



ABN 22 073 653 175

INTERIM REPORT

FOR THE HALF YEAR ENDED

31 DECEMBER 2024

GRAND GULF ENERGY LIMITED
ABN 22 073 653 175

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GRAND GULF ENERGY LIMITED
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DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity (**Company, Group or GGE**) for the half-year ended 31 December 2024.

DIRECTORS

The names of directors who held office during or since the end of the half-year are:

Mr Keith Martens	<i>Technical Director</i>
Mr Dane Lance	<i>Managing Director (resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice)</i>
Mr Fergus Kiley	<i>Non-Executive Director</i>
Mr Yann Cherruau	<i>Non-Executive Director (appointed on 31 October 2024)</i>

Company Secretary

Mr Lloyd Flint

OPERATING RESULT

The Group incurred an operating loss after income tax for the half-year ended 31 December 2024 of \$748,767 (half-year ended 31 December 2023: operating loss after income tax of \$1,346,027).

The Directors believe the Group is in a sound financial position to continue its exploration and development endeavours on the basis described in note 1 (d) to the financial statements.

PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

Gulf Energy Limited (ASX: GGE) (Grand Gulf or the Company) is pleased to provide shareholders with the following summary of its activities during the December 2024 half-year period.

Grand Gulf Increases Interest in Red Helium Project¹

- Under exploration and appraisal activities conducted in compliance with the Red Helium project Operating Agreement (OA) executed with partners Four Corners Helium (FCH), the Company has, in the financial year ended 30 June 2024, increased its working interest in the project (through incorporated joint venture company Valence Resources LLC (Valence)) by 5.5%, bringing the Company's current total project working interest to 83%.
- The Company has the right to earn an additional 7.5% working interest, by facilitating/contributing the first US\$1.5 million to a third Red Helium project well.
- The horst region of the Red Helium project 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 (permitted) is planned as an up-dip twin of Gulf Unit-2 which has proven gas/reservoir in the Leadville and McCracken formations.
- Jesse-3 (permitted) is planned as an up-dip twin to Redd-1, with proven gas/reservoir in the Leadville, and gas on logs to the base of the McCracken.

¹ ASX Announcement 27 May 2024 – Grand Gulf Increases Interest in Red Helium Project.

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PROJECTS REVIEW

Red Helium Project Drill Permit Secured²

- 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.

Helium Offtake Agreement Secured³

- Gas Sales & Processing Agreement (GSPA, Offtake) executed with Green Natural Gas LLC (GNG), new owners of the advanced Lisbon Helium Processing Plant located 20 miles north of the Red Helium Project.
- GSPA provides the opportunity to monetize a successful well, providing near-term cashflow with minimal time and CAPEX.
- The Lisbon facility includes a liquefaction train capable of generating 99.9995% purity helium suitable for the lucrative and premium-pricing semi-conductor, defence and space industries.
- The key terms of the GSPA include an industry-standard revenue split in favour of the producer (GGE) as well as standard tariffs for gathering and processing, including access to helium liquefaction and associated premium-grade helium markets and prices.

Jesse-1A Side-track Design updated

- Walsh Engineering and Production (Walsh Engineering) has continued to refine the Jesse-1A side-track design.
- The well is designed to maximize success by evaluating multiple deeper formations known for helium production, including the highly promising Devonian McCracken Sandstone.
- Additionally, the casing and perforation strategy ensures complete zonal isolation, enabling targeted stimulation to enhance gas production from the Leadville formation.

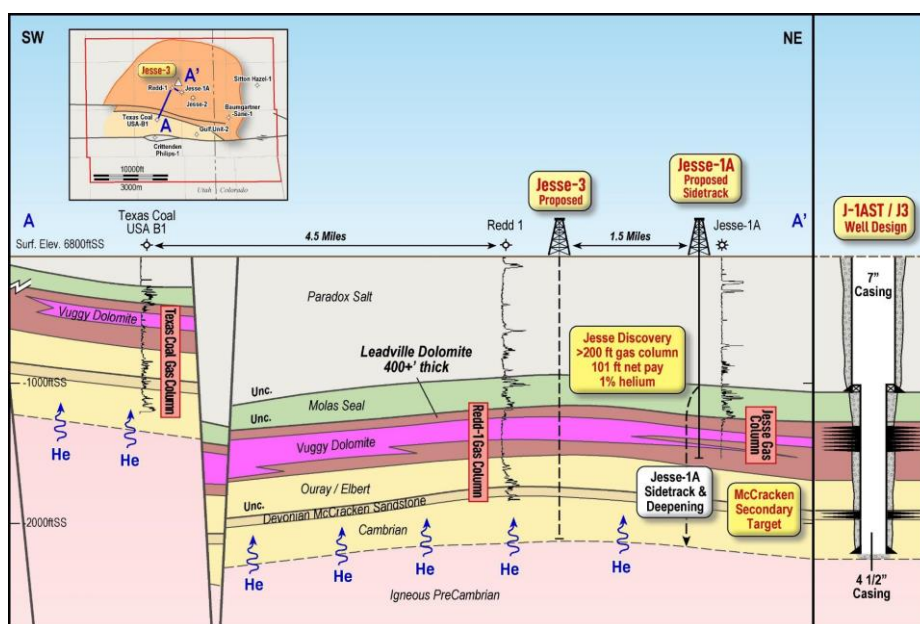


Figure 1: Stylised cross-section showing primary Leadville primary target and the independent secondary McCracken target, one of multiple prospective deeper formations to be interrogated that produce in the region, with the planned reservoir completion design for the Jesse-1A side-track & deepening, and the Jesse-3 new drill.

