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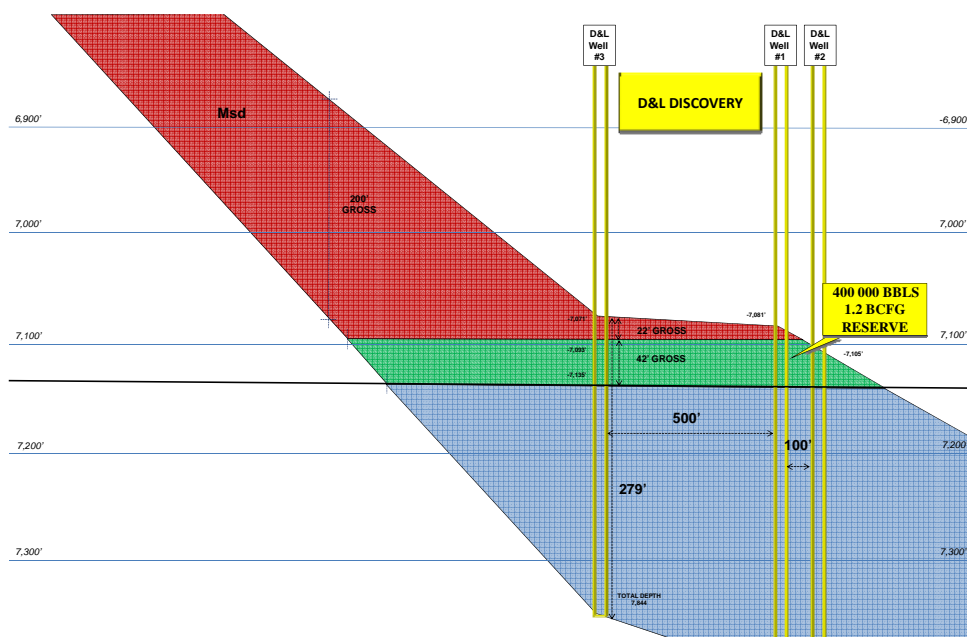
ASX/Media Release

8 September 2011

D&L #3 PRIMARY OBJECTIVE NOW TO BE COMPLETED

Napoleonville- Dugas & Leblanc #3 Well, Assumption Parish, Louisiana, Non Operator 39.4% WI

The Dugas & LeBlanc # 3 well has been producing from the Big Hum Stray # B sand since July. Since then the Stray B has produced approximately 162 million cubic feet of gas and 1,050 bbl of condensate. The Stray B sand has now depleted and as previously advised, once this had happened, the primary objective in this well, the "M" oil sand, will now be completed. It is expected to take approximately 2 to 4 weeks to complete the "M" sand due to the lack of availability of workover rigs.



The Company estimate of hydrocarbon potential in the M sand as follows:

	Oil (BBL)	Gas (MCF)
Projected Recoverable Reserve	400,000	1,200,000

The reserve potential of the M sand is expected to increase with reservoir performance data. The Company is expecting flow rates in the order of 200 - 400 bbls per day with around 600- 1,000 mcf/d.

Following further seismic and analogue interpretational work the Company believes that the M sand may have further updip potential of an additional 10-12 BCF of gas which if confirmed will need to be recovered from either a development well or side track to the D&L#3.

Partners in the D&L#3 well are:

Company	WI
Grand Gulf Energy Ltd	39.4%
Golden Gate Petroleum Ltd	15%
Other Partners	45.6%

For further information contact:

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For more information visit www.grandgulfenergy.com and sign up for email news.

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

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