



ABN 22 073 653 175

Annual Report

for the financial year ended

30 June 2025

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CORPORATE DIRECTORY

FOR THE YEAR ENDED 30 JUNE 2025

DIRECTORS

Mr Keith Martens – Chairman
Mr Fergus Kiley – Non-Executive Director
Mr Yann Cherruau – Non-Executive Director

COMPANY SECRETARY

Mr Lloyd Flint

REGISTERED AND PRINCIPAL OFFICE

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ASX CODE

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GGEOA

ABN

22 073 653 175

DIRECTORS' REPORT

Your Directors submit the financial report of the consolidated entity (**Company, Group or GGE**) for the year ended 30 June 2025.

DIRECTORS

The names of Directors who held office during or since the end of the year are:

Mr Keith Martens	<i>Technical Director and Chairman</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 (appointed 24 April 2024)</i>
Mr Yann Cherruau	<i>Non-Executive Director (appointed on 31 October 2024)</i>

OPERATING RESULT

The Group incurred an operating loss after income tax for the year ended 30 June 2025 of \$840,468 (30 June 2024: \$1,815,931).

The Directors believe the Group is in a sound financial position to continue its exploration and development endeavours.

PRINCIPAL ACTIVITIES AND REVIEW OF OPERATIONS

Grand Gulf Energy Operations review:

During the year ending 30 June 2025, Grand Gulf Energy Ltd ("Grand Gulf" or the "Company") was focused on advancing its Red Helium project located in south-eastern Utah, in the prolific, proven helium-producing Four Corners area of the US.

Grand Gulf also executed an Option Agreement to acquire a 70% working interest in Block 2312 in the Walvis Basin, offshore Namibia. Offshore Namibia has emerged as an oil exploration hotspot, with global super-majors active in the region, including Shell, Chevron, TotalEnergies, and GALP.

Namibian Offshore Oil

During the year, Grand Gulf executed an Option Agreement to acquire a 70% working interest in Petroleum Exploration Licence (PEL) Block 2312 offshore Namibia (Figure 1) through the acquisition of Wrangel Oil and Gas (see ASX Announcements, 14 April 2025). This agreement represents a significant strategic milestone for the Company, providing entry into one of the most exciting and proven frontier oil and gas provinces globally.

The material terms of the Option Agreement are set out below:

- **Option:** GGE has an exclusive option to acquire 100% of Wrangel (Wrangel Option). Exercise of the Wrangel Option is conditional on the successful award of a PEL on Block 2312 and will expire on the earlier of:
 - 30 days after the successful award of a PEL on Block 2312; and
 - 11 April 2026.
- **Wrangel Option Fee:** GGE agreed to pay the following by way of an option fee for the grant of the Wrangel Option:
 - reimbursement of an option fee of US\$115,000 to TSE by Wrangel for the Project Option (paid); and
 - US\$100,000 in cash or GGE shares (at GGE's election) to TSE (or its nominee).
- On exercise of the Wrangel Option, GGE will own 100% of Wrangel and will be required to fund the exercise of the Project Option, should GGE elect for Wrangel to exercise the Project Option.
- **Wrangel Exercise Price:** On exercise of the Wrangel Option, GGE will pay the following consideration to Wrangel shareholders:
 - A\$150,000 in cash; and
 - 250,000,000 GGE shares

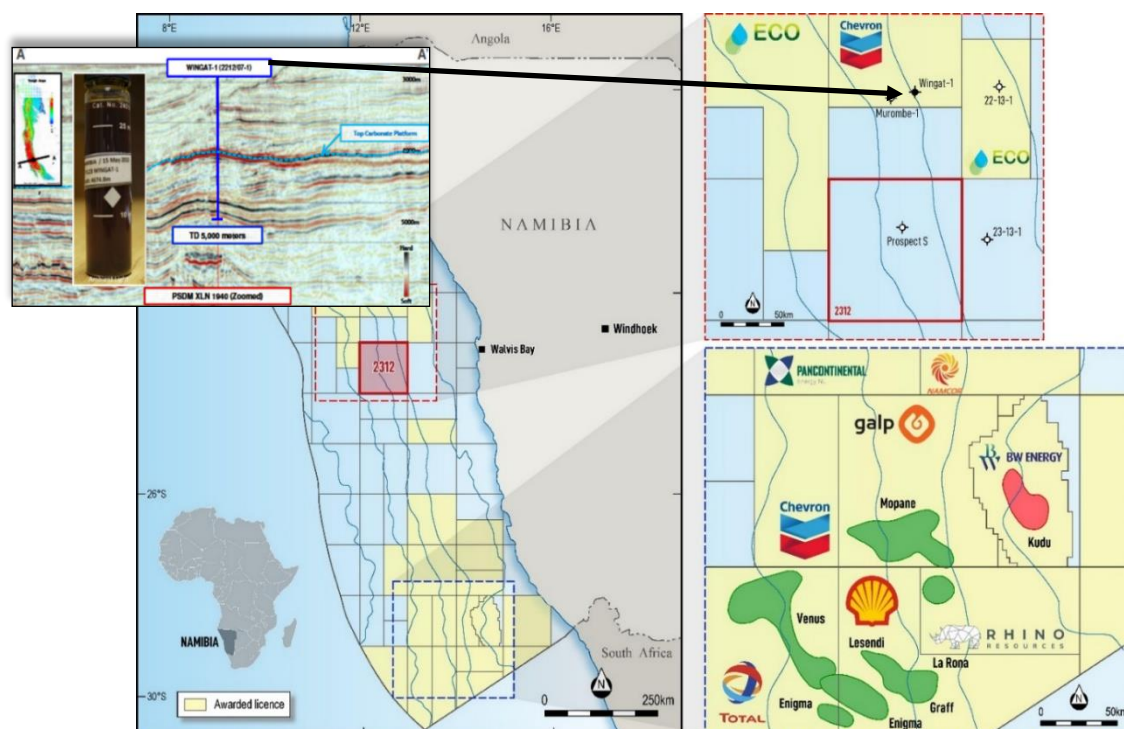


Figure 1 – Block 2312 is located in the Walvis Basin offshore Namibia. The Walvis Basin and the Orange Basin to the south have access to the same Aptian/Albian and Cenomanian/Turonian source rocks

Offshore Namibia has rapidly emerged as a world-class exploration hotspot with over 11 billion barrels discovered¹, following a series of transformational oil discoveries by major companies including Shell, TotalEnergies, Chevron, and Galp. These discoveries have confirmed the region's exceptional petroleum systems and attracted substantial global investment. Grand Gulf's entry into this basin aligns the Company with a region that has quickly become one of the most sought-after exploration addresses globally.

Block 2312 lies within the Walvis Basin and is considered highly prospective given its structural and stratigraphic similarities to blocks where recent giant discoveries have been made. Block 2312 covers an area of 16,800km² in water depths ranging from 1,400m to 2,000m and lies to the south of the Murombe-1 and Wingat-1 wells (Figure 1), which were instrumental in establishing the prospectivity of offshore Namibia. There is a total of approximately 6,100 km² of 3D seismic in the north of the block (Figure 2) and 4,700 line kilometres of 2D seismic with an average line spacing of 8-10km.