² ASX Announcement 6 August 2024 – Red Helium Project Drill Permit Secured.

³ ASX Announcement 8 July 2024 – Helium Offtake Agreement Secured.

PROJECTS REVIEW

About the Red Helium Project:

The Red Helium Project provides exposure to the burgeoning helium industry in a prolific proven helium-producing region, the Four Corners Area, that comprises:

- An area of mutual interest (AMI) spanning 250,713 acres with over 20,000 gross acres leased (over 12,000 net acres in private leases / Utah state leases) in drill-friendly Utah in the heart of the most prolific helium-producing region in the world. The Company continues to actively optimize the Red Helium lease position based on maximizing prospectivity using information gained from the wells to date.

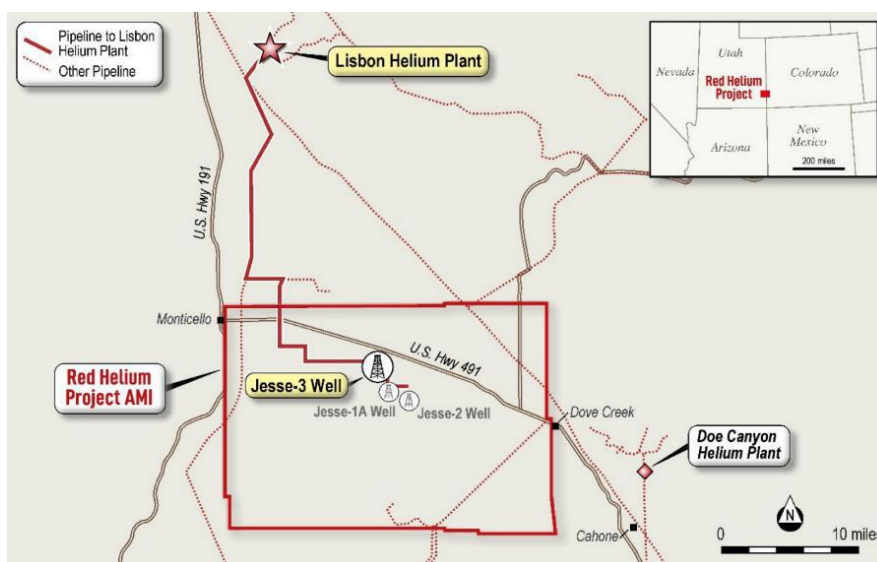


Figure 2: Red Helium Project Area of Mutual Interest (AMI) with existing infrastructure and Jesse drilled and proposed well locations.

- Geologically analogous to Doe Canyon Field. Doe Canyon is situated 15 miles east of the Red Helium project and is currently producing approximately 10,700,000 cubic feet of helium per month, the bulk of which comes from only 7 wells. Air Products (market cap US\$70b) is processing the helium, and it is anticipated that Doe Canyon will ultimately produce 3-5 billion cubic feet of helium. With additional drilling, this resource figure could increase;
- The Company has acquired and reprocessed 315 km of well-placed 2D seismic identifying multiple drill targets – and confirming a structural trap 4-5 times larger than the Doe Canyon Field;
- Six historic wells exclusively targeting hydrocarbons were drilled within the project AMI, proving trap, seal, reservoir presence and gas charge and a working helium system, to differing degrees within each prospect. Several wells tested non-flammable gas, the only two analysed for helium confirmed helium presence; and
- The project is located 20 miles south of and connected by pipeline to the operational Lisbon Helium Plant (99.9995% purity).

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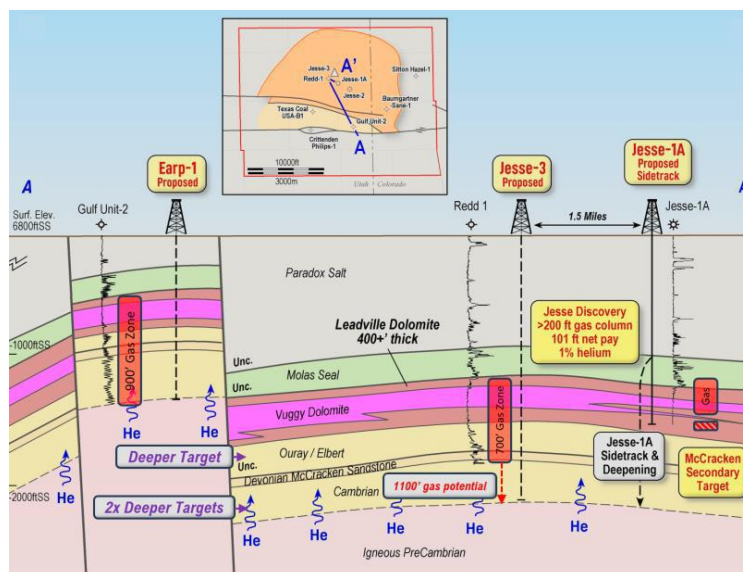


Figure 3: Stylised cross-section showing the Jesse-1A discovery well, the proposed Jesse-3 (up-dip twin to Redd-1) and Earp-1 (up-dip twin to Gulf Unit-2) locations, and the Jesse-1A discovery well and proposed sidetrack.

