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ASX/Media Release

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## NAPOLEONVILLE WELL CONTROL UPDATE

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Further to previous announcements Grand Gulf provides an update of the well control operations being carried out by Mantle Oil & Gas LLC as Operator of the Dugas & Leblanc #1 well and the Dugas & Leblanc #2 well.

Mantle Oil & Gas, as Operator, reported that during the day of 25<sup>th</sup> August US Central Time it has managed to secure the new BOP and wellhead on the Dugas & Leblanc #1 well. Control operations are continuing but barring any more incidents the well should now be able to Plugged and Abandoned. At this point Grand Gulf's best estimate is that most if not all of the costs will be covered by the Operator's and grand Gulf's insurance.

Casing is now being set at the Dugas & Leblanc #2 well at 2,316 ft. The well is still continuing progress to intersect the Dugas & Leblanc #1 well for kill operations pending Louisiana State Authorities decision which will depend on the success of the P&A at Dugas & Leblanc #1. Planning is now underway to use this well as a producer.

Partners in the Dugas & Leblanc Wells are:

| Company                         | WI     | Paying Interest |
|---------------------------------|--------|-----------------|
| Mantle Oil & Gas LLC (Operator) | 4.09%  | N/A             |
| Grand Gulf Energy Ltd           | 39.50% | 52.87%          |
| Golden Gate Petroleum Ltd       | 15.00% | N/A             |
| Other Partners                  | 41.41% | N/A             |

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