Grand Gulf has a project risk management and reporting system to monitor the progress and performance of material projects and is subject to regular review by senior management and the Board. All major development and investment decisions are subjected to assurance reviews which includes experts and contractors where appropriate.
3	Regulatory	Grand Gulf operates in a highly regulated environment. Grand Gulf endeavours to comply with the regulatory authorities requirements. There is a risk that regulatory approvals are withheld, take longer than expected or unforeseen circumstance arise where requirements are not met and costs may be incurred to remediate non-compliance and/or obtain approval(s). Changes in Government, monetary, taxation and other laws in Australia or the USA or internationally may impact the Company's operations. Grand Gulf monitors legislative and regulatory developments and works to ensure that all stakeholder concerns are addressed fairly and managed. Policies and procedures are independently reviewed and audited to help ensure they are appropriate and comply with all regulatory requirements.
4	Market	The helium, oil and gas markets are subject to the fluctuations of supply and demand and price. To the extent that future actions of third parties contribute to demand destruction or there is an expansion of alternative supply sources, there is a risk that this may have a material adverse effect on price for the helium, oil and gas produced and the Company's business, results of operations and financial condition. Grand Gulf monitors developments and changes in the international oil market and conducts regular risk assessments.
5	Helium, Oil and Gas Prices	Future value, growth and financial condition are dependent upon the prevailing prices for helium, oil and gas. Prices for helium, oil and gas are subject to fluctuations and are affected by numerous factors beyond the control of Grand Gulf. Grand Gulf monitors and analyses the helium, oil and gas markets and seeks to reduce price risk where reasonable and practical. The Company has policies and procedures for entering into hedging contracts to mitigate against the fluctuations in oil price and exchange rates. The Company has no hedging in place at present.

	Risk	Description
6	Operating	There are a number of risks associated with operating in the helium, oil and gas industry. The occurrence of any event associated with these risks could result in substantial losses to the Company that may have a material adverse effect on Grand Gulf's business, results of operations and financial condition. To the extent that it is reasonable to do so, Grand Gulf mitigates the risk of loss associated with operating events through insurance contracts. Grand Gulf operates with a comprehensive range of operating and risk management plans and an HSEC management system to ensure safe and sustainable operations.
7	Counterparties	The ability of the Company to achieve its stated objectives will depend on the performance of the counterparties under various agreements it has entered into. If any counterparties do not meet their obligations under the respective agreements, this may impact on operations, business and financial conditions. Grand Gulf monitors performance across material contracts against contractual obligations to minimise counterparty risk and seeks to include terms in agreements which mitigate such risks.
8	Reserves	Helium, oil and gas reserves are expressions of judgement based on knowledge, experience and industry practice. These estimates may alter significantly or become uncertain when new information becomes available and/or there are material changes of circumstances which may result in Grand Gulf altering its plans which could have a positive or negative effect on Grand Gulf's operations. Reserve management is consistent with the definitions and guidelines in the Society of Petroleum Engineers 2018 Petroleum Resources Management Systems. The assessment of Reserves and Resources is also subject to independent review from time to time.
9	Environmental	Grand Gulf's exploration, development and production activities are subject to state, national and international environmental laws and regulations. Oil and gas exploration, development and production can be potentially environmentally hazardous giving rise to substantial costs for environmental rehabilitation, damage control and losses. Grand Gulf has a comprehensive approach to the management of risks associated with health, safety, environment and community which includes standards for asset reliability and integrity, as well as technical and operational competency and requirements.
10	Funding	Grand Gulf must undertake significant capital expenditures in order to conduct development appraisal and exploration activities. Limitations on the accessing to adequate funding could have a material adverse effect on the business, results from operations, financial condition and prospects. Grand Gulf's business and, in particular development of large scale projects, relies on access to debt and equity funding. There can be no assurance that sufficient debt or equity funding will be available on acceptable terms or at all. Grand Gulf endeavours to ensure that the best source of funding to maximise shareholder benefits and having regard to prudent risk management is obtained and is supported by economic and commercial analysis of all business undertakings
11	Abandonment Liabilities	Grand Gulf has certain obligations in respect of decommissioning of its fields, production facilities and related infrastructure. These liabilities are derived from legislative and regulatory requirements concerning the decommissioning of wells and production facilities and require Grand Gulf to make provisions for such decommissioning and the abandonment of assets. Provisions for the costs of this activity are informed estimates and there is no assurance that the costs associated with decommissioning and abandoning will not exceed the amount of long term provisions recognised to cover these costs. Grand Gulf recognises restoration provisions after the construction of facilities and conducts a review on an annual basis. Any changes to the estimates of the provisions for restoration are recognised in line with accounting standards.

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of Grand Gulf Energy Limited issued during the year ended 30 June 2024 on the exercise of options granted under the Grand Gulf Energy Limited Employee Option Plan. No amounts are unpaid on any of the shares.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company maintained an insurance policy which indemnifies the Directors and Officers of Grand Gulf Energy Limited in respect of any liability incurred in connection with the performance of their duties as Directors or Officers of the Company. The Directors made a personal contribution toward the premium to satisfy Section 199B of the Corporations Act 2001. The Company's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

INDEMNIFICATION AND INSURANCE OF AUDITORS

The Company has not, during or since the end of the financial year, indemnified nor agreed to indemnify the auditors of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. No non-audit services were provided during the year.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on the following page.

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement provides further information on the role of the Board.

Under ASX Listing Rule 4.10.3 the Company's Corporate Governance Statement can be located at the URL on the Company's website: https://grandgulfenergy.com/corporate-governance

Dated at Perth 27th September 2024, and signed in accordance with a resolution of the Directors.

Mr Dane Lance
Managing Director

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Australia

DECLARATION OF INDEPENDENCE BY MELISSA REID TO THE DIRECTORS OF GRAND GULF ENERGY LIMITED

As lead auditor of Grand Gulf Energy Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Grand Gulf Energy Limited and the entities it controlled during the period.

Melissa Reid

Director

BDO Audit Pty Ltd

Perth

27 September 2024

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 $	2023 $
Revenue from continuing operations	2	545,743	695,029
Cost of sales	3	(485,355)	(484,390)
Amortisation of oil and gas properties	9	-	(127,348)
Oil and gas property impairment	9	(424,501)	(646,504)
Share of joint venture loss		-	-
Corporate office expenses	3	(177,990)	(223,854)
Employee benefits expense		(370,769)	(327,785)
Share-based payments	15	(160,000)	(46,471)
Professional and statutory fees		(743,059)	(533,720)
Impairment – investment in associate		-	(587,260)
Loss before income tax		(1,815,931)	(2,282,303)
Income tax expense	4(a)	-	-
Net loss after income tax		(1,815,931)	(2,282,303)
Items that may be reclassified to profit or loss			
Foreign currency translation		(13,469)	425,048
Total comprehensive loss for the year		(1,829,400)	(1,857,255)
Loss for the year attributable to:			
Owners of Grand Gulf Energy Limited		(1,772,177)	(2,239,879)
Non-controlling interest		(43,754)	(42,424)
		(1,815,931)	(2,282,303)
Total comprehensive loss for the year:			
Owners of Grand Gulf Energy Limited		(1,785,646)	(1,814,831)
Non-controlling interest		(43,754)	(42,424)
		(1,829,400)	(1,857,255)
Loss per share for the year attributable to the members of Grand Gulf Energy Ltd			
Basic loss per share (cents per share)	21	(0.089)	(0.145)
Diluted loss per share (cents per share)	21	(0.089)	(0.145)

