

HIGHLIGHTS

- **Bayou La Rompe (Earn-in 20% WI)** – GGE farming-in to a 540,000 bbls oil and 1.4 BCF prospect with the well anticipated to spud in the Q4 2017.
- **Pleasant Home Field (Earn-in 50% WI)** – GGE participating in re-completion program on the second well (Smak Dixon 31-6) in the Pleasant Home Field to earn 50% of the Field. The 31-11 well is producing oil at an average rate of 12 bbls per day.
- **Desiree Field (39.6% WI)** – The well produced a total of 19,364 bbls of oil during the September quarter. The well is presently producing oil at an average rate of 215 bopd.
- **Dugas & Leblanc #3 Field (55.5% WI)** – The well produced a total of 5,655 bbls of oil during the September quarter. The well is presently producing oil at an average rate of 63 bopd.
- **Abita Field (20% WI)** – The SL 19706 #1 well produced a total of 365 bbls of oil and 80,192 mcfg for the September quarter. The well is presently producing oil and gas at an average rate of 891 mcfgd and 4 bopd.

QUARTERLY CASH FLOW SUMMARY

Cash Flow Analysis	Sept Quarter
	\$AUD '000
Production Sales	839
Production Costs *	(264)
Operating Costs	(149)
Net Operating Proceeds	426

CAPITAL STRUCTURE AND FINANCIAL SNAPSHOT

ASX Codes	GGE	Shares	767m
Share Price	0.003	Mkt Cap	\$3.07m
Quarterly Rev	\$0.84m	Prod. Wells	5
Cash @ 30/09	\$1.96m	Net rec/pay	\$75k
Net Prod oil qtr.	10,636 bbls	Net Prod gas qtr.	16,038 mcf

*Production costs are primarily royalties and severance taxes which are a fixed % of revenue.



Board of Directors
MD - Mark Freeman
Exec Chairman - Charles Morgan
Exec Director - Allan Boss
Non-Exec Director - Stephen Keenihan

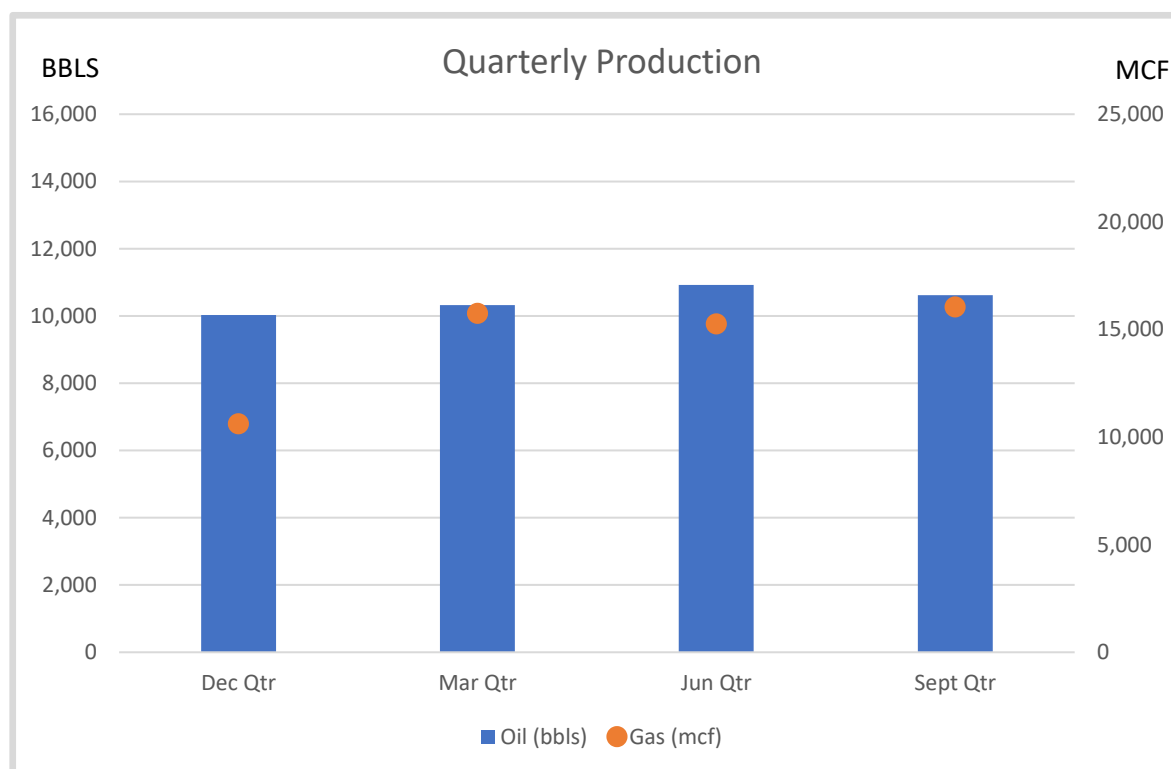
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PRODUCTION AND DEVELOPMENT