The Company continues to mature the project, including the following milestones:

- Prospective gross project un-risked P50 helium resource evaluation of 12.7 billion cubic feet of helium;
- Jesse discovery (Jesse-1A), generally exceeding pre-drill expectations and highlights including:
 - Helium grade of up to 1%. An analogous Doe Canyon well at 1% helium and a raw gas rate of 20 million cubic feet per day would produce 200 thousand cubic feet of helium per day;
 - Productive and well-pressured reservoir at 2465 psi on trend with virgin pressure at the neighbouring Doe Canyon;
 - Independent Auditor confirms Jesse helium discovery and meets criteria for maturation from Prospective to Contingent Resource category with:
 - over 200 feet of gross gas column; and
 - 101 feet of net pay;
- Drilled Jesse-2 flowing up to 0.9% helium to surface confirming a helium discovery in the Jesse Field and extended the proven helium play fairway following a significant 1.5 mile step-out from the Jesse-1A well.
- Strategic Alliance to expand on the Offtake terms and exploit the corporate synergies with Paradox;
- Drilled Jesse-2 flowing up to 0.9% helium to surface confirming a helium discovery in the Jesse Field and extended the proven helium play fairway following a significant 1.5 mile step-out from the Jesse-1A well.
- Matured two new drill locations on the Jesse structure and multiple prospects independent of Jesse, including the drill-ready Earp prospect, with plans to drill a third helium well; and
- Increased Working Interest in the Red Helium Project to 83% with a right to earn 90.5%;

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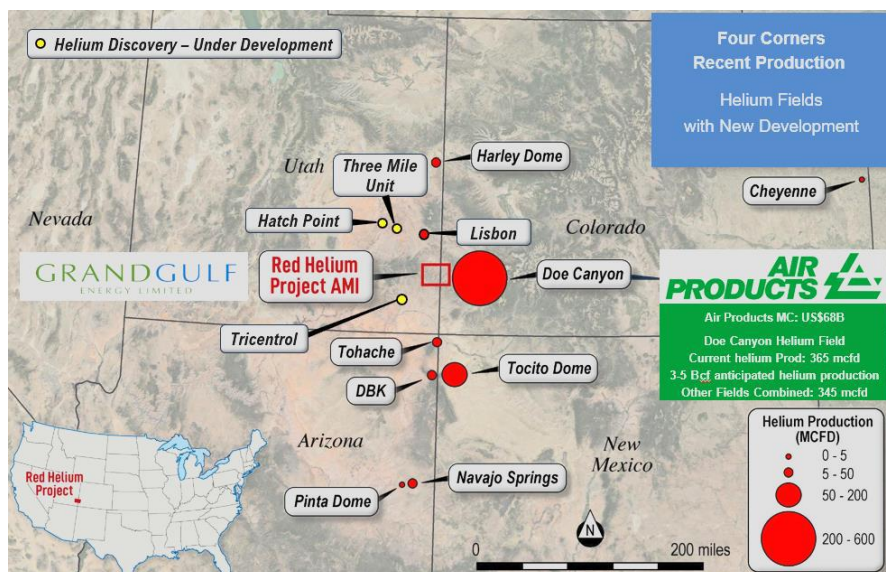


Figure 4: Four Corners' new helium production and recent helium discoveries under development

PROJECTS REVIEW

Helium Offtake Agreement (“Offtake”):

- Binding offtake executed with Green Natural Gas LLC (GNG), new owners of the advanced Lisbon Helium Processing Plant (“**Lisbon**”). The Gas Sales & Processing Agreement (GSPA, Offtake) allows near-immediate monetisation of a successful case well to monetized with minimal time and Capex.⁴ The Red Helium project is 20 miles south of and connected by pipeline to the operational Lisbon Helium Plant.
- The GSPA represents recognition of the significant potential of the Red Helium Project and forms a relationship with a proven helium refiner and seller with deep helium processing and marketing experience. The key terms of the GSPA include an industry-standard revenue split in favour of the producer (GGE) as well as standard tariffs for gathering and processing, including access to helium liquefaction and associated premium-grade helium markets and prices.
- The advanced Lisbon Valley Gas Plant is comprised of a 60 million cubic feet per day (mmcf) treating plant with a 45 mmcf cryogenic plant capable of liquefaction of 0.5 mmcf of high purity 99.9995% (5 ½ Nines) helium, that attracts premium pricing for advanced applications such as semiconductor, medical, research, space and defence industries. The plant has the capacity for another 0.6 mmcf of purified ~99.989% gaseous helium currently sold to multiple suppliers and direct to downstream retail consumers via a logistics arm comprising precisely engineered specialist tube trailers.



Figure 5: “5.5 Nines” Lisbon Valley Gas Processing Plant.

⁴ ASX Announcement 8 July 2024 – Helium Offtake Agreement Secured.

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Prospective Helium Resource

Table 1 - Valence Combined Leadville / McCracken Prospective Resources

Recoverable Helium	1U (P90) (BCF)	2U (P50) (BCF)	3U (P10) (BCF)
Gross to Valence - (28,046 gross acres)	8.1	12.7	17.6
Net to Valence - (18,959 net acres)	5.6	8.7	11.7
Net to GGE - (earning 90.5% of net Valence)	5.1	7.9	10.6
Red Project Total (Jesse McCracken)	9.3	25.7	71.1

Table 2 - Valence Mississippian Leadville Prospective Resources⁵

Recoverable Helium	1U (P90) (BCF)	2U (P50) (BCF)	3U (P10) (BCF)
Gross to Valence - (28,046 gross acres)	7.6	10.9	12.9
Net to Valence - (18,959 net acres)	5.2	7.4	8.5
Net to GGE - (earning 90.5% of net Valence)	4.7	6.7	7.7
Red Project Total	7.9	20.8	57.6

PROJECTS REVIEW

Table 3 - Valence Devonian McCracken Prospective Resources

Recoverable Helium	1U (P90) (BCF)	2U (P50) (BCF)	Mean (BCF)	3U (P10) (BCF)
Gross to Valence - (19,508 gross acres)	0.5	1.8	2.3	4.7
Net to Valence - (13,336 net acres)	0.4	1.3	1.6	3.2
Net to GGE - (earning 85% of net Valence)	0.4	1.2	1.4	2.9
Red Project Total (Jesse McCracken)	1.4	4.9	6.3	13.5

The estimated quantities of helium that may potentially be recovered by the application of a future development project relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal is required to determine the existence of a significant quantity of potentially moveable helium.