¹ [https://www.reuters.com/article/business/energy/namibias-offshore-oil-discoveries-estimated-at-11-bln-barrels-namcor-idUSL8N3A41HS/#:~:text=CAPE%20TOWN%2C%20Aug%2023%20\(Reuters,a%20presentation%20of%20preliminary%20data](https://www.reuters.com/article/business/energy/namibias-offshore-oil-discoveries-estimated-at-11-bln-barrels-namcor-idUSL8N3A41HS/#:~:text=CAPE%20TOWN%2C%20Aug%2023%20(Reuters,a%20presentation%20of%20preliminary%20data)

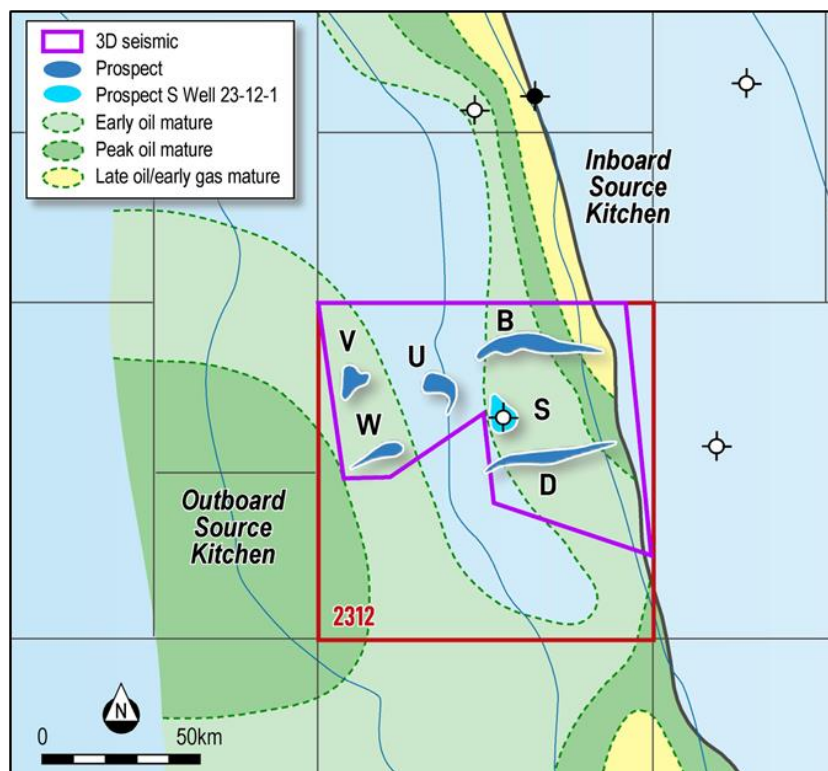


Figure 2 – Established oil prospects on maturity map of Aptian source rock. Indicates the potential charge of Block 2312 prospects from inboard oil kitchen and outboard oil kitchen sources

Crucially, Block 2312 already carries an **independently certified mean prospective resource of approximately 1.1billion barrels of oil equivalent[#]**, providing the Company with a tangible base of discovered resources alongside the broader exploration upside.

An independent audit by Netherland Sewell and Associates Inc. (**NSAI**) — a globally recognised authority in petroleum resource evaluation — estimated the gross mean prospective resources associated with these prospects, as of 5 June 2017, for Chariot Limited²

² Chariot Limited AIM Release of 5 June 2017 'Update on Namibian Blocks 2312 & 2412A' and April 2020 Presentation

REVIEW OF OPERATIONS

FOR THE YEAR ENDED 30 JUNE 2025

Prospect	Interest	Unrisked Prospective Oil Resource (MMBBLs)				Probability of Geologic Success (Pg) ⁺
		Low Estimate 1U	Best Estimate 2U	High Estimate 3U	Mean	
B	Gross (100%)	203	450	818	469	22%
	Net (70%)	142	315	573	328	
V	Gross (100%)	86	302	716	339	24%
	Net (70%)	60	211	501	237	
W	Gross (100%)	75	252	601	284	25%
	Net (70%)	53	176	421	199	
TOTAL MEAN PROSPECTIVE OIL RESOURCE (70% GROSS)					764 [*]	
TOTAL MEAN PROSPECTIVE OIL RESOURCE (100% GROSS)					1,092 [*]	

Table 1 – NSAI prospective oil resource estimate[#] based on 3D seismic data for prospects B, V and W as of 5 June 2017; Chariot Limited release dated 5 July 2017 and April 2020 Presentation

⁺ Probability of geologic success as calculated by NSAI. The calculation pre-dates, and therefore does not incorporate, the recent significant oil and gas discoveries offshore Namibia

^{*} Calculated by arithmetic summation of mean unrisked prospective oil resources for prospects B, V and W

[#] Cautionary Statement: The estimated quantities of oil that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both a risk of discovery and a risk of development. Further exploration, appraisal and evaluation are required to determine the existence of a significant quantity of potentially recoverable hydrocarbons.

This dual exposure to both discovered hydrocarbons and high-impact frontier exploration potential enhances the block's attractiveness and underpins its potential to generate material value.

Namibia itself is recognised as a stable, transparent and investment-friendly jurisdiction, with strong governmental support for the development of its offshore oil and gas industry. Combined with the basin's extraordinary exploration success rate in recent years, these factors make Block 2312 a highly compelling addition to Grand Gulf's portfolio.

The Wrangel transaction positions Grand Gulf to participate in this basin at a pivotal time in its evolution. The structure of the deal provides shareholders with leveraged exposure to a potentially transformational exploration outcome, while diversifying the Company's portfolio beyond helium and U.S. onshore oil. The entry into offshore Namibia marks a clear step in building Grand Gulf into a broader, high-impact energy explorer across its expanded asset base.

REVIEW OF OPERATIONS FOR THE YEAR ENDED 30 JUNE 2025

Red Helium Project – Utah, USA

Over the FY24/25 period, Grand Gulf Energy advanced its flagship Red Helium Project in the Paradox Basin, Utah, with a series of commercial agreements and strategic developments that strengthened the pathway to commercialisation and reinforced the project's potential in the premium helium sector.

Collaboration with Sage Potash – Strategic MOU

During the reporting period, Grand Gulf entered into a non-binding Memorandum of Understanding (MoU) with TSXV-listed Sage Potash Corp (Sage) (See ASX Announcement 13 May 2025) to collaborate on exploration activities in the Paradox Basin, Utah. The agreement establishes an Area of Mutual Interest (AMI) (Figure 3) covering acreage where Grand Gulf controls helium rights and Sage controls potash rights, creating a natural alignment of interests.