The above consolidated statement of profit or loss and other comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Notes	As at 30 June 2024 $	As at 30 June 2023 $
ASSETS			
Current Assets			
Cash and cash equivalents	16(a)	267,316	1,223,552
Trade and other receivables	6	440,915	443,678
Other assets	7	96,701	405,337
Total Current Assets		804,932	2,072,567
Non-Current Assets			
Exploration and evaluation asset	8	23,208,450	20,949,139
Oil & gas properties	9	-	394,679
Total Non-Current Assets		23,208,450	21,343,818
Total Assets		24,013,382	23,416,385
LIABILITIES			
Current Liabilities			
Trade and other payables	10	602,558	1,313,126
Total Current Liabilities		602,558	1,313,126
Non-Current Liabilities			
Restoration provision	11	306,644	306,367
Total Non-Current Liabilities		306,644	306,367
Total Liabilities		909,202	1,619,493
Net Assets		23,104,180	21,796,892
EQUITY			
Contributed equity	12	75,583,921	72,737,233
Reserves	13	9,951,020	9,388,581
Accumulated losses		(65,587,689)	(63,815,512)
Total equity attributable to owners of Grand Gulf Energy Limited		19,947,252	18,310,302
Non-controlling interests	26	3,156,928	3,486,590
Total Equity		23,104,180	21,796,892

The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Contributed Equity	Foreign currency translation reserve	Options Reserve	Other Equity	Accumulated losses	Owners of the Parent	Non-controlling interest	Total
	$	$	$	$	$	$	$	$
Balance at 1 July 2023	**72,737,233**	**3,511,475**	**5,553,127**	**323,979**	**(63,815,512)**	**18,310,302**	**3,486,590**	**21,796,892**
Loss for the year	-	-	-	-	(1,772,177)	(1,772,177)	(43,754)	(1,815,931)
Other comprehensive loss	-	(13,469)	-	-	-	(13,469)	-	(13,469)
Total comprehensive loss for the year	-	(13,469)	-	-	(1,772,177)	(1,785,646)	(43,754)	(1,829,400)
Share placement	3,200,000	-	-	-	-	3,200,000	-	3,200,000
Capital raising costs	(503,312)	-	280,000	-	-	(223,312)	-	(223,312)
Share based payment	150,000	-	10,000	-	-	160,000	-	160,000
Additional 5.5% interest in Valence	-	-	-	285,908	-	285,908	(285,908)	-
Balance at 30 June 2024	**75,583,921**	**3,498,006**	**5,843,127**	**609,887**	**(65,587,689)**	**19,947,252**	**3,156,928**	**23,104,180**
Balance at 1 July 2022	**70,707,321**	**3,086,427**	**5,196,429**	**-**	**(61,575,633)**	**17,414,544**	**-**	**17,414,544**
Loss for the year	-	-	-	-	(2,239,879)	(2,239,879)	(42,424)	(2,282,303)
Other comprehensive income	-	425,048	-	-	-	425,048	-	425,048
Total comprehensive loss for the year	-	425,048	-	-	(2,239,879)	(1,814,831)	(42,424)	(1,857,255)
Share placement	2,500,000	-	-	-	-	2,500,000	-	2,500,000
Capital raising costs	(470,088)	-	310,227	-	-	(159,861)	-	(159,861)
Change in control	-	-	-	323,979	-	323,979	(323,979)	-
Non-controlling interest on recognition of subsidiary	-	-	-	-	-	-	3,852,993	3,852,993
Share based payment	-	-	46,471	-	-	46,471	-	46,471
Balance at 30 June 2023	**72,737,233**	**3,511,475**	**5,553,127**	**323,979**	**(63,815,512)**	**18,310,302**	**3,486,590**	**21,796,892**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 $	2023 $
Cash flows from operating activities			
Receipts from customers		460,000	713,084
Payments to suppliers and employees		(875,965)	(1,041,638)
Production costs		(356,000)	(484,390)
Net cash outflow from operating activities	16(b)	(771,965)	(812,944)
Cash flows from investing activities			
Cash acquired on acquisition of entity		-	1,137,438
Payments for exploration and evaluation		(3,161,000)	(8,246,000)
Net cash outflows from investing activities		(3,161,000)	(7,108,562)
Cash flows from financing activities			
Proceeds from issue of shares net of costs		2,976,688	2,340,139
Net cash inflow from financing activities		2,976,688	2,340,139
Net decrease in cash and cash equivalents		(956,277)	(5,581,367)
Cash and cash equivalents at the beginning of the financial year		1,223,552	6,793,323
Effects of exchange rate changes on the balance of cash		41	11,596
Cash and cash equivalents at the end of the financial year	16(a)	267,316	1,223,552

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Notes to the Consolidated Financial Statements

REPORTING ENTITY

Grand Gulf Energy Ltd (the 'Parent Entity') is a company listed on the Australian Securities Exchange, limited by shares, incorporated and domiciled in Australia. The consolidated financial statements of the Group for the financial year ended 30 June 2024 comprises the Parent Entity and its subsidiaries (together referred to as the 'Group').

The financial statements were authorised for issue by the Board of Directors on 27 September 2024.

BASIS OF PREPARATION

Statement of compliance

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial statement of the Group also complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board. Grand Gulf Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

New accounting standards and interpretations

A number of new or amended standards became applicable for the current reporting period. For the year ended 30 June 2024, the Group has reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2023. None of new or amended standards have had a material impact on the consolidated entity's financial statements.

AASB 2021-2: *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates*

The Group adopted AASB 2021-2 which amends AASB 7, AASB 101, AASB 108 and AASB 134 to require disclosure of 'material accounting policy information' rather than significant accounting policies' in an entity's financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosures.

The adoption of the amendment did not have a material impact on the financial statements.

AASB 2021-5: Amendments to Australian Accounting Standards – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction

The Group adopted AASB 2021-5 Amendments to Australian Accounting Standards – Deferred Tax related to Assets and Liabilities arising from a Single Transaction for the financial year ending 30 June 2024.

Previously, the Group applied the exemption in AASB 112 and did not recognise deferred taxes on its lease transactions where the right of use asset and lease liability were equal on initial recognition. However, the amendment subsequently clarified that this exemption does not apply to transactions for which entities recognise both an asset and a liability that give rise to equal taxable and deductible temporary differences, as may be the case for lease transactions.

There was no impact on the statement of financial position, statement of cash flows or statement of profit or loss in the current or preceding period, as a result of the adoption of AASB 2021-5.