⁵ The Prospective Resource evaluations of the Leadville (Sproule, ASX 8 December 2021) and the McCracken (GGE verified by Sproule, 22 June 2023) are both done under the SPE-PRMS Guidance and the GGE McCracken methodology has been reviewed by Sproule. The resource numbers that are disclosed are from two separate reports and have been combined to generate Table 2. 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.

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GGE now has an 83% interest in Valence with a right to secure a further 7.5% interest (total of 90.5%) on the following terms:

Earning 85% of Valence Resources	Max Commitment Spend	Cumulative Interest
Current Working Interest		83%
Drilling third well	US\$1.5M	90.5%

Notes on Table 1

Note 1: The Prospective Resource evaluations of the Leadville (from Sproule) and the McCracken (from GGE) are both done under the SPE-PRMS Guidance and the GGE McCracken methodology has been reviewed by Sproule. The resource numbers that are disclosed are from two separate reports and have been combined to generate Table 1 in this press release.

Note 2: Table 1 is generated by arithmetic summing of Table 2 and Table 3.

Notes on Table 3

Note 1: The resource estimates have been prepared using the probabilistic method and are presented on an unrisks basis. In a probabilistic resource distribution, 1U (P90), 2U (P50), and 3U (P10) estimates represent the 90% probability, 50% probability and 10% probability respectively that the quantity recovered will equal or exceed the estimate assuming a success case in the prospect. The mean is the average of the generated probability distribution.

Note 2: The resource estimates provided have an effective date of 10th June 2023.

Note 3: GGE has the right to earn 85% of the incorporated joint venture company Valence Resources LLC (Valence) by drilling a third well at the Red Helium Project.

Note 4: The Red Project comprises private and Utah State leases as described in Schedule A.

Note 5: Resources have been calculated as those helium volumes that the entity is allowed to lift and sell on behalf of the royalty owner.

Note 6: The totals shown are for the Jesse McCracken closure as described in the Methodology section of Schedule A.

Note 7: Red Project Total incorporates the entire Red Helium Jesse closure for the McCracken.

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PRODUCTION SUMMARY

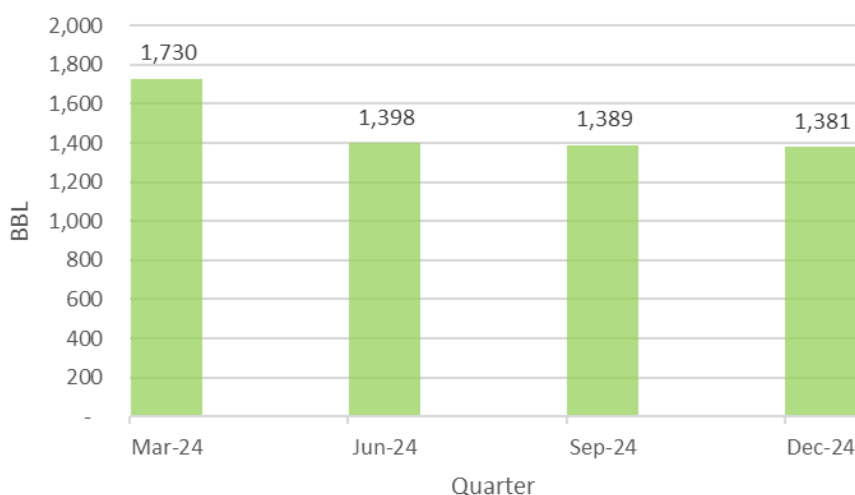
US Producing Oil & Gas Summary:

Total Grand Gulf Working Interest Quarterly Oil Production⁶

	Mar-24	Jun-24	Sep-24	Dec-24
Oil (bbls)	4,314	3,485	3,462	3,443

			Quarterly Bo		Daily Bo	
	Working Interest (WI)	Parish	Gross	GGE WI	Gross	GGE WI
Desiree Field	39.65%	Assumption	3,443	1,381	38	15

Quarterly GGE WI Oil Production



Desiree Field

Desiree, Assumption Parish, Louisiana, Non-Operator 39.65% Working Interest

The Hensarling #1 well (Desiree Field) produced a total of 3,443 barrels of oil in the Dec 24 quarter with 1,381 barrels of working interest oil to GGE.

As of 30 June 2024, the 3P reserves attributed to the Cris RII and RI sands ~107,000 bbls net to GGE.⁷

Reserves and Resources Net to Grand Gulf as of 30 June 2024 ⁸			Oil		
			MBBL	MMBBL	MBBL
Reserves		NRI	1P	2P	3P
Desiree		30.96%	32	91	107
Total Reserves		30.96%	32	91	107
Contingent Resource		NRI	1C	2C	3C
Desiree		30.96%	0	0	0
Total Resources		30.96%	0	0	0
Total Reserves and Resources			32	91	107

⁶ Grand Gulf is entitled to its Working Interest (WI) share after royalty payment to the oil and gas mineral rights owners. Historical production corrected for updated WI calculation.