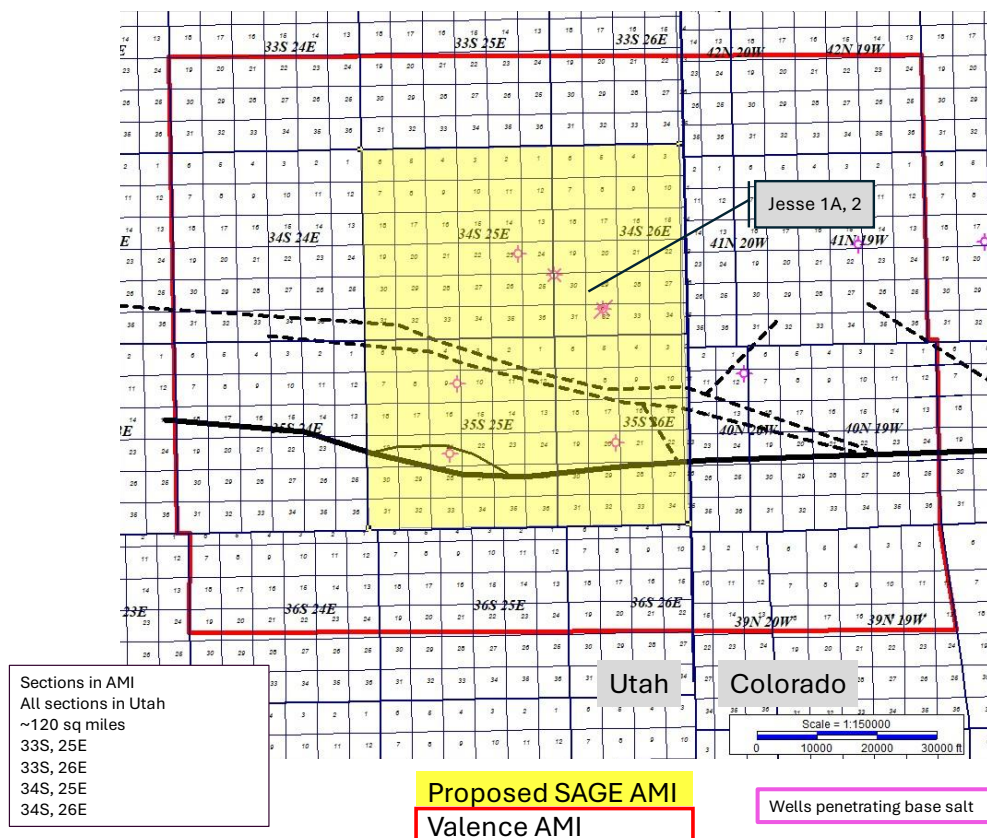


Figure 3: GGE/Sage AMI

REVIEW OF OPERATIONS

FOR THE YEAR ENDED 30 JUNE 2025

The MoU provides a framework for the joint funding and execution of a 3D seismic survey, designed to image a series of highly prospective helium and potash features. This survey is expected to be critical in de-risking future drilling locations and advancing commercial development of the Red Helium Project. In addition, the parties agreed to evaluate opportunities for co-development of surface infrastructure, including pipelines and processing facilities, and to assess the potential for a joint exploration well targeting both helium and potash mineralisation.

For Grand Gulf shareholders, the partnership has the potential to significantly reduce capital expenditure while accelerating development timelines across the AMI.

Offtake Agreement with Lisbon Helium Plant

In July 2024, the Company executed a Gas Sales and Processing Agreement (GSPA) with Green Natural Gas LLC (See ASX Announcement 8 July 2024), owners of the Lisbon Helium Processing Plant, located just 20 miles north of the Red Helium Project and directly connected by pipeline (Figure 4).

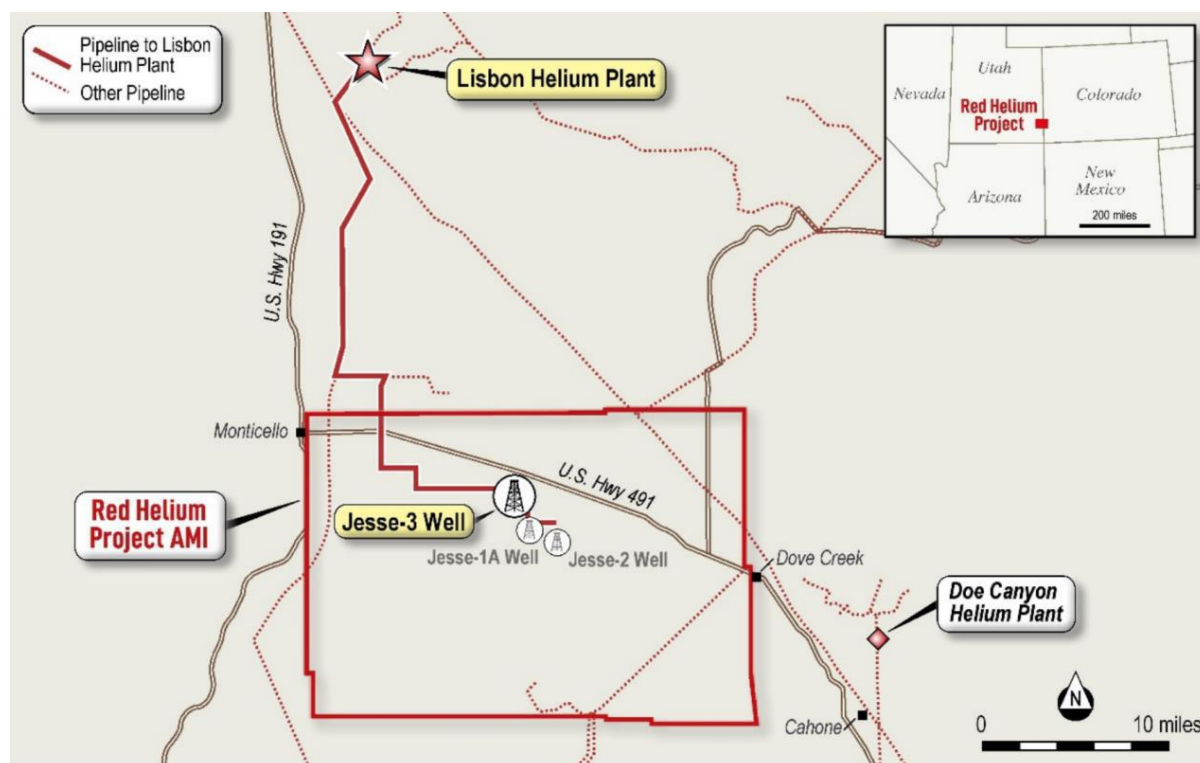


Figure 4: Jesse-3 location in the Valence AMI containing the Red Helium project with local pipelines showing the gas transport route to the Lisbon Helium Plant.

The agreement provides a near-term, low-CAPEX monetisation route for any successful helium discoveries, with access to the Lisbon facility's helium liquefaction train capable of producing ultra-high purity 99.9995% helium. The revenue structure of the GSPA, weighted in favour of the producer, provides significant leverage to helium pricing while validating the technical merits of the Red Helium Project.

Drill Permit Approvals

During the reporting period, Grand Gulf secured key drill permits from Utah regulators, enabling the next phase of appraisal and development (See ASX Announcement 6 August 2024). These approvals provide the Company with a clear line of sight to its next drilling campaign, to continue to advance the Red Helium project.

Together, these developments have materially advanced the Red Helium Project over FY24/25. By securing market access, establishing technical partnerships, and achieving critical permitting milestones, Grand Gulf continues to de-risk the project while actively seeking strategic development options for the Red Helium Project.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The Directors of Grand Gulf Energy Limited submit herewith the annual financial report of the Group consisting of Grand Gulf Energy Limited and the entities it controlled at the end of, or during the year ended 30 June 2025 (referred to hereafter as the Group).

DIRECTORS

The names and details of the Directors of the Company in office during the financial year and until the date of this report, unless otherwise stated, are:

<p>Mr Keith Martens B.Sc. (University of British Columbia) Technical Director Appointed 11 October 2021 Chairman Appointed 24 April 2024</p>	<p>Experience and Expertise Mr Martens is a Geophysicist/Geologist with 45 years petroleum experience. Keith has worked in various senior roles, mainly in Australia and North America. Recent client and staff positions in Australia have included Victoria Petroleum/Senex, Buru Energy and Tap Oil on local and international projects. Keith has also worked in Canada and the USA for various companies large and small, for half of his career.</p> <p>A strength of his background is experience in all facets of petroleum exploration and development especially is mature basins where novel and cutting-edge thinking is needed to revitalize areas which are thought to be fully explored.</p> <p>Former and current directorships in last 3 years Nil.</p>
<p>Mr Dane Lance B.Sc. (Physics), B.E. Mechanical Engineering Managing Director Appointed 23 February 2022 Resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice</p>	<p>Experience and Expertise Mr Lance is a senior oil and gas professional and Reservoir Engineer with over 18 years' industry experience across the asset lifecycle, with a focus on resource maturation and monetisation.</p> <p>Mr Lance has been involved in exploration, appraisal, development, and MA&D on four continents, providing economic and technical evaluations for investment decisions, commercial negotiations, gas sales agreement terms, and corporate and asset acquisition & divestment.</p> <p>Mr Lance has worked for Woodside, Ophir and Oil Search. This included working on several major development projects as well as ongoing reservoir management and production optimisation, and non-operated joint ventures.</p> <p>Mr Lance is responsible for strategy, finance, corporate, acquisition, exploration and production activities and the day to day management of Grand Gulf Energy.</p> <p>Former and current directorships in last 3 years Nil.</p>