AASB 2022-7: *Editorial Corrections to Australian Accounting Standards and Repeal of Superseded and Redundant Standards*

AASB 2022-7 makes editorial corrections to various Australian Accounting Standards and AASB Practice Statement 2. It also formally repeals the superseded and redundant Australian Accounting Standards set out in Schedules 1 and 2 of this standard.

The adoption of the amendment did not have a material impact on the financial statements.

New and Amended Accounting Policies Not Yet Adopted

Certain new/amended accounting standards and interpretations have been issued but are not mandatory for financial years ended 30 June 2024. They have not been adopted in preparing the financial statements for the year ended 30 June 2024. They are not expected to have a material impact on the entity in the period of initial application.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 30 June 2024, the Group made a net loss after tax of $1,815,931 (2023: $2,282,303) had cash outflows from operating activities of $771,965 (2023: $812,944). As at 30 June 2024, the Group has cash and cash equivalents of $267,316 (30 June 2023: $1,223,552) and positive working capital of $202,374 (30 June 2023: $759,441).

On 29 August 2024, the Company completed the issue of 250,000,000 Placement Shares and 62,500,000 Placement Options, raising $1 million before costs.

The Company also undertook a 1 for 8 pro-rata non-renounceable rights issue to raise up to approximately another $1 million (before costs) on the same terms as the Placement (Rights Issue). On 19 September 2024, the Company issued 105,140,121 shares at $0.004 per share and 26,284,977 options pursuant to the Rights Issue.

The Group's ability to continue as a going concern is principally dependent upon its ability to source working capital funding for ongoing operations. The Group has a recent proven history of successfully raising capital. The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities. The Directors are aware that additional funds may need to be sourced from one or more of the following alternatives for the Group to carry on its business moving forward, to meet its working capital requirements and its planned exploration activities:

Capital raising via:
- Private placement;
- Rights issue; and/or
- Share purchase plan.

Should the activities identified above be unsuccessful in increasing cash flows to the entity, there is a material uncertainty that exists that may cast significant doubt as to whether the Group will be able to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the above, the Directors are of the opinion that the Group can carry on operations for the foreseeable future, and that it will be able to realise its assets and discharge its liabilities in the normal course of business. If necessary, the Group has the capacity to delay or cancel expenditures that are considered discretionary in naturing, including administrative costs and exploration expenditure that is not contractually binding. The timing of raising additional capital will depend on the investment markets, as well as current and future planned exploration activities.

Should the entity not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

Material accounting estimates and judgements

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were:

Control over Valence Resources LLC (Valence)

In determining whether the Group has control over Valence Resources LLC (Valence) that is not wholly owned, judgement is applied to assess the ability of the Group to control the day-to-day activities of the partly owned subsidiary and its economic outcomes. In exercising this judgement, the commercial and legal relationships that the Group has with other owners of partly owned subsidiary are taken into consideration. Whilst the Group is not able to control all activities of a partly owned subsidiary, the partly owned subsidiary is consolidated within the Group where it is determined that the Group controls the day-to-day activities and economic outcomes of a partly owned subsidiary. Changes in agreements with other owners of partly owned subsidiary could result in a loss of control and subsequently de-consolidation.

Exploration, evaluation and development assets

The Group capitalises and carries forward mineral acquisition costs that are expected to be recouped through sale or successful development and exploitation of the area of interest or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Rehabilitation obligations

The Group estimates its share of the future removal and remediation costs of oil and gas production facilities, wells and pipelines at the time of acquisition or installation of the assets. In most instances, removal of assets occurs many years into the future. This requires judgemental assumptions regarding removal date, future environmental legislation, the extent of remediation activities required, the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and asset specific discount rates to determine the present value of these cash flows. As at 30 June 2024, rehabilitation obligations have a carrying value of $306,644 (2023: $306,367).

Impairment of oil and gas properties

In the absence of readily available market prices, the recoverable amounts of assets are determined using estimates of the present value of future cash flows using asset-specific discount rates. For oil & gas properties, these estimates are based on assumptions concerning reserves, future production profiles and costs. As at 30 June 2024, the carrying value of oil & gas properties is nil (2023: $394,679) after recording an impairment of $424,501 on its oil & gas properties for the year ended 30 June 2024 (2023: $646,504). Refer to note 9 for further details.

Reserves estimates

Estimation of reported recoverable quantities of proven and probable reserves include judgemental assumptions regarding commodity prices, exchange rates, discount rates and production and transportation costs for future cash flows. It also requires interpretation of complex geological and geophysical models in order to make an assessment of the size, shape, depth and quality of reservoirs and their anticipated recoveries. These factors used to estimate reserves may change from period to period.

Reserve estimates are used to calculate depletion of producing assets and therefore a change in reserve estimates impacts the carrying value of assets and the recognition of deferred tax assets due to the changes in expected future cash flows.

Material accounting estimates and judgements (continued)

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either a Black-Scholes model or Monte Carlo Pricing Model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Where performance rights are subject to vesting conditions, Management has formed judgments around the likelihood of vesting conditions being met.

Material accounting policy information

(a) Non-operator interests in oil & gas properties

Exploration and evaluation expenses

The Group expenses all exploration and evaluation expenditure as incurred in respect of each identifiable area of interest until a time where an asset is in development.

Prepaid drilling and completion expenses

Where the Company has a non-operator interest in an oil and gas property, or has outsourced certain development processes of an operated interest in an oil and gas property, it may periodically be required to make a cash contribution for its share of the operator's/contractors estimated drilling and/or completion costs, in advance of these operations taking place.

Where these contributions relate to a prepayment for exploratory or early stage drilling activity, prior to a decision on the commerciality of a well having been made, the costs are capitalised as prepaid drilling costs.

Where these contributions relate to a prepayment for well completion, these costs are capitalised as prepaid completion costs within current assets. As the operator/contractor notifies the Company as to how funds have been expended, the costs are reclassified from prepaid costs to the appropriate expenditure or capitalised category.

Producing projects

Producing projects are stated at cost less accumulated amortisation and impairment charges. Producing projects include construction, installation or completion of production and infrastructure facilities such as pipelines, development wells and the provisions for restoration.

Amortisation and depreciation of producing projects

The Group uses the "units of production" ("UOP") approach when amortising and depreciating field-specific assets. Using this method of amortisation and depreciation requires the Consolidated Entity to compare the actual volume of production to the reserves end then to apply this determined rate of depletion to the carrying value of depreciable asset.

Capitalised producing projects costs relating to commercially producing wells are depreciated/amortised using the UOP basis once commercial quantities are being produced within an area of interest. The reserves used in these calculations are the Proved plus Probable reserves and are reviewed at least annually.

Material accounting policy information (continued)

(b) Financial Instruments

Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less Expected Credit Loss. Trade receivables are generally due for settlement between thirty (30) and ninety (90) days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after reporting date.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The movement in the provision is recognised in profit or loss.

Expected credit losses of financial asset at amortised cost
Loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment

For trade and other receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience.