⁷ Reserves calculated on a Net Revenue Interest (NRI) Basis.

⁸ Based on 30 June 2023 reserves estimate, accounting for FY24 production. The information contained in these statements has been compiled by Kevin James Kenning, Registered P.E. State of Texas #77656, who is a consultant of the Company, is qualified in accordance with ASX listing rule 5.11 and has consented to the publication of this report.

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BUSINESS DEVELOPMENT

Throughout the half year, the Company made strides in advancing a potential farm-out agreement for the Red Helium Project. If successfully secured, such an agreement would provide the necessary funding to drill the next well in exchange for a share of the project's ownership. While discussions are ongoing, there is no guarantee that mutually acceptable terms will be reached or that a deal will be finalized. However, management remains dedicated to exploring this opportunity, recognizing its potential to accelerate development and enhance the project's long-term value.

Additionally, both during and after the half year, the Company has actively evaluated and pursued strategic acquisitions in the helium and oil and gas sectors. With a focused and disciplined approach, Grand Gulf Energy is engaged in multiple discussions across various projects that align with its growth strategy. These ongoing efforts underscore the Company's commitment to expanding and diversifying its asset portfolio while strengthening its position within the energy industry.

Forward-Looking Statements

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.

Competent Persons Statement

The oil & gas information in this report has been reviewed and signed off by Kevin Kenning (Registered Reservoir Engineer, Registered P.E. State of Texas #77656) with over 38 years of relevant experience within oil and gas sector, who is a consultant of the Company, is qualified by ASX listing rule 5.11 and has consented to the publication of this report.

The helium information in this report is based on information compiled or reviewed by Sproule Energy Consulting ("Sproule") and Mr Keith Martens. Sproule is an independent resources and reserves certification specialist and is considered the world's leading helium evaluator. 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 in 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.

Oil and Gas Glossary

Abbreviation	Abbreviation meaning	Abbreviation	Abbreviation meaning
1P	proved reserves	A\$ or AUD	Australian dollars
2P	proved plus Probable reserves	US\$ or USD	United States dollars
3P	proved plus Probable plus Possible reserves	Q1	the first quarter ended September 30 th
bbl or bbls	barrel of oil	Q2	the second quarter ended December 31 st
boe	barrel of oil equivalent (1 bbl = 6 Mcf)	Q3	the third quarter ended March 31 st
d	suffix – per day	Q4	fourth quarter ended June 30 th
GJ	gigajoules	YTD	year-to-date
bbl	thousands of barrels	YE	year-end
more	thousands of barrels of oil equivalent	H1	six months ended June 30 th
Mcf	thousand cubic feet	H2	six months ended December 31 st
MMcf	million cubic feet	B	Prefix – Billions
PDP	proved developed producing reserves	MM	Prefix - Millions
PUD	Proved Undeveloped Producing	M	Prefix - Thousands
C	Contingent Resources – 1C/2C/3C – low/most likely/high	/d	Suffix – per day
Net	Working Interest after Deduction of Royalty Interests	bbl	Barrel of Oil
NPV (10)	Net Present Value (discount rate), before income tax	boe	Barrel of Oil Equivalent (1bbl = 6 mscf)
EUR	Estimated Ultimate Recovery per well	scf	Standard Cubic Foot of Gas
WTI	West Texas Intermediate Oil Benchmark Price	Bcf	Billion Standard Cubic Foot of Gas
LLS	Louisiana Light Oil Benchmark Price	CY	Calendar Year
1P or 1P	Total Proved	OCF	Operating Cash Flow, ex Capex
2P or 2P	Total Proved plus Probable Reserves	E	Estimate
3P	Total Proved plus Probable plus Possible Reserves	Net Acres	Working Interest
EBITDA	Earnings before interest, tax, depreciation, depletion and amortisation		

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CORPORATE

Dane Lance resigned on 22 October 2024 (effective 22 January 2025 with three months' notice) and Mr. Yann Cherruau was appointed as Non-Executive Director effective from 31 October 2024.

On 29 August 2024 the Company completed a A\$1m Placement to professional and sophisticated investors via 2 tranches. A total of 250,000,000 new shares were placed at an issue price of \$0.004 per Share along with 62,500,000 attaching Options to Placement investors on a 1 for every 4 basis.

The Company also undertook a 1 for 8 pro-rata non-renounceable rights issue raising \$420,561 on the same terms as the Placement (Rights Issue). On 19 September 2024, the Company issued 105,140,121 shares at \$0.004 per share and 26,284,977 options pursuant to the Rights Issue.

50,000,000 Broker options forming part of the capital arrangement exercisable at \$0.012c per share expiring 19/9/2027 were also issued. 60,000,000 options over shares expired during the period.

Capital Structure and Financial Snapshot

Ordinary Shares	2,450 million	Performance Shares	100 million
Performance Rights	70 million	Unlisted Options	234 million
Share Price at 31/12/24	1.05 cents	Listed Options	328 million
Cash Reserves @ 31/12/24	\$759,273	Market Capitalisation	\$4.9 million

EVENTS OCCURRING AFTER THE REPORTING PERIOD

Other than the matters highlighted in the Review of Operations, no other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

AUDITOR'S DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 13 of the financial statements for the half year ended 31 December 2024.