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

DIRECTORS

<p>Mr Fergus Kiley B.Sc. (Hons), Geology, Geological and Earth Sciences/Geosciences Master's Degree, Finance, General Non-Executive Director Appointed 24 April 2024</p>	<p>Experience and Expertise Mr Kiley brings more than 15 years' experience in capital markets and the resources sector, with extensive knowledge of business development, project finance, geological and technical project evaluation across all asset lifecycle stages.</p> <p>Mr Kiley is currently General Manager Operations with Nico Resources Ltd. (ASX: NC1) ("Nico"), having been with the Company since its inception in January 2022. Mr Kiley successfully delivered the Wingellina Pre-Feasibility Study, a project NPV (post-tax) Base Case of AUD\$3.34bn and Spot Case of AUD\$6.64bn with an I.R.R of 18% and 25.8% respectively.</p> <p>Mr Kiley has significant expertise in navigating various stakeholder landscapes, including engagement with investors, government bodies, indigenous communities, and local stakeholders. He also has strong proficiency in attracting, negotiating, and managing international Joint Venture Agreements with strategic partners.</p> <p>As an experienced geologist with a deep understanding of ASX corporate governance and compliance, board management, and Environmental, Social and Governance ("ESG") reporting, Mr Kiley brings wide-ranging knowledge and skills that will be of substantial benefit to the Company.</p> <p>Former and current directorships in last 3 years Nil.</p>
<p>Mr Yann Cherruau Non-Executive Director Appointed 31 October 2024</p>	<p>Experience and Expertise Mr. Cherruau brings more than 20 years of international experience across various sectors, including Upstream & Downstream Energy, Mining, asset and project management, and business integration. He has a proven track record in country entry, business development, mergers and acquisitions (M&A), and handling stakeholder negotiations. His expertise spans across Europe, Africa, the Middle East, and the Asia-Pacific region.</p> <p>Throughout his career, Mr. Cherruau has held various leadership roles, including most recently President of Heling Minerals, where he led a significant mining exploration investment in Gabon for a French family office, and Business Development Lead for energy for the family office active in upstream, mining and energy transition investments internationally. He has extensive experience in managing complex projects and has a deep understanding of the natural resources sector.</p> <p>Mr. Cherruau's expertise in stakeholder management, navigating complex political and security environments, and delivering strategic growth initiatives will be a valuable asset to Grand Gulf Energy. His international perspective and ability to foster relationships at all levels will contribute significantly to the Company's future direction and strategic goals.</p> <p>Former and current directorships in last 3 years Nil</p>

Company Secretary

Mr Lloyd Flint BAcc, MBA, CAANZ, FGIA. Appointed 13 April 2022. Mr Flint is an experienced professional gained over 25 years including periods as CFO and Group Company Secretary for a number of listed ASX companies. Mr Flint provides financial and company secretarial services to a number of ASX listed companies.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

CORPORATE INFORMATION

Corporate Structure

Grand Gulf Energy Limited is a company limited by shares that is incorporated and domiciled in Australia. Grand Gulf Energy Limited has prepared a consolidated financial report incorporating the entities that it controlled at the end of and during the financial year.

Nature of Operations and Principal Activities

Grand Gulf's principal activity is the development of the Red Helium Project in Utah USA. As at 30 June 2025 the consolidated cash position was \$1,141,120 (2024: \$267,316).

EVENTS SINCE THE END OF FINANCIAL YEAR

Other than the matters highlighted in the Review of Operations, no other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Mr 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 \$0.012 cents per share expiring 19 September 2027 were also issued. 60,000,000 unquoted options over shares with \$0.025 exercise price expired on 15 October 2024.

On 16 June 2025, 103,333,333 quoted options, exercisable at \$0.08, expired unexercised.

The Company undertook a placement of \$700,000 (before costs) through the issue of 350,000,000 fully paid ordinary shares in the capital of the Company at an issue price of \$0.002 per Placement Share. The Company completed the Placement on 30 April 2025.

On grant of the Wrangel Option, GGE had the election to settle in cash or GGE shares with TSE Oil and Gas Pty Ltd (or its nominee). GGE has elected to issue 20,037,728 shares on 13 May 2025. The share price at issue date was \$0.004.

Other than the matters highlighted in the Review of Operations and the above, there were no other significant changes to the state of affairs.

DIVIDENDS

The Directors recommend that no amount be paid by way of dividend. No dividend has been paid or declared since the start of the financial year (2024: nil).

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

ENVIRONMENTAL REGULATION

The Group holds various exploration licences to regulate its exploration activities in the USA. These include conditions and regulations with respect to the rehabilitation of areas disturbed during the course of its exploration activities. So far as Directors are aware, all exploration activities have been undertaken in compliance with all relevant environmental regulations in all jurisdictions in which the Group operates.

NGER ACT

The Directors consider the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act will have no effect on the Company for the current nor subsequent financial year. The Directors will reassess this position as and when the need arises.

SHARE OPTIONS

As at the date of this report, there were 225,000,000 listed options (2024: 328,333,333 listed options) and 234,012,250 unlisted options (2024: 294,012,250 unlisted options).

At the date of this report unissued ordinary shares of the Company under option are:

Grant date	Vesting date	Number of shares under option	Exercise price of option (cents)	Expiry date of option
<i>Quoted:</i>				
20-Oct-23	20-Oct-23	225,000,000	2.5	20-Oct-26
<i>Unquoted:</i>				
10-Jun-22	10-Jun-22	10,000,000	7	16-Jun-26
31-Mar-23	31-Mar-23	85,227,273	5	31-Mar-26
29-Aug-24	29-Aug-24	62,500,000	1.2	19-Sep-27
29-Aug-24	29-Aug-24	26,284,977	1.2	19-Sep-27
29-Aug-24	29-Aug-24	50,000,000	1.2	19-Sep-27
Total		459,012,250		

Option holders do not have any right, by virtue of an option, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme. During the financial year, the Company did not issue any employee options. There were no shares issued on the exercise of options during the year and to the date of the report.

PERFORMANCE SHARES AND PERFORMANCE RIGHTS

As at the date of this report, there were 100,000,000 Performance Shares (2024: 100,000,000) and 70,000,000 Performance Rights (2024: 70,000,000) in issue and not yet vested.

During the financial year, the Company did not issue any Performance Shares or Performance Rights. There were no shares issued on the exercise of Performance Shares or Performance Rights during the year.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

Securities

As at the date of this report the interests of the Directors in the shares and options of Grand Gulf Energy Limited were as follows:

Ordinary Shares

Holder	Balance at beginning of year	Acquired during the year	Issued after year end	Balance at the date of resignation	Balance at the date of report
Mr K Martens	28,775,516	-	-	-	28,775,516
Mr D Lance ¹	-	-	-	-	-
Mr F Kiley ³	898,795	112,349	-	-	1,011,144
Mr Y Cherruau ²	-	-	-	-	-
Total	29,674,311	112,349	-	-	29,786,660

Options

Holder	Balance at beginning of year	Issued during the year	Balance at resignation	Issued after year end	Balance as at date of report	Vested and exercisable
Mr K Martens	-	-	-	-	-	-
Mr D Lance ¹	10,000,000	-	(10,000,000)	-	-	-
Mr F Kiley ³	-	28,087	-	-	28,087	28,087
Mr Y Cherruau ²	-	-	-	-	-	-
Total	10,000,000	28,087	(10,000,000)	-	28,087	28,087

Performance shares

Holder	Balance at beginning of year	Balance as at date of report	Vested and exercisable
Mr K Martens	3,061,226	3,061,226	-
Mr D Lance ¹	-	-	-
Mr F Kiley	-	-	-
Mr Y Cherruau ²	-	-	-
Total	3,061,226	3,061,226	-

¹ Resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice.

² Appointed on 31 October 2024.