(c) Revenue Recognition

Oil & Gas Sale

Revenue from the sale of oil/condensate, gas and natural gas liquids produced is recognised when the Consolidated Entity has transferred to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

- Dry Gas – upon transfer to third party, typically upon entry to a third party sale pipeline;
- Natural Gas Liquids (NGL's) – upon transfer to a third party, typically upon entry to a third party sales pipeline; or
- Oil/Condensate – upon transfer of product to purchasers' transportation mode, either truck or pipeline.
- Revenue is stated net of royalties.

(d) Segment reporting

Operating segments are now reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of operating segments, has been identified as the Board of Directors.

Material accounting policy information (continued)

(e) Share based payments

Equity-settled transactions are awards of shares, performance rights or options over shares, that are provided to employees and service providers in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Monte Carlo simulation, Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

2. Revenue

	2024 $	2023 $
Sale of oil and gas	545,743	695,029
Total revenues from ordinary activities	545,743	695,029

Revenue is recognised when or as the Group transfers control of goods or services to a customer, which is typically on delivery, at the amount to which the Group expects to be entitled. All revenue is generated in the USA.

3. Expenses

Loss before income tax includes the following specific expenses:

	2024 $	2023 $
Cost of sales		
Operating costs	485,355	484,390
Total cost of sales	485,355	484,390
Corporate Office Expenses		
Insurance	1,321	1,322
Legal services	36,495	15,986
IT expenses	2,731	765
Website	7,037	4,594
Subscriptions	2,632	2,205
Business development	53,075	183,206
Other	74,699	15,776
Total corporate office expenses	177,990	223,854

4. Income tax

a. Income tax expense

	2024 $	2023 $
Current tax expense	-	-
Deferred tax expense	-	-
Under/(over) provision	-	-
	-	-

b. Reconciliation of income tax benefit to prima facie tax payable

	2024 $	2023 $
Loss from ordinary activities before income tax expense	(1,815,931)	(2,282,303)
Prima facie tax benefit on gain from ordinary activities at 25% (2023: 30%)	(453,983)	(684,691)
Non-temporary differences	208,385	254,565
Tax losses & timing differences not recognised	217,954	364,889
Foreign tax rate differential	27,644	65,237
Income tax expense	-	-

c. Unrecognised temporary differences

	2024 $	2023 $
Unused tax losses for which no deferred tax asset has been recognised – Overseas	8,340,258	8,069,239
Unused tax losses for which no deferred tax asset has been recognised - Australia	5,301,299	6,058,961

The ability of the Group to use tax losses in the future is subject to the Group entities satisfying the relevant taxation laws applicable at the time of submitting the return.

5. Dividends paid or provided for on ordinary shares

No dividend has been declared or paid during the current financial year or the prior financial year. The Group does not have any franking credits available for current or future years as the Group is not in a tax paying position.

6. Trade and other receivables

	2024 $	2023 $
Current		
Trade and other receivables[(i)]	440,915	443,678
	440,915	443,678

(i) Trade and other receivables include sales revenue outstanding and amounts outstanding for goods & services tax (GST). Trade and other receivables are non-interest bearing and GST amounts have repayment terms applicable under the relevant government authorities.

Refer to note 24 for the Group's financial risk management policies. The Group has estimated the expected credit loss to be nil. Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

7. Other assets

	2024 $	2023 $
Prepayment of vendors	75,141	367,896
Prepaid insurance	19,126	35,010
Insurance claim receivable	2,434	2,431
	96,701	405,337

8. Exploration and Evaluation Asset

	2024 $	2023 $
Red Helium project costs	23,208,450	20,949,139
Provision for impairment	-	-
	23,208,450	20,949,139
Carrying amount at beginning of year	20,949,139	-
Acquisition of Valence (i)	-	11,801,296
Expenditure during the year	2,240,335	8,686,827
Foreign exchange difference	18,976	461,016
Carrying amount at end of year	23,208,450	20,949,139

(i) Full details of the acquisition of Valence are disclosed in the Annual Report of the Group as at and for the year ended 30 June 2023.

Impairment

There is no indication of impairment in the year ended 30 June 2024.

9. Oil and Gas Properties

	2024 $	2023 $
Producing oil & gas assets	8,117,727	8,065,716
Provision for impairment and amortisation	(8,117,727)	(7,671,037)
	-	394,679
Capitalised oil and gas properties		
Carrying amount at beginning of year	394,679	1,149,186
Foreign exchange differences	29,822	19,345
Impairment	(424,501)	(646,504)
Amortisation	-	(127,348)
Carrying amount at end of year	-	394,679

The estimate of the recoverable amount for oil and gas properties is based on an asset's fair value in use using a discounted cash flow (value in use) method. Where the economic or fair value of a well forming part of oil and gas properties is less than the carrying value, the well is impaired to its economic/fair value. Accordingly, the Group has fully impaired its Desiree (Hensarling #1) well for the year ended 30 June 2024 (30 June 2023: $646,504).

10. Trade and other payables

	2024 $	2023 $
Current		
Trade creditors	602,558	1,313,126
	602,558	1,313,126

Risk exposure: Information about the Group's exposure to foreign exchange risk is provided in note 24. Due to the short-term nature of the current payable, their carrying amount is assumed to be the same as their fair value.

11. Provisions

	2024 $	2023 $
Non-Current		
Asset retirement obligation	306,644	306,367
	306,644	306,367

(a) Reconciliations

Asset retirement obligation		
Carrying amount at beginning of year	306,367	294,848
Foreign exchange differences	277	11,519
Carrying amount at end of year	306,644	306,367

12. Contributed equity

(a) Issued and paid-up share capital

	2024 Number of Shares	2024 $	2023 Number of Shares	2023 $
Balance at the beginning of the year	1,675,247,028	72,737,233	1,546,610,665	70,707,321
Placement 31 March 2023 (i)	-	-	113,636,363	2,500,000
Conversion of Performance Rights (ii)	-	-	15,000,000	-
Placement August 23 (iii)	400,000,000	3,200,000	-	-
Shares issued to a vendor (iv)	20,000,000	150,000	-	-
Share issue costs	-	(503,312)	-	(470,088)
Balance carried forward at the end of the year	**2,095,247,028**	**75,583,921**	**1,675,247,028**	**72,737,233**

(i) On 31 March 2023, the Company completed the issue of 113,636,363 shares to sophisticated and professional investors at $0.022 cents per share along with a free attaching option for every 2 shares with an exercise price of $0.05 and a three-year term from date of issue.

(ii) Conversion of Class A Performance Rights to 15,000,000 fully paid ordinary shares on 20 June 2023.

(iii) In August 2023, the Company conducted a placement to professional and sophisticated investors via 2 tranches. A total of 400,000,000 new shares were placed at an issue price of $0.008 per share along with free-attaching options on a 1 for every 4 basis.

(iv) In October 2023, 20,000,000 shares at an issue price of $0.008 and 5,000,000 options were issued to a vendor, S3 Consortium Pty Ltd pursuant to a digital marketing mandate signed on 5 September 2023. The shares were valued at $150,000. Refer Note 15 for further details.