This report is signed in accordance with a resolution of the Board of Directors.

Dated 10 March 2025



Fergus Kiley
Director

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the directors of Grand Gulf Energy Limited

As lead auditor for the review of Grand Gulf Energy Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Grand Gulf Energy Limited and the entities it controlled during the period.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 10th day of March 2025

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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	Note	31 December 2024 \$	31 December 2023 \$
Revenue	3	182,995	263,362
Cost of sales		(37,730)	(289,362)
Expected credit losses	5	(226,092)	-
Amortisation of oil and gas properties		-	(20,233)
Oil and gas property impairment		-	(426,457)
Employee benefits expense		(212,926)	(159,527)
Share-based payments		-	(160,000)
Professional and statutory fees	4	(416,647)	(458,833)
Corporate office expenses		(38,367)	(74,907)
Loss before income tax		(748,767)	(1,325,957)
Income tax expense		-	(20,070)
Loss for the half year		(748,767)	(1,346,027)
Other comprehensive income/(loss)			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign entities		634,982	(313,465)
Total comprehensive loss for the half year		(113,785)	(1,659,492)
Loss for the half-year attributable to:			
Owners of the parent		(745,643)	(1,317,819)
Non-controlling interest		(3,124)	(28,208)
		(748,767)	(1,346,027)
Total comprehensive loss for the half year:			
Owners of the parent		(106,622)	(1,631,284)
Non-controlling interest		(7,163)	(28,208)
		(113,785)	(1,659,492)
		Cents	Cents
Loss per share attributable to the owners of Grand Gulf Energy Limited			
Basic loss per share		(0.03)	(0.07)
Diluted loss per share		(0.03)	(0.07)

The Consolidated Statement of Profit or Loss and other Comprehensive Income is to be read in conjunction with the notes to the Consolidated Statements

GRAND GULF ENERGY LIMITED
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CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note	31 December 2024 \$	30 June 2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents		759,273	267,316
Trade and other receivables	5	243,699	440,915
Other assets		101,780	96,701
Total Current Assets		<u>1,104,752</u>	<u>804,932</u>
Non-Current Assets			
Exploration, evaluation and development assets	6	24,034,341	23,208,450
Oil and gas properties	7	-	-
Total Non-Current Assets		<u>24,034,341</u>	<u>23,208,450</u>
Total Assets		<u>25,139,093</u>	<u>24,013,382</u>
LIABILITIES			
Current Liabilities			
Trade and other payables		494,797	602,558
Total Current Liabilities		<u>494,797</u>	<u>602,558</u>
Non-Current Liabilities			
Restoration provisions		326,719	306,644
Total Non-Current Liabilities		<u>326,719</u>	<u>306,644</u>
Total Liabilities		<u>821,516</u>	<u>909,202</u>
Net Assets		<u>24,317,577</u>	<u>23,104,180</u>
Equity			
Contributed equity	8	76,740,142	75,583,921
Reserves	9	10,761,002	9,951,020
Accumulated losses		(66,333,332)	(65,587,689)
Total equity attributable to members of the Company		<u>21,167,812</u>	<u>19,947,252</u>
Non-controlling interests		3,149,765	3,156,928
Total Equity		<u>24,317,577</u>	<u>23,104,180</u>

*The Consolidated Statement of Financial Position is to be read in conjunction
with the notes to the Consolidated Financial Statements*

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2024**

	Contributed Equity \$	Options Reserve \$	Foreign Currency Translation Reserve \$	Other Equity \$	Accumulated Losses \$	Owners of the Parent \$	Non-controlling Interest \$	Total \$
Balance at 01.07.2024	75,583,921	5,843,127	3,498,006	609,887	(65,587,689)	19,947,252	3,156,928	23,104,180
Loss for the half year	-	-	-	-	(745,643)	(745,643)	(3,124)	(748,767)
Other comprehensive income	-	-	634,982	-	-	634,982	(4,039)	630,943
Total comprehensive loss for the half year	-	-	634,982	-	(745,643)	(110,661)	(7,163)	(117,824)
Transactions with owners in their capacity as owners:								
Share placement	1,420,561	-	-	-	-	1,420,561	-	1,420,561
Capital raising costs	(264,340)	175,000	-	-	-	(89,340)	-	(89,340)
Balance at 31.12.2024	76,740,142	6,018,127	4,132,988	609,887	(66,333,332)	21,167,812	3,149,765	24,317,577
Balance at 01.07.2023	72,737,233	5,553,127	3,511,475	323,979	(63,815,512)	18,310,302	3,486,590	21,796,892
Loss for the half year	-	-	-	-	(1,317,819)	(1,317,819)	(28,208)	(1,346,027)
Other comprehensive income	-	-	(313,465)	-	-	(313,465)	-	(313,465)
Total comprehensive loss for the half year	-	-	(313,465)	-	(1,317,819)	(1,631,284)	(28,208)	(1,659,492)
Transactions with owners in their capacity as owners:								
Share placement	3,200,000	-	-	-	-	3,200,000	-	3,200,000
Capital raising costs	(503,312)	280,000	-	-	-	(223,312)	-	(223,312)
Share-based payments	150,000	10,000	-	-	-	160,000	-	160,000
Balance at 31.12.2023	75,583,921	5,843,127	3,198,010	323,979	(65,133,331)	19,815,706	3,458,382	23,274,088

The Consolidated Statement of Changes in Equity is to be read in conjunction with the notes to the Consolidated Financial Statements