³ Shares acquired during the year was a participation in a rights issue with free attaching options for every 4 shares – prospectus dated 21 August 2024.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

Performance rights - Class B

Holder	Balance at beginning of year	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr K Martens	15,000,000	-	-	15,000,000	-
Mr D Lance ¹	10,000,000	-	(10,000,000)	-	-
Mr F Kiley	-	-	-	-	-
Mr Y Cherruau ²	-	-	-	-	-
Total	25,000,000	-	(10,000,000)	15,000,000	-

Performance rights - Class C

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr K Martens	-	-	-	-	-
Mr D Lance ¹	20,000,000	-	(20,000,000)	-	-
Mr F Kiley	-	-	-	-	-
Mr Y Cherruau ²	-	-	-	-	-
Total	20,000,000	-	(20,000,000)	-	-

¹ Resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice.

² Appointed on 31 October 2024.

REMUNERATION REPORT (Audited)

Details of key management personnel

Mr K Martens – Technical Director and Chairman

Mr D Lance – Managing Director (resigned 22 October 2024, effective 22 January 2025 with 3 months' notice)

Mr F Kiley – Non-Executive Director

Mr Y Cherruau – Non-Executive Director (appointed on 31 October 2024)

This report outlines the remuneration arrangements in place for Directors and Executives of Grand Gulf Energy Limited. The report has been set out under the following main headings:

- A. Principles Used to Determine the Nature and Amount of Remuneration
- B. Service Agreements
- C. Details of Remuneration
- D. KMP Interest in Securities

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

A. Principles Used to Determine the Nature and Amount of Remuneration

The Board of Directors is responsible for determining and reviewing compensation arrangements for the Directors and Executive Officers. The Board has determined due to the size and nature of the Company the functions of the remuneration committee will be performed by the Board. The Board will assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. Such officers are paid their base remuneration in cash only.

To assist in achieving these objectives, the Board will link the nature and amount of executive Directors' and officers' emoluments to the Company's financial and operational performance.

Executive Officers are those directly accountable for the operational management and strategic direction of the Company and the Group. The following table shows key performance indicators for the Group over the last five years:

	2025	2024	2023	2022	2021
(Loss) / Profit for the year (\$)	(840,468)	(1,815,931)	(2,282,303)	(18,703,757)	115,218
Basic (loss) / earnings per share (cents per share)	(0.034)	(0.089)	(0.145)	(1.771)	0.041
Dividend payments	-	-	-	-	-
Dividend payment ratio (%)	-	-	-	-	-
30 June share price	\$0.002	\$0.006	\$0.011	\$0.023	\$0.010

Chairman and Non-executive Directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-executive directors' fees and payments are reviewed annually by the Board. The Chairman's fees are determined by the Board independently to the fees of non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Fixed remuneration

Fixed remuneration consists of a base remuneration package, which includes directors' fees (in the case of Directors), salaries, consulting fees and employer contributions to superannuation funds.

Fixed remuneration levels for Directors and executive officers are reviewed annually by the Board through a process that considers the employee's personal development, achievement of key performance objectives for the year, industry benchmarks wherever possible and CPI data. Key performance indicators (KPIs) are individually tailored by the Board for each director and executive officer each year and reflect an assessment of how that employee can fulfil their particular responsibilities in a way that best contributes to Company performance and shareholder wealth in that year.

Performance-linked remuneration

All employees may receive bonuses and/or share options as part of a package to retain their services and/or based on achievement of specific goals related to performance against individual KPIs and to the performance of the Company as a whole as determined by the Directors, based on a range of factors. These factors include traditional financial considerations such as operating performance, cash consumption and deals concluded and also industry-specific factors relating to the advancement of the Company's exploration and development activities and relationships with third parties and internal employees.

The plan rules contain a restriction on removing the 'at risk' aspect of the instruments granted to executives. Plan participants may not enter into any transaction designed to remove the 'at risk' aspect of an instrument before it vests.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The Board determines the total amount of performance-linked remuneration payable as a percentage of the total annualised salaries for all employees employed as at the end of the financial year (with pro rata reductions to the annualised salary made for any employee not employed for the entire financial year). Once the Board has determined the total performance-linked remuneration payable across the Company, Board Members assess the performance of each individual staff member within their department, relative to that staff member's KPIs and decide how much performance-linked remuneration should be paid to that person.

The Company did not engage with remuneration consultants during the year.

Voting and comments made at the Company's 2024 Annual General Meeting

GGE received 91.77% of "yes" votes (excluding director's votes) on its remuneration report for the 2024 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

B. Service Agreements

Remuneration and other terms of employment for the Executive Director is formalised in a service agreement. The agreement provides for the provision of performance-related cash bonuses, performance shares and performance rights, determined and paid on the basis of the Company's performance reflected through increase in the market capitalisation of the Company and upon successful capital raisings, other benefits including health insurance, car allowances, and participation when eligible, in the Grand Gulf Energy Limited Employee Option Plan.

Other major provisions of the agreements relating to remuneration are set out below. The contract may be terminated early by the Company with reason or by the executive, with three months' notice, or by the Company without reason, giving 3 months' notice, subject to termination payments as detailed below:

Name	Term of agreement	Base salary including superannuation	Termination benefit
Mr K Martens	Commencing 11 October 2021	\$10,000/month	3 months base salary
Mr D Lance	Resigned on 22 October 2024	\$22,916/month	3 months base salary
Mr F Kiley	Commencing 24 April 2024	\$50,000	Nil
Mr Y Cherruau	Commencing 31 October 2024	\$50,000	Nil

C. Details of Remuneration

Details of the remuneration of the Directors and the key management personnel of Grand Gulf Energy Limited consolidated Group are set out in the following tables. The key management personnel of Grand Gulf Energy Limited consolidated Group during the year ended 30 June 2025 includes the following Directors and executives:

- Mr K Martens (Technical Director and Chairman)
- Mr D Lance (Managing Director – resigned on 22 October 2024, effective 22 January 2025)
- Mr F Kiley (Non-Executive Director)
- Mr Y Cherruau (Non-Executive Director – appointed on 31 October 2024)

Remuneration packages contain the following key elements:

- a) Primary benefits – salary / fees and bonuses;
- b) Post-employment benefits – including superannuation;
- c) Equity – share options granted under the Employee Share Option Plan; and
- d) Other benefits.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

The following tables disclose the detailed remuneration of the Directors of Grand Gulf Energy Limited and controlled entities within the Group:

2025

	Short term benefits		Post-employment	Equity		Total	% Performance related
	Salary and fees	Bonus		Rights	Options		
	\$	\$	\$	\$	\$	\$	
<i>Directors</i>							
Mr K Martens ¹	120,000	-	-	-	-	120,000	-
Mr D Lance ²	153,537	-	-	-	-	153,537	-
Mr F Kiley ³	64,254	-	-	-	-	64,254	-
Mr Y Cherruau ⁴	33,333	-	-	-	-	33,333	-
Total	371,124	-	-	-	-	371,124	-

1. Mr Martens was paid \$120,000 during the year of which \$10,000 related to prior year, \$110,000 for current year's fees to May 25. \$10,000 of June 25 fee was paid in July 25.
2. Mr D Lance resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice. Mr Lance was paid \$245,201 during the year of which \$91,664 related to prior year, \$153,537 for current year fees to 22 January 2025.
3. Mr F Kiley was paid \$50,000 for director fees and \$14,254 for consulting fee during the year. \$4,167 of June 25 fee was paid in July 2025.
4. Mr Y Cherruau was appointed on 31 October 2024. \$4,167 of June 25 fee was paid in July 2025.