(b) Terms and conditions of contributed equity

Ordinary shares
Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. Refer note 24 for details of the Group's capital management policy.

13. Reserves

	2024 $	2023 $
Foreign currency translation (a)	3,498,006	3,511,475
Share option reserve (b)	5,166,327	4,876,327
Option premium reserve (c)	676,800	676,800
Other equity (d)	609,887	323,979
	9,951,020	9,388,581

(a) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of self-sustaining foreign operations.

	2024 $	2023 $
Balance at beginning of year	3,511,475	3,086,427
Gain on translation of foreign controlled entities	(13,469)	425,048
Balance at end of year	3,498,006	3,511,475

(b) Share option reserve

The share option reserve is used to recognise the value of options issued to employees, Directors, consultants, and external finance companies.

	2024 $	2023 $
Balance at beginning of year	4,876,327	4,519,629
Share-based payments - share issue costs (note 15)	280,000	310,227
Share-based payments – consideration for services (note 15)	10,000	-
Employee incentives – Directors	-	46,471
Balance at end of year	5,166,327	4,876,327

(c) Option premium reserve

The option premium reserve is used to recognise the options issued.

	2024 $	2023 $
Balance at beginning of year	676,800	676,800
Balance at end of year	676,800	676,800

(d) Other equity

The other equity is used to record the change in parent’s ownership interest in a subsidiary that does not result in the parent losing control of the subsidiary.

	2024 $	2023 $
Balance at beginning of year	323,979	-
Change in ownership of a subsidiary	285,908	323,979
Balance at end of year	609,887	323,979

14. Options, Performance Rights and Performance Shares

At 30 June 2024, a summary of the Company options in issue and not exercised are as follows. Options are settled by the physical delivery of shares:

Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the year	Granted during the year	Exercised during the year	Expired / lapsed during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Quoted:									
10-Jun-22	10-Jun-22	10-Jun-25	8	103,333,333	-	-	-	103,333,333	103,333,333
20-Oct-23	20-Oct-23	20-Oct-26	2.5	-	225,000,000[1]	-	-	225,000,000	225,000,000
Unquoted:									
11-Oct-21	11-Oct-21	15-Oct-24	2.5	60,000,000	-	-	-	60,000,000	60,000,000
10-Jun-22	10-Jun-22	16-Jun-26	7	10,000,000	-	-	-	10,000,000	10,000,000
31-Mar-23	31-Mar-23	31-Mar-26	5	85,227,273	-	-	-	85,227,273	85,227,273
Total				**258,560,606**	**225,000,000**	**-**	**-**	**483,560,606**	**483,560,606**
Weighted Average Exercise Price (cents)				**5.7**	**2.5**	**-**	**-**	**4.21**	**4.21**

[1] 100,000,000 free-attaching options on a 1 for 4 basis; 20,000,000 options as part consideration for Lead Manager fees; 100,000,000 Broker Options on a 1 for 4 basis; 5,000,000 options to a vendor for a digital marketing mandate signed. Refer note 15 for more details.

The weighted average remaining contractual life of options outstanding at year end was 1.66 years (30 June 2023: 2.11 years).

At 30 June 2024, a summary of the Company Performance Shares and Performance Rights in issue and not vested are as follows.

	Grant date	Expiry date	Exercise Price (cents)	Balance at the start of the year	Granted during the year	Converted during the year	Expired / lapsed during the year	Balance at the end of the year
Performance Shares	11-Oct-21	4 years	Nil	100,000,000	-	-	-	100,000,000
Class A Performance Rights	11-Oct-21	5 years	Nil	12,500,000	-	-	-	12,500,000
Class B Performance Rights	11-Oct-21	5 years	Nil	27,500,000	-	-	-	27,500,000
Class B Performance Rights	10-Jun-22	15-Oct-25	Nil	10,000,000	-	-	-	10,000,000
Class C Performance Rights	10-Jun-22	5 years	Nil	20,000,000	-	-	-	20,000,000
Total				**170,000,000**	**-**	**-**	**-**	**170,000,000**

14. Options, Performance Rights and Performance Shares (continued)

Given the early stage of the Red Helium Project, with no drilling yet completed, it is not possible to predict if the production hurdle required for the Class B and C Performance Rights will be met, hence a vesting factor of nil has been applied in determining the value of these rights. The vesting factor will be reviewed at each subsequent period end and the value of the Class B and C Performance Rights and corresponding expense adjusted if appropriate.

15. Share-based payments

On 20 October 2023, 20,000,000 shares at an issue price of $0.008 and 5,000,000 options were issued to a vendor, S3 Consortium Pty Ltd pursuant to a digital marketing mandate signed on 5 September 2023.

The fair value of the S3 Consortium Options granted is estimated as at the date of grant using a Black-Scholes option valuation model taking into account the terms and conditions upon which the unlisted options were granted. The table below lists the inputs to the valuation model used for the S3 Consortium options granted in the current year:

Options	S3 Consortium Options
Number issued	5,000,000
Grant date	20 October 2023
Expiry date	13 October 2026
Expected life	3 years
Exercise price	$0.025
Share price at grant date	$0.007
Risk free rate	4.21%
Volatility	100%
Dividend yield	0%
Fair value at grant date per option	$0.002
Fair value issued	$10,000

The options vested immediately on grant date. The 20,000,000 shares and 5,000,000 options were valued at $160,000 based on the invoice received for digital marketing services with the share-based payment expense included in the Consolidated Statement of Profit or Loss.

In October 2023, the Company completed a Share Placement to issue 400,000,000 shares to sophisticated and professional investors at $0.008 cents per share. The Company also issued 120,000,000 to the lead manager of the Placement, CPS Capital Group Pty Ltd (Lead Manager Options).

The fair value of the Lead Manager Options issued is estimated as at the date of grant using a Black-Scholes option valuation model taking into account the terms and conditions upon which the unlisted options were granted. The table below lists the inputs to the valuation model used for the Lead Manager options granted in the current year:

Options	Lead Manager Options
Number issued	120,000,000
Grant date	20 October 2023
Expiry date	13 October 2026
Expected life	3 years
Exercise price	$0.025
Share price at grant date	$0.007
Risk free rate	4.21%
Volatility	100%
Dividend yield	0%
Fair value at grant date per option	$0.0024
Fair value issued	$280,000

15. Share-based payments (continued)

The Lead Manager options vested immediately on grant date. The options were valued at $280,000 with the share-based payment expense included in share issue costs.

16. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2024 $	2023 $
Cash on hand	267,316	1,223,552

The Group's exposure to interest rate risk is discussed in note 24.

(b) Reconciliation of loss after related income tax to net cash outflows from operating activities

	2024 $	2023 $
Loss for the year	(1,815,931)	(2,282,303)
Depletion	-	127,348
Impairment - oil and gas properties	424,501	646,504
Share based payments	160,000	46,471
Impairment – investment in associate	-	587,260
Exchange rate differences on assets/liabilities held in foreign currencies	(43,055)	105,778
Changes in net assets and liabilities		
Increase in trade and other receivables	(78,214)	(48,883)
Increase in trade and other creditors	580,734	4,881
Net cash outflows from operating activities	(771,965)	(812,944)

17. Non-cash investing and financing activities

	2024 $	2023 $
Shares issued as payment of share issue costs	280,000	310,227
	280,000	310,227

18. Expenditure commitments

There were no commitments as at 30 June 2024 (2023: nil).