Total Net Quarterly Production

	Dec Qtr	Mar Qtr	Jun Qtr	Sept Qtr
Oil (bbls)	10,029	10,343	10,133	10,624
Gas (mcf)	10,611	15,743	15,243	16,038
% Oil Equ.	96%	94%	94%	94%



Abita

Abita, Plaquemines Parish, Louisiana, Non Operator 20% WI

During the quarter, the field's operator changed to Krewe Energy, LLC. The SL 19706 #1 well produced a total for the quarter of 365 bbls of oil and 80,192 mcfg. The well is presently producing at 4 bopd and 891 mcfgd.

Desiree Field

Desiree, Assumption Parish, Louisiana, Non Operator 39.65% WI

The Hensarling #1 well (Desiree Field) produced a total for the quarter of 19,346 barrels of oil. The well is presently producing at 215 bopd. The well has produced 471,735 barrels of oil to 30 September 2017.





Dugas & Leblanc Field

Napoleonville- Dugas & Leblanc #3 Well, Assumption Parish, Louisiana, Non Operator 55.5% WI

The D&L#3 well (Dugas & Leblanc Field) produced a total for the quarter of 5,655 barrels of oil. The well is presently producing at 63 bopd. The well has produced over 271,369 barrels of oil and 0.5 BCF gas.

Pleasant Home Field

Smak Dixon, Covington County, Alabama, Non Operator (50% WI)

The Smak Dixon 31-11 produced a total for the quarter of 1,012 barrels of oil. The well is presently producing at an average of 12 bopd from the top three intervals. The Company earns a 60% WI in all net revenue from this well until its investment is recovered.

West Klondike

Wilbert Sons LLC #1 well, West Klondike, Iberville Parish, Louisiana, Non Operator 11.925% WI

The Wilbert Sons LLC #1 well produced a total for the quarter of 269 barrels of oil with 58 days of production during the quarter. The well is presently producing at ~4 bopd. Unfortunately, the switch of Power Fluid from water to Oil has not generated a measurable increase in production.

EXPLORATION AND DEVELOPMENT

Bayou La Rompe Prospect (20% WI) - 500,000 Barrel Oil Prospect

Grand Gulf executed a farm-in agreement to participate in the drilling of the Bayou La Rompe prospect, located in St Martins Parish, Louisiana.

Bayou La Rompe is a conventional, low risk oil and gas exploration in the Company's focus area of onshore South Louisiana. The Prospect is located 22km South of West Klondike and 43km North-West of Napoleonville. Success at Bayou La Rompe will significantly add to the Company's existing reserve and production base.

The project is located on the Lake Mongoilis Dome Field and sits on the previously poorly explored south western side of the Dome. The opportunity to drill and test this feature came about through the use of RTM technology (Reverse Time Migration: a high-fidelity processing algorithm for imaging near salt domes) which has identified untested potential in an area where 3D data was previously uninterpretable.

Bayou La Rompe is an attic oil trap, updip from the Transamerican #1 Wilbert's well that produced 55,000 bbls of oil before it watered out confirming a strong water drive in the area. It is prognosed that the well will penetrate the target section at approximately 8,950ft tvd, and high to the Transamerican #1 Wilberts well. The Bayou La Rompe Prospect has the potential to deliver reserves of 5.7 BCF and 1,425,000 BO (P10) or 1.6 BCF and 540,000 BO (P50).

The primary objective of the well is the Cib Haz sand which is a substantial producer in the Lake Mongoilis Dome Field having yielded over 10 mmbo. In addition, a shallower secondary objective (10,850 sand) is also productive in the field. Likely flow rates, should the well be successful, are:

10,850' sand	-	5mmcf/50bod
Cib Haz	-	380bod/250mcf





The well will be drilled in a geo-pressured environment from a barge location. The Company's likely share of costs will be \$440,000 to drill and an additional \$400,000 to complete the well with facilities if successful. It is anticipated the well will spud in Q4 2017 once the project vendor completes the farmout process.

Following a successful well result, the project vendor will retain an initial over-riding royalty of 2.5% which will increase to 5% after project payback (**APPO**). The Company's net revenue interest will commence at 15% and lower to 14% APPO.

