



6 August 2024

Red Helium Project Drill Permit Secured

- 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 structural high and reservoir defined through well control – twin of historical well drilled targeting hydrocarbons, with proven gas and reservoir.

Grand Gulf Energy Ltd (ASX:GGE) (“Grand Gulf” or the “Company”) is pleased to announce the receipt of all required governmental approvals for the Jesse-3 well.

[Well engineering & design to unlock Red Helium project value and test deeper potential¹](#)

The Jesse-3 updated well design involves casing and perforating the entire basinal stratigraphic section, adding significant helium upside to the already identified Mississippian Leadville dolomite (10.9 bcf) and Devonian McCracken sandstone (1.8 bcf) targets², with three sub-salt secondary targets identified. In a success case, deeper helium reservoirs will be perforated and tested for a modest additional cost.

The Company is also in the process of submitting a sundry application on the approved Earp-1 location to update the well design and engineering, including deepening of the well to test deeper pay below the Leadville primary target.

[Jesse-3 / Earp-1: Up-dip twins of historical wells with proven gas](#)

[Target Structural High and Potential Reservoir Quality through Well Control](#)

The selected Jesse-3 location³ is proximal (1,300 feet) to the historic Redd-1 well and positioned on a seismic high. The geological prognosis is for the top Leadville to be 40-foot high to the Redd-1 well and 70-foot high to the Jesse-1A discovery well, which intersected a 200-foot gross gas column and 101-feet of net pay (independently audited).

¹ ASX announcement 15 April 2024 - Deeper Stacked Helium Pay Adds Scale to Red Helium Project

² Gross P50 prospective resource as announced on ASX on 8 December 2021 and 22 June 2023. 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. See cautionary statement for Prospective Resources.

³ ASX Announcement 8 June 2023 - Optimised Jesse-3 Location Targets Structure and Reservoir

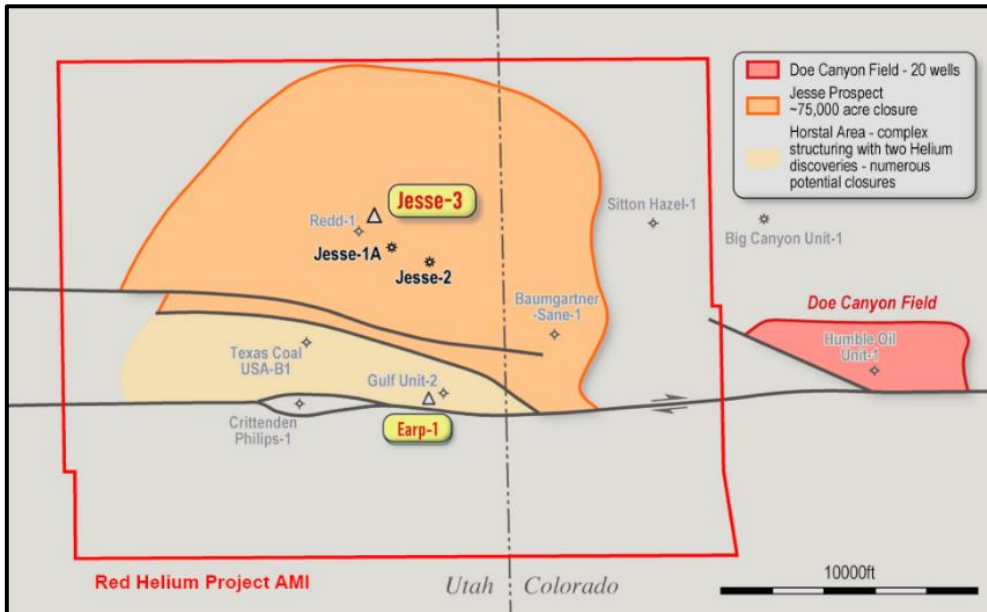


Figure 1: Red Helium project area showing structural closure, six historic wells, Jesse-1A and Jesse-2 locations, and the proposed Jesse-3 (up-dip twin to Redd-1) and Earp-1 (up-dip twin to Gulf Unit-2) locations.

The Jesse structure (Redd-1) has proven gas in the Leadville at the Jesse-3 location, with gas on logs to the base of the McCracken. The well is interpreted as gas bearing over a 700-foot gross zone, with potential for a deeper gas column up to 1,100-feet to the granitic basement.