19. Contingent liabilities

As at 30 June 2024, Valence is a party to a royalty agreement with the founders of the Red Helium project. Under the terms of this deed the Company must pay varying percentages out of all, oil, gas and other hydrocarbons and minerals produced, saved and sold from or attributable to the Leasehold Interests subject to the royalty agreement. The royalty is calculated after Leasehold Interest is paid. The Over Riding Royalty Interest (ORRI) paid to founders is the difference between the 10% (in the first instance) and 20% (in the second instance) on sales, after Leasehold interest/s are paid. If the Leasehold interest is greater than 20% (in the third instance), the ORRI paid to founders is limited to 1%. The royalty is uncapped and is for the life of the project.

The Group had no other contingent liabilities as at 30 June 2024 (2023: nil).

20. Events occurring after reporting date

On 21 August 2024, the Company announced that it has received firm commitments to raise $1 million (before costs) through a placement of 250 million fully paid ordinary shares to professional and sophisticated investors at an issue price of $0.004 per Placement Share together with 62,500,000 free attaching Placement Options on the basis of 1 Placement Option for every 4 Placement Shares issued.

On 29 August 2024, the Company completed the issue of 250,000,000 Placement Shares and 62,500,000 Placement Options, raising $1 million before costs. On 25 September 2024, the Company issued 50,000,000 unlisted options with exercise price of $0.012 to the lead broker as part of the fees for capital arrangement.

The Company also undertook a 1 for 8 pro-rata non-renounceable rights issue to raise up to approximately another $1 million (before costs) on the same terms as the Placement (Rights Issue). On 19 September 2024, the Company issued 105,140,121 shares at $0.004 per share and 26,284,977 options pursuant to the Rights Issue.

No other matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

21. Loss per share

The Group is in a loss-making position, accordingly the based and diluted earnings per share are the same. The following reflects the loss and share data used in the calculation of basic and diluted gain per share:

Basic/diluted loss per share

	2024 $	2023 $
Loss used in calculating basic loss per share	(1,815,931)	(2,282,303)
Weighted average number of ordinary shares used in calculating basic loss per share	2,029,072,165	1,575,705,310
Basic/Diluted loss per share (cents per share)	(0.089)	(0.145)

All potential ordinary shares are considered anti-dilutive as the average share price over the year was less than the exercise price of the options. There are also no outstanding options at 30 June 2024.

22. Auditor's remuneration

	2024 $	2023 $
Audit and review of financial reports	65,000	59,000
	65,000	59,000

The BDO entity performing the audit of the Group transitioned from BDO Audit (WA) to BDO Audit Pty Ltd on 1 May 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd, BDO Audit Pty Ltd and their respective related entities.

23. Segment information

Operating segments

The consolidated entity is organised into one operating segment, being oil & gas production and exploration operations (including exploration for Helium). This operating segment is based on internal reports that are reviewed and used by the Board of Directors, who are identified as the Chief Operating Decision Makers ('CODM'), in assessing performance and in determining the allocation of resources. The principle products and services of this operating segment are the production and exploration operations in the United States.

As noted above, the Board only considers one segment to be a reportable segment for its reporting purposes. As such, the reportable information the CODM reviews is detailed throughout the financial statements.

24. Financial instruments

FINANCIAL RISK MANAGEMENT

The Group's policies with regard to financial risk management are clearly defined and consistently applied. They are a fundamental part of the Group's long term strategy covering areas such as foreign exchange risk, interest rate risk, commodity price risk, credit risk and liquidity risk and capital management. The natural hedges provided by the relationship between commodity prices and the US currency reduces the necessity for using derivatives or other forms of hedging. The Group does not issue derivative financial instruments, nor does it believe that it has exposure to such trading or speculative holdings through its investments in wholly owned subsidiaries. Risk management is carried out by the Board as a whole, which provides written principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and aging analysis for credit risk.

Market Risk

(i) Foreign exchange risk

There is no material foreign currency exposure on a Group or Company level. Such exposure arises from sales or purchases by an operating unit in currencies other than the unit's functional currency. The Group currently does not engage in any hedging or derivative transactions to manage foreign currency risk.

The only occasion in which there is an exposure on a Group or Company level to foreign exchange risk is when the Company is raising capital on ASX. As its domicile is Australia it must raise equity capital in Australian $. As its primary currency is the US$ due to its assets, operations and commodities being priced in US$ the Company has taken the view that while it is raising US$ to finance US$ operations that it might from time to time hedge its currency for the time period over which it has received funds via an equity raising but has not issued the equity securities which have been subscribed for.

(ii) Commodity price risk

Due to the nature of the Group's principal operations being oil & gas exploration and production the Group is exposed to the fluctuations in the price of oil & gas. Although the Group is economically exposed to commodity price risk of the abovementioned inputs, this is not a recognised market risk under the accounting standards as the risk is embedded within normal purchase and sales and are therefore not financial instruments.

Interest rate risk

Interest rate risk relates to the statement of financial position values of the consolidated cash at bank at 30 June 2024 and 30 June 2023. The interest rate risk of the Group is minimal.

Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is not significantly exposed to credit risk from its operating activities, however the Board constantly monitors customer receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset. The Group does not hold collateral as security. No material exposure is considered to exist by virtue of the possible non-performance of the counterparties to financial instruments and cash deposits. Credit rating of cash is A+; all funds are held by Frost Bank and NAB which have government guarantees on deposits.

24. Financial instruments (continued)

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised below, none of which are impaired or past due.

	CARRYING AMOUNT	
	2024	2023
	$	$
Cash and cash equivalents	267,316	1,223,552
Receivables	440,915	443,678
Insurance claim	2,434	2,431

Capital Risk and Liquidity Risk Management

The Group's overriding objectives when managing capital are to safeguard the business as a going concern; to maximise returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate credit facility. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows. Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets.

Financing Arrangements

The Group did not have access to the borrowing facilities during the year.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities and relevant maturity Groupings based on the remaining period at reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

At 30 June 2024	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
Financial Liabilities							
Trade creditors	602,558	-	-	-	-	602,558	602,558
Total	602,558	-	-	-	-	602,558	602,558

At 30 June 2023	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
Financial Liabilities							
Trade creditors	1,313,126	-	-	-	-	1,313,126	1,313,126
Total	1,313,126	-	-	-	-	1,313,126	1,313,126

25. Parent Entity Financial Information

The financial information for the parent entity, Grand Gulf Energy Limited, disclosed below has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries
Investments in subsidiaries are accounted for at cost in the parent entity's financial statements.