GRAND GULF ENERGY LIMITED
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FOR THE HALF YEAR ENDED 31 DECEMBER 2024

	Note	31 December 2024 \$	31 December 2023 \$
Cash flows from operating activities			
Proceeds from sales		154,119	263,362
Payments to suppliers and employees		(812,296)	(554,852)
Production costs		(37,730)	(215,410)
Tax expenses		-	(20,070)
Net cash outflow from operating activities		<u>(695,907)</u>	<u>(526,970)</u>
Cash flows from investing activities			
Payments for exploration activities		(145,756)	(2,143,000)
Net cash outflow from investing activities		<u>(145,756)</u>	<u>(2,143,000)</u>
Cash flows from financing activities			
Share placement (net of capital raising costs)		1,331,221	2,976,688
Net cash inflow from financing activities		<u>1,331,221</u>	<u>2,976,688</u>
Net increase in cash held		<u>489,558</u>	<u>306,718</u>
Cash and cash equivalents held at beginning of the half-year		267,316	1,223,552
Effect of exchange rate changes on cash and cash equivalents		2,399	(2,848)
Cash and cash equivalents at end of the half year		<u>759,273</u>	<u>1,527,422</u>

*The Consolidated Statement of Cash Flows is to be read in conjunction with
the notes to the Consolidated Financial Statements*

GRAND GULF ENERGY LIMITED
ABN 22 073 653 175
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION OF HALF YEAR FINANCIAL REPORT

(a) Reporting entity

Grand Gulf Energy Limited (the "Company") is a Company domiciled in Australia. The consolidated interim financial statements of the Company as at and for the half year ended 31 December 2024 comprise the Company and its controlled entities (together referred to as the "Group").

The consolidated financial statements of the Group as at and for the year ended 30 June 2024 are available upon request at www.grandgulfenergy.com.

(b) Statement of Compliance

These consolidated interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 30 June 2024.

These consolidated interim financial statements were approved by the Board of Directors on 10 March 2025.

(c) Basis of Preparation

The consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the consolidated entity's 2024 annual financial report for the financial year ended 30 June 2024. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

(d) Going Concern

For the six-month period ended 31 December 2024, the Group made a net loss of \$748,767 (six-month period ended 2023: \$1,346,027) and had cash outflows from operating activities of \$695,907 (2023: cash outflows of \$526,970).

Management has prepared a cash flow forecast which projects a positive cash balance as the end of March 2026 whereby the ability of the Group to maintain continuity of business activities and to pay its liabilities as and when they fall due is dependent on its ability to successfully raise additional capital and manage its expenditure. These circumstances give rise to the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business.

The financial report does not include any adjustments relating to the recoverability and classification of recorded assets amount of liabilities that might be necessary should the Group not continue as a going concern.

After considering the above factors, the Directors consider it appropriate to prepare the financial report on the going concern basis.

GRAND GULF ENERGY LIMITED
ABN 22 073 653 175
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

1. BASIS OF PREPARATION OF HALF YEAR FINANCIAL REPORT (continued)

(e) Adoption of new and revised Accounting Standards

For the half-year ended 31 December 2024, the Group has reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2024 and determined that their application to the financial statements is either not relevant or not material.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. SEGMENT REPORTING

Management has determined, based on reports reviewed by the Board of Directors that are used to make strategic decisions, that the Group has one reportable segment being oil and gas production and exploration.

The Board of Directors review internal management reports on a regular basis which reflect the information provided in the half year financial statements.

GRAND GULF ENERGY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. REVENUE FROM SALES

	31 December 2024	31 December 2023
	\$	\$
Oil & gas sales	182,995	263,362
Total revenue from sales	182,995	263,362

4. PROFESSIONAL AND STATUTORY FEES

	31 December 2024	31 December 2023
	\$	\$
Business development	171,928	-
Consultancy fees	125,929	285,093
Audit, ASX and share registry fees	113,722	114,855
Others	5,068	58,885
Total professional and statutory fees	416,647	458,833

5. TRADE AND OTHER RECEIVABLES

	31 December 2024	30 June 2024
	\$	\$
Trade receivables	452,183	424,441
Provision for expected credit losses	(226,092)	-
GST receivable	17,608	16,474
Total trade and other receivables	243,699	440,915

6. EXPLORATION, EVALUATION AND DEVELOPMENT ASSETS

	31 December 2024	30 June 2024
	\$	\$
Red Helium project costs	24,034,341	23,208,450
Provision for impairment	-	-
Total exploration, evaluation and development assets	24,034,341	23,208,450
Carrying amount at beginning of period	23,208,450	20,949,139
Expenditure during the period	147,433	2,240,335
Foreign exchange difference	678,458	18,976
Carrying amount at end of period	24,034,341	23,208,450

GRAND GULF ENERGY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. OIL AND GAS PROPERTIES

	31 December 2024	30 June 2024
	\$	\$
Producing oil & gas assets	8,156,505	8,117,727
Provision for impairment and amortisation	(8,156,505)	(8,117,727)
	<u>-</u>	<u>-</u>
Carrying amount at beginning of period	-	394,679
Foreign exchange difference	-	29,822
Impairment	-	(424,501)
Carrying amount at end of period	<u>-</u>	<u>-</u>

The Group has fully impaired its Desiree (Hensarling #1) well in the year ended 30 June 2024.