2024

	Short term benefits		Post-employment	Equity		Total	% Performance related
	Salary and fees	Bonus		Rights	Options		
	\$	\$	\$	\$	\$	\$	
<i>Directors</i>							
Mr CI Burton ¹	24,500	-	-	-	-	24,500	-
Mr K Martens ²	120,000	-	-	-	-	120,000	-
Mr D Lance ³	274,992	-	-	-	-	274,992	-
Mr F Kiley ⁴	8,334	-	-	-	-	8,334	-
Total	427,826	-	-	-	-	427,826	-

1. Mr Burton was paid \$29,500 during the year of which \$5,000 related to prior year, \$24,500 for current year fees to April 24. He resigned on 24 April 2024.
2. Mr Martens was paid \$120,000 during the year of which \$10,000 related to prior year, \$110,000 for current year fees to May 24. \$20,000 of fee is owing to him for June 24.
3. Mr Lance was paid \$229,160 during the year of which \$45,832 related to prior year, \$183,328 for current year fees to Feb 24. \$91,664 of fees is owing to him for March 24 to June 24.
4. Mr Kiley was appointed on 24 April 2024. He was paid \$4,167 during the year. \$4,167 of fees is owing to him for June 24.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

D. KMP Interest in Securities

The number of options over ordinary shares in the Company held during the financial year by each Director of Grand Gulf Energy Limited and other key management personnel of the Group, including their personally related parties, are set out below.

Options

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Balance as at date of resignation	Balance as at year end	Vested and exercisable
Mr K Martens	-	-	-	-	-
Mr D Lance ¹	10,000,000	-	(10,000,000)	-	-
Mr F Kiley	-	28,087	-	28,087	28,087
Mr Y Cherruau ²	-	-	-	-	-
Total	10,000,000	28,087	(10,000,000)	28,087	28,087

Shareholdings

The number of ordinary shares in Grand Gulf Energy Limited held by Key Management Personnel during the financial year is as follows:

Holder	Balance at beginning of year	Acquired during the year	Balance as at date of resignation	Balance as at year end
Mr K Martens	28,775,516	-	-	28,775,516
Mr D Lance ¹	-	-	-	-
Mr F Kiley ³	898,795	112,349	-	1,011,144
Mr Y Cherruau ²	-	-	-	-
Total	29,674,311	112,349	-	29,786,660

¹ Resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice.

² Appointed on 31 October 2024.

³ Shares acquired during the year was a participation in a rights issue with free attaching options for every 4 shares – prospectus dated 21 August 2024.

Performance Shares

The number of performance shares in Grand Gulf Energy Limited held by Key Management Personnel during the financial year is as follows:

Holder	Balance at beginning of year/Date of appointment	Balance as at year end	Vested and exercisable
Mr K Martens	3,061,226	3,061,226	-
Mr D Lance ¹	-	-	-
Mr F Kiley	-	-	-
Mr Y Cherruau ²	-	-	-
Total	3,061,226	3,061,226	-

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

Performance rights - Class B

Holder	Balance at beginning of year	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr K Martens	15,000,000	-	-	15,000,000	-
Mr D Lance ¹	10,000,000	-	(10,000,000)	-	-
Mr F Kiley	-	-	-	-	-
Mr Y Cherruau ²	-	-	-	-	-
Total	25,000,000	-	(10,000,000)	15,000,000	-

Performance rights - Class C

Holder	Balance at beginning of year/Date of Appointment	Issued during the year	Balance as at date of resignation	Balance as at date of report	Vested and exercisable
Mr K Martens	-	-	-	-	-
Mr D Lance ¹	20,000,000	-	(20,000,000)	-	-
Mr F Kiley	-	-	-	-	-
Mr Y Cherruau ²	-	-	-	-	-
Total	20,000,000	-	(20,000,000)	-	-

¹ Resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice.

² Appointed on 31 October 2024.

Share-based compensation

There were no share-based compensation to key management personnel recognised in the current year.

Loans to key management personnel

No loans were provided to the key management personnel or to any of their associates.

Other transactions with key management personnel

There were no other transactions with key management personnel during the financial year.

This the end of the audited remuneration report.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the financial year and the number of meetings attended by each Director (while they were a director or committee member).

	Board of Directors	
	Held	Attended
Mr K Martens	4	4
Mr D Lance ¹	1	1
Mr F Kiley	4	4
Mr Y Cherruau ²	4	4

¹ Resigned on 22 October 2024, effective 22 January 2025 with 3 months' notice.

² Appointed on 31 October 2024.

RISK MANAGEMENT

The Company manages risks in accordance with its risk management policy with the objective of ensuring all risks inherent in oil and gas exploration and production activities are identified, measured and then managed or kept as low as reasonably practicable. The Board performs risk assessments on a regular basis.

Key risks which may materially impact the execution and achievement of the business strategies and prospects for Grand Gulf are summarised below and are risks largely inherent in the oil and gas industry. This should not be taken to be a complete or exhaustive list of risks nor are risks disclosed in any particular order. Many of the risks are outside the control of the Company and its officers.

Appropriate policies and procedures are continually being developed and updated to manage these risks.

	Risk	Description
1	Exploration	<p>Exploration is a speculative activity with an associated risk of discovery to find any helium, oil and gas in commercial quantities and a risk of development. If Grand Gulf is unsuccessful in locating and developing or acquiring new reserves and resources that are commercially viable, this may have a material adverse effect on future business, results of operations and financial conditions.</p> <p>Grand Gulf utilises established methodologies and experienced personnel to evaluate prospects and manage the risk associated with exploration. The Company also ensures that all major decisions are subjected to assurance reviews which includes external experts and contractors where appropriate.</p>
2	Development and Production	<p>Development and production of oil and gas projects, including helium, may be exposed to low side reserve outcomes, cost overruns, production decrease or stoppage, which may result from facility shutdowns, mechanical or technical failure and other unforeseen events. Grand Gulf undertakes technical, financial, business and other analysis in order to determine a project's readiness to proceed from an operational, commercial and economic perspective. Even if Grand Gulf Energy recovers commercial quantities of oil and gas, there is no guarantee that a commercial return can be generated.</p> <p>Grand Gulf has a project risk management and reporting system to monitor the progress and performance of material projects and is subject to regular review by senior management and the Board. All major development and investment decisions are subjected to assurance reviews which includes experts and contractors where appropriate.</p>
3	Regulatory	<p>Grand Gulf operates in a highly regulated environment. Grand Gulf endeavours to comply with the regulatory authorities requirements. There is a risk that regulatory approvals are withheld, take longer than expected or unforeseen circumstance arise where requirements are not met and costs may be incurred to remediate non-compliance and/or obtain approval(s). Changes in Government, monetary, taxation and other laws in Australia or the USA or internationally may impact the Company's operations.</p> <p>Grand Gulf monitors legislative and regulatory developments and works to ensure that all stakeholder concerns are addressed fairly and managed. Policies and procedures are independently reviewed and audited to help ensure they are appropriate and comply with all regulatory requirements.</p>
4	Market	<p>The helium, oil and gas markets are subject to the fluctuations of supply and demand and price. To the extent that future actions of third parties contribute to demand destruction or there is an expansion of alternative supply sources, there is a risk that this may have a material adverse effect on price for the helium, oil and gas produced and the Company's business, results of operations and financial condition.</p> <p>Grand Gulf monitors developments and changes in the international oil market and conducts regular risk assessments.</p>
5	Helium, Oil and Gas Prices	<p>Future value, growth and financial condition are dependent upon the prevailing prices for helium, oil and gas. Prices for helium, oil and gas are subject to fluctuations and are affected by numerous factors beyond the control of Grand Gulf.</p> <p>Grand Gulf monitors and analyses the helium, oil and gas markets and seeks to reduce price risk where reasonable and practical. The Company has policies and procedures for entering into hedging contracts to mitigate against the fluctuations in oil price and exchange rates. The Company has no hedging in place at present.</p>