(i) Summary financial information

	2024 $	2023 $
Statement of Financial Position		
Current assets	257,189	1,075,577
Non-current assets	20,170,407	17,268,645
Total assets	20,427,596	18,344,222
Total liabilities	181,359	109,852
Net assets	20,246,237	18,234,370
Shareholders' equity		
Issued capital	75,583,921	72,737,233
Reserves	5,843,129	5,553,129
Accumulated losses	(61,180,813)	(60,055,992)
	20,246,237	18,234,370
Loss for the year	**(1,124,821)**	**(969,516)**

(ii) Contingent Liabilities and Commitments

The Parent Company has no contingent liabilities or commitments other than as those disclosed in the notes.

26. Related Party Transactions

(i) Parent entity

The ultimate parent entity within the Group is Grand Gulf Energy Limited (the legal parent).

(ii) Subsidiaries

Interests in subsidiaries are set out below.

(iii) Investments in controlled entities

The consolidated entity financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1.

Investments in controlled entities held by Grand Gulf Energy Limited

	Country of incorporation	Ownership interest 2024	2023
		%	%
Alto Energy Limited	Australia	100	100
Kessel Resources Pty Ltd	Australia	100	100
GG Oil & Gas 1, INC	USA	100	100
GG Oil & Gas 2, INC	USA	100	100
GG Oil & Gas, INC	USA	100	100
Birdwood Louisiana LLC	USA	100	100
Valence Resources LLC	USA	83	77.5

26. Related Party Transactions (continued)

Investment in controlled entity held by Kessel Resources Pty Ltd

	Country of incorporation	Ownership interest Parent 2024	Ownership interest Parent 2023	Non-controlling interest 2024	Non-controlling interest 2023
		%	%	%	%
Valence Resources LLC	USA	83.0	77.5	17.0	22.5

The following table sets out the summarised financial information for the subsidiary that has a non-controlling interest (NCI). Amounts disclosed are before intercompany eliminations (AASB 12.B11).

Summarised statement of financial position	Valence Resources LLC 2024 $	Valence Resources LLC 2023 $
Current assets	91,541	317,668
Non-current assets	18,999,891	16,732,763
Total assets	19,091,432	17,050,431
Current liabilities	195,294	1,009,089
Total liabilities	195,294	1,009,089
Net assets	18,896,138	16,041,342
Loss for the year	(187,584)	(143,860)
Accumulated NCI	3,156,928	3,486,590

Investment in controlled entity held by Alto Energy Limited

	Country of incorporation	2024	2023
		%	%
Grand Gulf Energy Inc	USA	100	100

(iv) Key management personnel compensation

	2024 $	2023 $
Short-term employee benefits	427,826	420,713
Share-based payments	-	46,471
	427,826	467,184

Detailed remuneration disclosures are provided in the Remuneration Report in the Directors' Report.

(v) Other transactions with key management personnel

There were no transactions with key management personnel during the year.

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CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Company name	Entity Type	Country of incorporation	Percentage Interest Held %	Australian or Foreign Resident	Foreign jurisdiction of foreign resident
Parent Entity					
Grand Gulf Energy Ltd	Public company	Australia	-	Australian	-
Subsidiaries of Grand Gulf Energy Limited:					
Alto Energy Limited	Private limited company	Australia	100	Australian	-
Kessel Resources Pty Ltd	Proprietary limited company	Australia	100	Australian	-
GG Oil & Gas 1, INC	Corporation	USA	100	Foreign resident	USA
GG Oil & Gas 2, INC	Corporation	USA	100	Foreign resident	USA
GG Oil & Gas, INC	Corporation	USA	100	Foreign resident	USA
Birdwood Louisiana LLC	Private limited company	USA	100	Foreign resident	USA
Subsidiary of Kessel Resources Pty Ltd:					
Valence Resources LLC	Private limited company	USA	83	Foreign resident	USA
Subsidiary of Alto Energy Limited:					
Grand Gulf Energy Inc	Corporation	USA	100	Foreign resident	USA

Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001.* It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295 (3A) of the *Corporations Act 2001* defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian Tax Residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/15.

DIRECTORS' DECLARATION

Directors' Declaration

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows and consolidated statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001 and:

   (a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
   (b) give a true and fair view of the consolidated financial position as at 30 June 2024 and of its performance for the year ended on that date.

2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

3. The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by s295A.

4. Note 1 confirms that the financial standards also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

5. The information disclosed in the consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:

Mr Dane Lance
Director

Perth, 27 September 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Grand Gulf Energy Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Grand Gulf Energy Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation assets

Key audit matter	How the matter was addressed in our audit
At 30 June 2024, we note that the carrying value of the Exploration and Evaluation Asset is significant to the financial statements, as disclosed in Note 1 and 8 of the Financial Report. As a result, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 *Exploration for and Evaluation of Mineral Resources*. In particular: • Whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts of circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Note 1 and 8 of the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and

b) the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 20 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Grand Gulf Energy Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Melissa Reid

Director

Perth, 27 September 2024

ADDITIONAL SHAREHOLDER INFORMATION

1. Statement of issued capital

a) Distribution of fully paid ordinary shares as at 16 September 2024.

Size of Holding	Number of Shareholders	Shares Held
1 - 1,000	104	14,329
1,001 - 5,000	26	90,286
5,001 - 10,000	35	317,163
10,001 - 100,000	1,202	61,357,942
100,001 and Over	1,177	2,283,467,308
	2,544	**2,345,247,028**

Based on a price per security of $0.004, the number of holders with an unmarketable holding is 1,429, with total of 70,141,725 shares, amounting to 2.86% of Issued Capital.

b) There are no restrictions on voting rights attached to the ordinary shares. On a show of hands every member present in person shall have one vote and upon a poll, every member present or by proxy shall have one vote for every share held.

2. Substantial shareholders

The names of substantial shareholders who had notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

MR JAMES PETER ALLCHURCH <MANSTEIN HOLDINGS A/C> 7.2%

3. Quotation

Listed securities in Grand Gulf Energy Limited are quoted on the Australian Stock Exchange.

Top Twenty Shareholders as at 16 September 2024 - GGE

The twenty largest shareholders hold 43.23% of the total issued ordinary shares in the Company as at 16 September 2024:

