



21 March 2012

MANAGEMENT CHANGES

The Board advises that Mr Mark Freeman has taken the position of Managing Director. The Board is very pleased with Mr Freeman's performance and management of the Company as Executive Director since October 2010.

There will be no changes to Mr Freeman's salary package.

About Grand Gulf Energy: Grand Gulf is an ASX listed US based oil and gas exploration and production company with management in Houston and assets in Louisiana, Arkansas and Texas.

Board & Management

Mr Mark Freeman

Managing Director

Mr Charles Morgan

Executive Chairman

Mr Allan Boss

Executive Director

Mr Stephen Keenihan

Non-Executive Director

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ASX Codes

GGE (3,739m)

GGEO (1,469m)

DRILLING & EXPLORATION PROGRAM

| Program | Date | P50 Oil (net) | P50 Gas (net) | * Gross Min Value of Product |
|--------------|----------|----------------|---------------|------------------------------------|
| Vermilion | Drilling | 260-430 MBO | 8.5-14.5 BCF | \$US51MM |
| Austin Bayou | April 12 | 40-60 MBO | 2.7-4 BCF | \$US11MM |
| Desiree | April 12 | 310-420 MBO | - | \$US36MM |
| Leduc | May 12 | 170-1,680 MBO | - | \$US20MM |
| W. Klondike | Aug 12 | 210-500 MBO | 0.6-1.7 BCF | \$US26MM |
| Total | | 990-3,090 MMBO | 12-20 BCF | |

PRODUCTION AND DEVELOPMENT PROGRAM

| | | | | |
|-------|---------------|-------------|---------|----------|
| D&L#3 | Prod. | 160 MBO | .5 BCF | US\$20MM |
| Abita | ETA 15 Mar 12 | 70-140 MBO | 1.6 BCF | US\$12MM |
| Total | | 230-300 MBO | 2.1 BCF | |

* Gross value represents low case recoverable resources net to GGE multiplied by current oil and gas prices. This number does not reflect royalties, cost of operation, development costs and is undiscounted.