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2025

	Risk	Description
6	Operating	<p>There are a number of risks associated with operating in the helium, oil and gas industry. The occurrence of any event associated with these risks could result in substantial losses to the Company that may have a material adverse effect on Grand Gulf's business, results of operations and financial condition.</p> <p>To the extent that it is reasonable to do so, Grand Gulf mitigates the risk of loss associated with operating events through insurance contracts. Grand Gulf operates with a comprehensive range of operating and risk management plans and an HSEC management system to ensure safe and sustainable operations.</p>
7	Counterparties	<p>The ability of the Company to achieve its stated objectives will depend on the performance of the counterparties under various agreements it has entered into. If any counterparties do not meet their obligations under the respective agreements, this may impact on operations, business and financial conditions.</p> <p>Grand Gulf monitors performance across material contracts against contractual obligations to minimise counterparty risk and seeks to include terms in agreements which mitigate such risks.</p>
8	Reserves	<p>Helium, oil and gas reserves are expressions of judgement based on knowledge, experience and industry practice. These estimates may alter significantly or become uncertain when new information becomes available and/or there are material changes of circumstances which may result in Grand Gulf altering its plans which could have a positive or negative effect on Grand Gulf's operations.</p> <p>Reserve management is consistent with the definitions and guidelines in the Society of Petroleum Engineers 2018 Petroleum Resources Management Systems. The assessment of Reserves and Resources is also subject to independent review from time to time.</p>
9	Environmental	<p>Grand Gulf's exploration, development and production activities are subject to state, national and international environmental laws and regulations. Oil and gas exploration, development and production can be potentially environmentally hazardous giving rise to substantial costs for environmental rehabilitation, damage control and losses.</p> <p>Grand Gulf has a comprehensive approach to the management of risks associated with health, safety, environment and community which includes standards for asset reliability and integrity, as well as technical and operational competency and requirements.</p>
10	Funding	<p>Grand Gulf must undertake significant capital expenditures in order to conduct development appraisal and exploration activities. Limitations on the accessing to adequate funding could have a material adverse effect on the business, results from operations, financial condition and prospects. Grand Gulf's business and, in particular development of large scale projects, relies on access to debt and equity funding. There can be no assurance that sufficient debt or equity funding will be available on acceptable terms or at all.</p> <p>Grand Gulf endeavours to ensure that the best source of funding to maximise shareholder benefits and having regard to prudent risk management is obtained and is supported by economic and commercial analysis of all business undertakings.</p>
11	Abandonment Liabilities	<p>Grand Gulf has certain obligations in respect of decommissioning of its fields, production facilities and related infrastructure. These liabilities are derived from legislative and regulatory requirements concerning the decommissioning of wells and production facilities and require Grand Gulf to make provisions for such decommissioning and the abandonment of assets. Provisions for the costs of this activity are informed estimates and there is no assurance that the costs associated with decommissioning and abandoning will not exceed the amount of long term provisions recognised to cover these costs.</p> <p>Grand Gulf recognises restoration provisions after the construction of facilities and conducts a review on an annual basis. Any changes to the estimates of the provisions for restoration are recognised in line with accounting standards.</p>

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2025

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of Grand Gulf Energy Limited issued during the year ended 30 June 2025 on the exercise of options granted under the Grand Gulf Energy Limited Employee Option Plan. No amounts are unpaid on any of the shares.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company maintained an insurance policy which indemnifies the Directors and Officers of Grand Gulf Energy Limited in respect of any liability incurred in connection with the performance of their duties as Directors or Officers of the Company. The Directors made a personal contribution toward the premium to satisfy Section 199B of the Corporations Act 2001. The Company's insurers have prohibited disclosure of the amount of the premium payable and the level of indemnification under the insurance contract.

INDEMNIFICATION AND INSURANCE OF AUDITORS

The Company has not, during or since the end of the financial year, indemnified nor agreed to indemnify the auditors of the Company or any related entity against a liability incurred by the auditor. During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Group are important. No non-audit services were provided during the year.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included on the following page.

CORPORATE GOVERNANCE STATEMENT

The Corporate Governance Statement provides further information on the role of the Board.

Under ASX Listing Rule 4.10.3 the Company's Corporate Governance Statement can be located at the URL on the Company's website: <https://grandgulfenergy.com/corporate-governance>

Dated at Perth 19th September 2025, and signed in accordance with a resolution of the Directors.



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 audit of Grand Gulf Energy Limited for the year ended 30 June 2025, 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 audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

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

William Buck

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

Amar Nathwani

Amar Nathwani
Director

Dated this 19th day of September 2025

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$	2024 \$
Revenue	2	613,252	545,743
Cost of sales	3	(187,030)	(485,355)
Expected credit losses	6	(226,092)	-
Oil and gas property impairment	9	-	(424,501)
Corporate office expenses		(70,859)	(177,990)
Employee benefits expense		(288,777)	(370,769)
Share-based payments		-	(160,000)
Professional and statutory fees	3	(680,962)	(743,059)
Loss before income tax		(840,468)	(1,815,931)
Income tax expense	4(a)	-	-
Net loss after income tax		(840,468)	(1,815,931)
Other comprehensive loss for the year:			
<i>Items that may be reclassified to profit or loss:</i>			
Foreign currency translation		10,237	(13,469)
Total comprehensive loss for the year		(830,231)	(1,829,400)
Loss for the year attributable to:			
Owners of Grand Gulf Energy Limited		(834,094)	(1,772,177)
Non-controlling interest		(6,374)	(43,754)
		(840,468)	(1,815,931)
Total comprehensive loss for the year:			
Owners of Grand Gulf Energy Limited		(823,159)	(1,785,646)
Non-controlling interest		(7,072)	(43,754)
		(830,231)	(1,829,400)
Loss per share for the year attributable to the members of Grand Gulf Energy Ltd			
Basic loss per share (cents per share)	21	(0.034)	(0.089)
Diluted loss per share (cents per share)	21	(0.034)	(0.089)

The above consolidated statement of profit or loss and other comprehensive Income should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

	Notes	As at 30 June 2025 \$	As at 30 June 2024 \$
ASSETS			
Current Assets			
Cash and cash equivalents	16(a)	1,141,120	267,316
Trade and other receivables	6	308,471	440,915
Other assets	7	82,769	96,701
Total Current Assets		1,532,360	804,932
Non-Current Assets			
Exploration and evaluation asset	8	23,536,064	23,208,450
Oil & gas properties	9	-	-
Total Non-Current Assets		23,536,064	23,208,450
Total Assets		25,068,424	24,013,382
LIABILITIES			
Current Liabilities			
Trade and other payables	10	396,299	602,558
Total Current Liabilities		396,299	602,558
Non-Current Liabilities			
Restoration provision	11	310,108	306,644
Total Non-Current Liabilities		310,108	306,644
Total Liabilities		706,407	909,202
Net Assets		24,362,017	23,104,180
EQUITY			
Contributed equity	12	77,496,989	75,583,921
Reserves	13	10,136,955	9,951,020
Accumulated losses		(66,421,783)	(65,587,689)
Total equity attributable to owners of Grand Gulf Energy Limited		21,212,161	19,947,252
Non-controlling interests	26	3,149,856	3,156,928
Total Equity		24,362,017	23,104,180

The above consolidated statement of financial position should be read in conjunction with the accompanying notes to the financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025

	Contributed Equity	Foreign currency translation reserve	Options Reserve	Other Equity	Accumulated losses	Owners of the Parent	Non-controlling interest	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2024	75,583,921	3,498,006	5,843,127	609,887	(65,587,689)	19,947,252	3,156,928	23,104,180
Loss for the year	-	-	-	-	(834,094)	(834,094)	(6,374)	(840,468)
Other comprehensive income	-	10,935	-	-	-	10,935	(698)	10,237
Total comprehensive loss for the year	-	10,935	-	-	(834,094)	(823,159)	(7,072)	(830,231)
Share placement	2,120,561	-	-	-	-	2,120,561	-	2,120,561
Capital raising costs	(287,644)	-	175,000	-	-	(112,644)	-	(112,644)
Option fee for signing Wrangel	80,151	-	-	-	-	80,151	-	80,151
Balance at 30 June 2025	77,496,989	3,508,941	6,018,127	609,887	(66,421,783)	21,212,161	3,149,856	24,362,017
Balance at 1 July 2023	72,737,233	3,511,475	5,553,127	323,979	(63,815,512)	18,310,302	3,486,590	21,796,892
Loss for the year	-	-	-	-	(1,772,177)	(1,772,177)	(43,754)	(1,815,931)
Other comprehensive income	-	(13,469)	-	-	-	(13,469)	-	(13,469)
Total comprehensive loss for the year	-	(13,469)	-	-	(1,772,177)	(1,785,646)	(43,754)	(1,829,400)
Share placement	3,200,000	-	-	-	-	3,200,000	-	3,200,000
Capital raising costs	(503,312)	-	280,000	-	-	(223,312)	-	(223,312)
Share based payment	150,000	-	10,000	-	-	160,000	-	160,000
Additional 5.5% interest in Valence	-	-	-	285,908	-	285,908	(285,908)	-
Balance at 30 June 2024	75,583,921	3,498,006	5,843,127	609,887	(65,587,689)	19,947,252	3,156,928	23,104,180