Pleasant Home Field Second Well Recompletion

The Company has agreed to participate as a 50% WI partner in the recompletion of the Smak Dixon 31-6, Pleasant Home Field, Covington Co. Alabama to earn a 50% interest in the whole of the Pleasant Home Oilfield.

GGE's share of recompletion costs on the 31-6 well program is estimated at \$US125,000 and due to commence within the next 30 days. The Program will provide additional reservoir data in our technical evaluation of the Rodessa and other sands to assist with the location of a new infill well in the field.

The 31-6 well recompletion involves re-entering the well and running a pulsed neutron log and CBL from 6,000 – 9,300 ft. Following analysis of the log the JV will then commence a testing program for "behind pipe" pay after setting a Cast Iron Bridge Plug (CIBP) below the target zones.

The 31-6 well is the best producer in the field with over 424,000 bbls of oil produced to date. This recompletion opportunity represents an excellent low cost/low risk opportunity to determine the remaining pay zones in the well and the field. The JV is encouraged by at least 3 prospective Hosston intervals to test.

The Pleasant Home Field has produced in excess of 934,000 bbls of oil since 1999 from 4 wells. The wells to date have been completed as commingled completions from multiple zones and GGE believes a number of zones were bypassed or performed poorly due to inadequate zonal isolation. This logging & workover program is designed to confirm these theories.

The JV is presently working up a program to drill a new well in the field and this re-completion will add significant knowledge to that process.

LEASE SCHEDULE

The Company provides the following Schedule of lease interest held by the Company for the quarter 30 September 2017 as required by ASX Listing Rule 5.3.

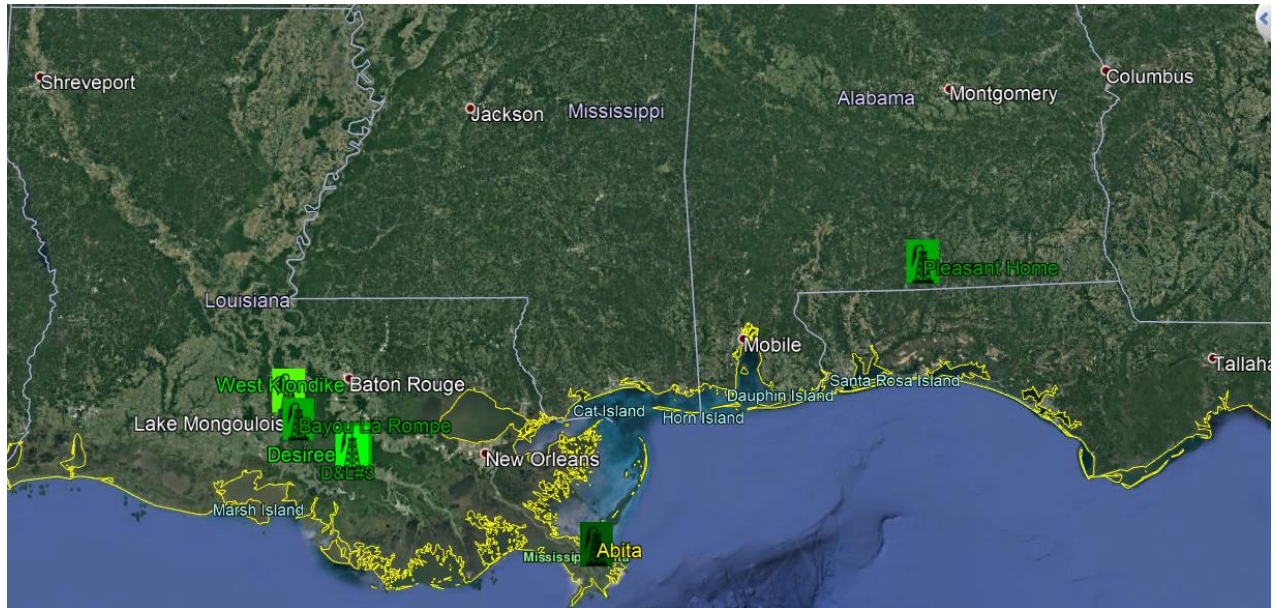
Project	Location	Lease	Interest at Beginning of the Quarter	Interest at the end of the Quarter
Abita	Plaquemines Parish	16990	20%	20%
Abita	Plaquemines Parish	16991	20%	20%
Abita	Plaquemines Parish	16992	20%	20%
Abita	Plaquemines Parish	16993	20%	20%
Dugas & Leblanc	Assumption Parish, Louisiana	CL-0110	55.8%	55.8%
Desiree/Louise	Assumption Parish, Louisiana	CL-0130	39.6/22.0%	39.6/22.0%
Desiree	Assumption Parish, Louisiana	12S14E52-031A (CL-0131)	39.6%	39.6%