8. CONTRIBUTED EQUITY

	31 December 2024	30 June 2024	31 December 2024	30 June 2024
	No.	No.	\$	\$
Balance brought forward at the beginning of the period	2,095,247,028	1,675,247,028	75,583,921	72,737,233
Placement 29 August 2024 (i)	250,000,000	-	1,000,000	-
Rights issue 19 September 2024 (ii)	105,140,121	-	420,561	-
Placement August 23 (iii)	-	400,000,000	-	3,200,000
Shares issued to a vendor (iv)	-	20,000,000	-	150,000
Share issue costs	-	-	(264,340)	(503,312)
Balance carried forward at the end of the period	<u>2,450,387,149</u>	<u>2,095,247,028</u>	<u>76,740,142</u>	<u>75,583,921</u>

- (i) On 29 August 2024, the Company completed a Placement of 250,000,000 shares to sophisticated and professional investors at \$0.004 cents per share along with 62,500,000 free attaching option for every 4 shares with an exercise price of \$0.012 and a three-year term from date of issue.
- (ii) The Company undertook a 1 for 8 pro-rata non-renounceable rights issue raising \$420,561 on the same terms as the Placement (Rights Issue). On 19 September 2024, the Company issued 105,140,121 shares at \$0.004 per share and 26,284,977 options pursuant to the Rights Issue.
- (iii) In August 2023, the Company conducted a placement to professional and sophisticated investors via 2 tranches. A total of 400,000,000 new shares were placed at an issue price of \$0.008 per share along with free-attaching options on a 1 for every 4 basis.
- (iv) In October 2023, 20,000,000 shares at an issue price of \$0.008 and 5,000,000 options were issued to a vendor, S3 Consortium Pty Ltd pursuant to a digital marketing mandate signed on 5 September 2023.

GRAND GULF ENERGY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

9. RESERVES

	31 December 2024 \$	30 June 2024 \$
Share-based payment reserve		
Balance at the beginning of the period	5,166,327	4,876,327
Share-based payments - share issue costs	175,000	280,000
Share-based payments to a vendor	-	10,000
Balance at the end of the period	<u>5,341,327</u>	<u>5,166,327</u>
Option premium reserve		
Balance at the beginning and end of the period	<u>676,800</u>	<u>676,800</u>
Foreign currency translation reserve		
Balance at the beginning of the period	3,498,006	3,511,475
Gain on translation of foreign controlled entities	634,982	(13,469)
Balance at the end of the period	<u>4,132,988</u>	<u>3,498,006</u>
Other equity		
Balance at the beginning and end of the period	<u>609,887</u>	<u>609,887</u>
Total reserves	<u>10,761,002</u>	<u>9,951,020</u>

10. SHARE-BASED PAYMENTS

On 29 August 2024, the Company completed a Share Placement to issue 250,000,000 shares to sophisticated and professional investors at \$0.004 cents per share. As part of the fees for the capital arrangement, the Company issued 50,000,000 to the lead manager of the Placement, CPS Capital Group Pty Ltd (Lead Manager Options).

The fair value of the Lead Manager Options issued is estimated as at the date of grant using a Black-Scholes option valuation model taking into account the terms and conditions upon which the unlisted options were granted.

The table below lists the inputs to the valuation model used for the options granted in the current period:

Options	Lead Manager Options
Number issued	50,000,000
Grant date	29 August 24
Expiry date	19 September 27
Expected life	3 years
Exercise price	\$0.012
Share price at grant date	\$0.005
Risk free rate	3.58%
Volatility	146%
Dividend yield	0%
Fair value at grant date per option	\$0.0035
Fair value issued	\$175,000

The Lead Manager and broker options vested immediately on grant date. The options were valued at \$175,000 with the share-based payment expense included in share issue costs.

GRAND GULF ENERGY LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. CONTINGENCIES

There have been no changes to contingent assets or liabilities since 30 June 2024.

12. RELATED PARTIES

Other than key management personnel remuneration, there were no other changes to transactions with key management personnel during the period.

13. COMMITMENTS

There have been no changes to the commitments, from those disclosed in the 30 June 2024 financial statements.

14. DIVIDENDS

No dividends have been paid or proposed during the financial period.

15. EVENTS SUBSEQUENT TO REPORTING DATE

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

GRAND GULF ENERGY LIMITED
ABN 22 073 653 175
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 13 to 23 are in accordance with the *Corporations Act 2001*:
 - a. give a true and fair view of the consolidated entity's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
 - b. comply with Accounting Standard AASB 134 *Interim Financial Reporting*, *Corporations Regulations 2001* and other mandatory professional reporting requirements.
 - c. there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the Directors



Fergus Kiley
Director

Perth, 10 March 2025

Independent auditor's review report to the members of Grand Gulf Energy Limited

Report on the half-year financial report



Our conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Grand Gulf Energy Limited (the Company), and its subsidiaries (the Group) does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the half-year then ended; and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

What was reviewed?

We have reviewed the accompanying half-year financial report of the Group, which comprises:

- the consolidated statement of financial position as at 31 December 2024,
- the consolidated statement of profit or loss and other comprehensive income for the half-year then ended,
- the consolidated statement of changes in equity for the half-year then ended,
- the consolidated statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's responsibilities for the review of the financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material uncertainty related to going concern

We draw attention to Note 1(d) in the half-year financial report, which indicates that the Group incurred a net loss of \$748,767 and net operating cash out flows of \$695,907 during the half-year ended 31 December 2024. As stated in Note 1(d) these events or conditions, along with other matters set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our review conclusion is not modified in respect of this matter.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

William Buck

William Buck Audit (WA) Pty Ltd
ABN 67 125 012 124

Amar Nathwani

Amar Nathwani
Director

Dated this 10th day of March 2025