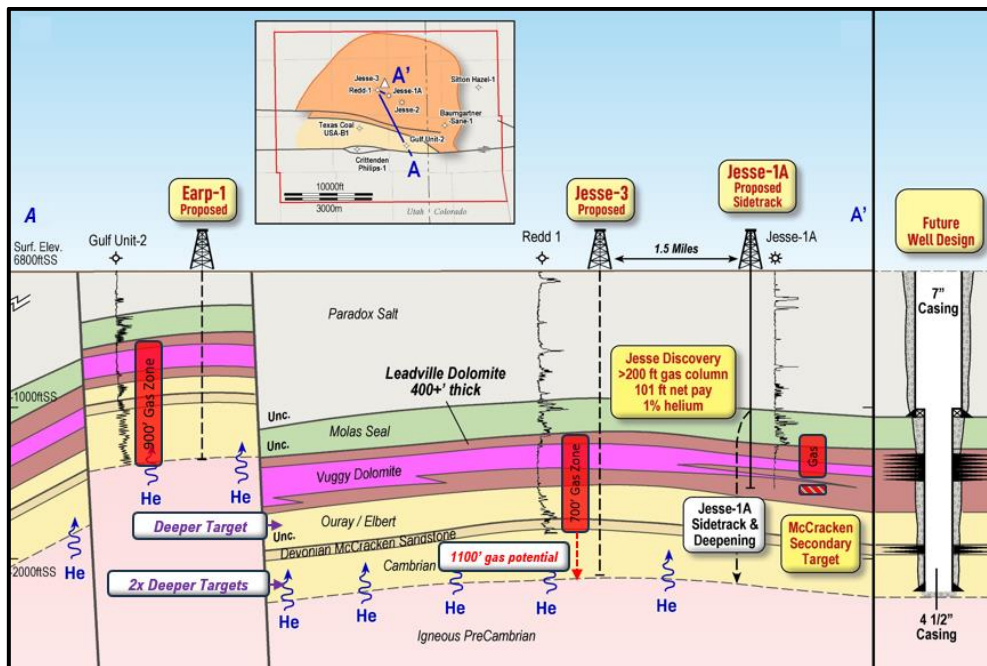


Figure 2: Stylised cross-section showing the Jesse-1A discovery well, and the proposed Jesse-3 (up-dip twin to Redd-1) and Earp-1 (up-dip twin to Gulf Unit-2) locations, and the Jesse-1A discovery well and proposed sidetrack.





The permitted Earp-1 well location is proximal (4,800 feet) and structurally 100-feet high to the Gulf Unit-2 well. Earp -1 targets a closure in the horstal region of the Red Helium project, elevated structurally over 500 feet higher than Jesse. Gulf Unit-2 has proven gas in the Leadville and McCracken, with the maximum intersection interpreted as gas bearing over a 900-foot gross zone, incorporating all deeper targets. Earp-1 is planned as an up-dip twin to Gulf Unit-2.

As per the Company's June 2024 Quarterly Activities Report, Grand Gulf is engaged in discussions in relation to the potential farm-out of the Red Helium Project which would secure funding for drilling at the Red Helium Project in exchange for an interest in the Project. The discussions are continuing but the Company notes there is no guarantee that such discussions will result in the finalisation of acceptable terms or a transaction being entered into.

This ASX announcement has been authorised for release by the Board of Grand Gulf Energy Ltd.

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About Grand Gulf Energy:

Grand Gulf Energy Ltd (ASX:GGE) is an independent exploration and production company, headquartered in Australia, with operations and exploration in North America. The Red Helium project is a pure-play helium exploration project, located in Paradox Basin, Utah, in the prolific Four Corners region. For further information please visit the Company's website at www.grandgulfenergy.com

Cautionary Statement for Prospective Resource Estimates

With respect to the Prospective Resource estimates contained within this report, it should be noted that the estimated quantities of gas that may potentially be recovered by the future application of a development project relate to undiscovered accumulations. These estimates have an associated risk of discovery and risk of development. Further exploration and appraisal are required to determine the existence of a significant quantity of potentially moveable helium.

Competent Person's Statement

The information in this report is based on information compiled or reviewed by Mr Keith Martens, Technical Director of Grand Gulf. Mr Martens is a qualified oil and gas geologist/geophysicist with over 45 years of Australian, North American, and other international executive oil and gas experience in both onshore and offshore environments. He has extensive experience of oil and gas exploration, appraisal, strategy development and reserve/resource estimation. Mr Martens has a BSc. (Dual Major) in geology and geophysics from The University of British Columbia, Vancouver, Canada.



Forward Looking Statements

This release may contain forward-looking statements. These statements relate to the Company's expectations, beliefs, intentions or strategies regarding the future. These statements can be identified by the use of words like "anticipate", "believe", "intend", "estimate", "expect", "may", "plan", "project", "will", "should", "seek" and similar words or expressions containing same. These forward-looking statements reflect the Company's views and assumptions with respect to future events as of the date of this release and are subject to a variety of unpredictable risks, uncertainties, and other unknowns. Actual and future results and trends could differ materially from those set forth in such statements due to various factors, many of which are beyond our ability to control or predict. These include, but are not limited to, risks or uncertainties associated with the discovery and development of oil, natural gas and helium reserves, cash flows and liquidity, business and financial strategy, budget, projections and operating results, oil and natural gas prices, amount, nature and timing of capital expenditures, including future development costs, availability and terms of capital and general economic and business conditions. Given these uncertainties, no one should place undue reliance on any forward-looking statements attributable to GGE, or any of its affiliates or persons acting on its behalf. Although every effort has been made to ensure this release sets forth a fair and accurate view, we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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