Desiree	Assumption Parish, Louisiana	12S14E52-031B (CL-0131)	39.6%	39.6%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-001	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-003	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-005	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-006	39.6/22.0%	39.6/22.0%
Desiree	Assumption Parish, Louisiana	12S14E52-008	39.6%	39.6%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-009	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-011	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-013	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-014	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-015	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-016	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-019	39.6/22.0%	39.6/22.0%
Desiree	Assumption Parish, Louisiana	12S14E52-020	39.6%	39.6%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-022A	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-022B	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-012	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-018	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-021A	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-021B	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-024	39.6/22.0%	39.6/22.0%
Louise	Assumption Parish, Louisiana	12S14E52-025	39.6%	39.6%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-026	39.6/22.0%	39.6/22.0%
Louise	Assumption Parish, Louisiana	12S14E52-028	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E53-001	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E53-002A	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E53-002B	22.0%	22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002C	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002D	39.6/22.0%	39.6/22.0%
Desiree/Louise	Assumption Parish, Louisiana	12S14E52-002E	39.6/22.0%	39.6/22.0%
Louise	Assumption Parish, Louisiana	12S14E53-003	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E53-004	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E53-005	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E53-006	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E53-007	22.0%	22.0%
Desiree	Assumption Parish, Louisiana	12S14E52-032 (CL-0068 & 0106)	39.6%	39.6%
Louise	Assumption Parish, Louisiana	12S14E52-029	22.0%	22.0%
Louise	Assumption Parish, Louisiana	12S14E52-030	22.0%	22.0%
West Klondike	Iberville Parish, Louisiana	WK#1A	11.7%	11.925%
West Klondike	Iberville Parish, Louisiana	WK#1B	11.7%	11.925%
West Klondike	Iberville Parish, Louisiana	WK#1C	11.7%	11.925%
West Klondike	Iberville Parish, Louisiana	WK#2	11.7%	11.925%
West Klondike	Iberville Parish, Louisiana	WK#3A	11.7%	11.925%
West Klondike	Iberville Parish, Louisiana	WK#3B	11.7%	11.925%
Boleslaw-1	Central Poland	Boleslaw-1 well-site lease on the Kolo concession.	20.4%	20.4%





COMPETENT PERSONS STATEMENT: The information in this report has been reviewed and signed off by Mr Stephen Keenihan (Registered Geologist and a member of the Society of Petroleum Engineers and the American Association of Petroleum Geologists) and by Mr Kevin Kenning (Registered Reservoir Engineer and a member of the Society of Petroleum Engineers), with over 35 years and 37 years respective relevant experience within oil and gas sector. Both Messrs Keenihan and Kenning consent to this statement. Mr Keenihan is a director and related party of Grand Gulf Energy Ltd and Mr Kenning is a consultant and is self-employed.

This report contains forward looking statements that are subject to risk factors associated with resources businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.



Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

GRAND GULF ENERGY LIMITED

ABN

22 073 653 175

Quarter ended ("current quarter")

30 September 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	839	839
1.2 Payments for		
(a) exploration & evaluation	(126)	(126)
(b) development	(205)	(205)
(c) production	(264)	(264)
(d) staff costs	(93)	(93)
(e) administration and corporate costs	(57)	(57)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	1
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (Insurance payment - refundable)	-	-
1.9 Net cash from / (used in) operating activities	95	95

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment		
(b) tenements (see item 10)		
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment		
	(b) tenements (see item 10)		
	(c) investments		
	(d) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Refunds/(Payments) of security deposits		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities		

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares		
3.2	Proceeds from issue of convertible notes		
3.3	Proceeds from exercise of share options		
3.4	Transaction costs related to issues of shares, convertible notes or options		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,859	1,859
4.2	Net cash from / (used in) operating activities (item 1.9 above)	95	95
4.3	Net cash from / (used in) investing activities (item 2.6 above)		
4.4	Net cash from / (used in) financing activities (item 3.10 above)		
4.5	Effect of movement in exchange rates on cash held	10	10
4.6	Cash and cash equivalents at end of period	1,964	1,964

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	1,964	1,964
5.2 Call deposits		
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,964	1,964

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000

153

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7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter
\$A'000

0

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities		
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	670
9.2 Development	100
9.3 Production	250
9.4 Staff costs	-
9.5 Administration and corporate costs	150
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	1,170

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
(Director/Company secretary)

Date: 31 October 2017

Print name: Mark Freeman

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.