NAME	SHARES	%
MR JAMES PETER ALLCHURCH <MANSTEIN HOLDINGS A/C>	168,816,397	7.20%
DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	99,098,765	4.23%
BROWN BRICKS PTY LTD <HM A/C>	86,297,772	3.68%
CITICORP NOMINEES PTY LIMITED	59,942,172	2.56%
ALBA CAPITAL PTY LTD	54,830,335	2.34%
MR JOHN PAUL DE DEUGE	50,500,000	2.15%
ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	50,000,000	2.13%
SACHA INVESTMENTS PTY LTD	47,370,378	2.02%
ZERO NOMINEES PTY LTD	45,045,455	1.92%
GREYSKULL NOMINEES PTY LTD	42,250,000	1.80%
MR ANRONG LIU	38,406,340	1.64%
ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	37,000,000	1.58%
SKYE EQUITY PTY LTD	33,958,557	1.45%
THE SUN W INVESTMENT PTY LTD <THE SUN FAMILY A/C>	30,000,000	1.28%
MR ALAN MCKELLAR STEIN <AM STEIN A/C>	29,285,000	1.25%
HSBC CUSTODY NOMINEES	27,132,486	1.16%
MR SYED KHALIL BIN SYED IBRAHIM	20,000,000	0.85%
SUNSET CAPITAL MANAGEMENT PTY LTD	19,375,000	0.83%
QUATTRO STAGIONE PTY LTD	19,200,000	0.82%
HUNTERLAND HJDN PTY LTD	18,200,000	0.78%
HONEYBEE ANHM PTY LTD	18,200,000	0.78%
FREYABEAR FHMN PTY LTD	18,200,000	0.78%
Totals: Top 20 holders of GGE ORDINARY FULLY PAID	**1,013,108,657**	**43.23%**
Total Holders Balance	**2,345,247,028**	**100.00%**

Top twenty quoted Option holders as at 16 September 2024 - GGEO

103,333,333 quoted options expire on 16 June 2025 and are exercise able at $0.08 per share. The Options have no voting rights attached and no dividend entitlement.

NAME	OPTIONS	%
AXSIM FUNDS MANAGEMENT PTY LTD <MAMAS SUPER FUND A/C>	11,764,327	11.38
MR STEPHEN JOHN HORN	10,556,061	10.22
SUROKI PTY LTD <SUROKI SUPER FUND A/C>	4,992,597	4.83
BAOWIN INVESTMENTS PTY LTD	4,935,000	4.78
BNP PARIBAS NOMS PTY LTD	4,924,243	4.77
CITICORP NOMINEES PTY LIMITED	4,545,455	4.40
SUPER HAMISH PTY LTD <K&V SUPER FUND A/C>	4,349,068	4.21
MR GREGORY JOHN HOWLETT & MRS MARGARET WILHELMINA HOWLETT	4,000,000	3.87
MR KEITH MACLEOD NICHOLS	3,725,000	3.60
SWANCAVE PTY LTD <BMC FAMILY A/C>	3,333,333	3.23
ZERO NOMINEES PTY LTD	2,000,000	1.94
DR SALIM CASSIM	2,000,000	1.94
MR MATTHEW WILLIAM REYNOLDS	2,000,000	1.94
MR ALEXANDER SIMOPOULOS	2,000,000	1.94
KITARA INVESTMENTS PTY LTD <KUMOVA #1 FAMILY A/C>	1,666,667	1.61
MR SYED KHALIL BIN SYED IBRAHIM	1,666,667	1.61
MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	1,666,666	1.61
SIMBLAT INVESTMENTS PTY LTD	1,500,000	1.45
CCK PTY LIMITED <CCK SUPER FUND A/C>	1,428,723	1.38
TIDELIAN PTY LTD	1,216,667	1.18
MS MEIXIA CHEN	1,154,546	1.12
CELTIC CAPITAL PTE LTD <INVESTMENT 1 A/C>	1,136,364	1.10
PETRA COTES PTY LTD <MACONDO A/C>	1,124,514	1.09
MR RAMIN VAHDANI	1,101,363	1.07
Totals: Top 20 holders	**78,787,261**	**76.27**
Total Holders Balance	**103,333,333**	**100.00**

250,000,000 quoted options expire on 13 October 2026 and are exercise able at $0.025 per share. The Options have no voting rights attached and no dividend entitlement.

NAME	OPTIONS	%
DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	28,877,500	12.83
ZERO NOMINEES PTY LTD	12,000,000	5.33
MR STEPHEN JOHN HORN	11,490,000	5.11
THE SUN W INVESTMENT PTY LTD <THE SUN FAMILY A/C>	10,750,000	4.78
RICHSHAM NOMINEES PTY LTD	10,200,000	4.53
AXSIM FUNDS MANAGEMENT PTY LTD <MAMAS SUPER FUND A/C	8,740,249	3.88
GREYSKULL NOMINEES PTY LTD	8,062,500	3.58
GRANIMO NOMINEES PTY LTD <GTP FAMILY SUPER FUND A/C>	8,062,500	3.58
SACHA INVESTMENTS PTY LTD	6,750,000	3.00
SUROKI PTY LTD <SUROKI SUPER FUND A/C>	6,000,000	2.67
GOFFACAN PTY LTD	5,081,250	2.26
S3 CONSORTIUM PTY LTD	5,000,000	2.22
APNEA HOLDINGS PTY LTD <KELLY FAMILY A/C>	4,500,000	2.00
J & D LAWRENCE PTY LTD <J & D LAWRENCE SUPER FUN A/C>	3,750,000	1.67
CITICORP NOMINEES PTY LIMITED	3,267,480	1.45
HUNTERLAND HJDN PTY LTD	3,250,000	1.44
HONEYBEE ANHM PTY LTD	3,250,000	1.44
FREYABEAR FHMN PTY LTD	3,250,000	1.44
QUATTRO STAGIONE PTY LTD	3,250,000	1.44
THE 5TH ELEMENT MCTN PTY LTD	3,250,000	1.44
ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	3,125,000	1.39
MR JAMES PETER ALLCHURCH <MANSTEIN HOLDINGS A/C>	3,125,000	1.39
MR PATRICK JOSEPH HODGES	3,000,000	1.33
MS MEIXIA CHEN	2,948,924	1.31
MR SYED KHALIL BIN SYED IBRAHIM	2,500,000	1.11
ENNV PTY LTD <THE PN A/C>	2,437,500	1.08
Totals: Top 20 holders	**165,917,903**	**73.70**
Total Holders Balance	**225,000,000**	**100.00**

ADDITIONAL SHAREHOLDER INFORMATION

Unquoted equity securities

1. Performance Shares

There are 29 holders of 100,000,000 Performance Shares.

Holder Name	Holding	% IC
MR JAMES PETER ALLCHURCH	37,959,199	37.96%

2. Performance Rights – Classes A, B, and C

There are 2 holders of 12,500,000 unlisted Class A Performance Rights, 3 holders of 37,500,000 Class B Performance rights and 1 holder of 20,000,000 Class C Performance Rights all with various terms.

3. Unquoted Options

There are 24 holders of 60,000,000 unlisted Options with an exercise price of $0.025c expiring on 15 October 2024.

Holder Name	Holding	% IC
MR JAMES PETER ALLCHURCH	16,200,000	27.00%
GREYSKULL NOMINEES PTY LTD	10,000,000	16.67%
DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	10,000,000	16.67%
ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	6,250,000	10.42%

There is 1 holder of 10,000,000 unlisted Options with an exercise price of $0.07c expiring on 16 June 2026.

Holder Name	Holding	% IC
MR DANE LANCE	10,000,000	100%

There are 78 holders of 85,227,273 unlisted Options with an exercise price of $0.05c expiring on 31 March 2026.

Holder Name	Holding	% IC
Zenix Nominees	17,045,455	20%

Restricted Securities
There are no restricted securities.

Market buyback
There is no current market buyback.