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		463,000	460,000
Payments to suppliers and employees		(1,064,170)	(875,965)
Production costs		(160,000)	(356,000)
Net cash outflow from operating activities	16(b)	(761,170)	(771,965)
Cash flows from investing activities			
Payments for exploration and evaluation		(373,537)	(3,161,000)
Net cash outflows from investing activities		(373,537)	(3,161,000)
Cash flows from financing activities			
Proceeds from issue of shares net of costs		2,007,917	2,976,688
Net cash inflow from financing activities		2,007,917	2,976,688
Net increase/(decrease) in cash and cash equivalents		873,210	(956,277)
Cash and cash equivalents at the beginning of the financial year		267,316	1,223,552
Effects of exchange rate changes on the balance of cash		594	41
Cash and cash equivalents at the end of the financial year	16(a)	1,141,120	267,316

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Notes to the Consolidated Financial Statements

REPORTING ENTITY

Grand Gulf Energy Ltd (the 'Parent Entity') is a company listed on the Australian Securities Exchange, limited by shares, incorporated and domiciled in Australia. The consolidated financial statements of the Group for the financial year ended 30 June 2025 comprises the Parent Entity and its subsidiaries (together referred to as the 'Group').

The financial statements were authorised for issue by the Board of Directors on 19 September 2025.

BASIS OF PREPARATION

Statement of compliance

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards ('AASBs') (including Australian Interpretations) adopted by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001. The financial statement of the Group also complies with International Financial Reporting Standards and interpretations adopted by the International Accounting Standards Board. Grand Gulf Energy Limited is a for-profit entity for the purpose of preparing the financial statements.

New accounting standards and interpretations

A number of new or amended standards became applicable for the current reporting period. For the year ended 30 June 2025, 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. None of new or amended standards have had a material impact on the consolidated entity's financial statements.

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current [Deferred amendments now apply]

AASB 2022-6: Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants [Deferred amendments now apply]

AASB 2023-1: Amendments to Australian Accounting Standards – Supplier Finance Arrangements

New or amended Accounting Standards and Interpretations adopted The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

New and Amended Accounting Policies Not Yet Adopted

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted.

The standard replaces AASB 101 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

For the year ended 30 June 2025, the Group made a net loss after tax of \$840,468 (2024: \$1,815,931) had cash outflows from operating activities of \$761,170 (2024: \$771,965). As at 30 June 2025, the Group has cash and cash equivalents of \$1,141,120 (30 June 2024: \$267,316) and positive working capital of \$1,136,061 (30 June 2024: \$202,374).

The Group's ability to continue as a going concern is principally dependent upon its ability to source working capital funding for ongoing operations and generate revenue from its interest in the Desiree oil well. The Group has a recent proven history of successfully raising capital. Management have prepared a cash flow forecast for the period ending 12 months from the date of this report. The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities. The Directors are aware that additional funds may need to be sourced from one or more of the following alternatives for the Group to carry on its business moving forward, to meet its working capital requirements and its planned exploration activities:

Capital raising via:

- Private placement;
- Rights issue; and/or
- Share purchase plan.

These factors give rise to a material uncertainty that exists that may cast significant doubt as to whether the Group will be able to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the above, the Directors are of the opinion that the Group can carry on operations for the foreseeable future, and that it will be able to realise its assets and discharge its liabilities in the normal course of business. If necessary, the Group has the capacity to delay or cancel expenditures that are considered discretionary in nature, including administrative costs and exploration expenditure that is not contractually binding. The timing of raising additional capital will depend on the investment markets, as well as current and future planned exploration activities.

Should the entity not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Material accounting estimates and judgements

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were:

Control over Valence Resources LLC (Valence)

In determining whether the Group has control over Valence Resources LLC (Valence) that is not wholly owned, judgement is applied to assess the ability of the Group to control the day-to-day activities of the partly owned subsidiary and its economic outcomes. In exercising this judgement, the commercial and legal relationships that the Group has with other owners of partly owned subsidiary are taken into consideration. Whilst the Group is not able to control all activities of a partly owned subsidiary, the partly owned subsidiary is consolidated within the Group where it is determined that the Group controls the day-to-day activities and economic outcomes of a partly owned subsidiary. Changes in agreements with other owners of partly owned subsidiary could result in a loss of control and subsequently de-consolidation.

Exploration, evaluation and development assets

The Group capitalises and carries forward mineral acquisition costs that are expected to be recouped through sale or successful development and exploitation of the area of interest or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Rehabilitation obligations

The Group estimates its share of the future removal and remediation costs of oil and gas production facilities, wells and pipelines at the time of acquisition or installation of the assets. In most instances, removal of assets occurs many years into the future. This requires judgemental assumptions regarding removal date, future environmental legislation, the extent of remediation activities required, the engineering methodology for estimating cost, future removal technologies in determining the removal cost, and asset specific discount rates to determine the present value of these cash flows. As at 30 June 2025, rehabilitation obligations have a carrying value of \$310,108 (2024: \$306,644).

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either a Black-Scholes model or Monte Carlo Pricing Model, taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Where performance rights are subject to vesting conditions, Management has formed judgments around the likelihood of vesting conditions being met.

Material accounting policy information

(a) Exploration and evaluation asset

Exploration and evaluation assets (Red Helium project) comprise of the acquisition cost of mineral rights and the fair value (at acquisition date) of exploration and expenditure assets acquired from other entities. The Group capitalises and carries forward acquisition and exploration and evaluation costs that are expected to be recouped through sale or successful development and exploitation of the area of interest or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. As the assets are not yet ready for use they are not depreciated.

Exploration and evaluation assets are assessed for impairment in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* if:

- insufficient data exists to determine technical feasibility and commercial viability; or
- other facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(a) Exploration and evaluation asset (continued)

Once the technical feasibility and commercial viability of the assets are demonstrable, exploration and evaluation assets are first tested for impairment and then reclassified to mine properties as development assets. The value of the Company's interest in exploration expenditure is dependent upon:

- the continuance of the Company's rights to tenure of the areas of interest;
- the result of future exploration; and
- the recoupment of cost through successful development and exploitation of the areas of interest, or alternatively, by their sale.

(b) Non-operator interests in oil & gas properties

The Group determined that the nature of the oil and gas activities at Desiree Field (Hendarling #1 well) which is governed by a joint venture operating agreement did not constitute an integrated set of activities in that the Group does not jointly-control the operational processes of the joint venture. The control of the processes lies with the operator and the right to remove the operator is a protective right rather than a substantive right, and accordingly the arrangement is outside the scope of AASB 11 *Joint Arrangements*.

The Group capitalised, accumulated exploration and evaluation expenditure in relation to Hendarling #1 well and carried forward to the extent that they were expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Once a well commences producing commercial quantities of oil and gas, capitalised exploration and evaluation costs are transferred to Oil and Gas Properties – Producing Projects and amortisation commences. Oil and gas properties are amortised over the useful lives of the asset on a unit of production basis once a reserve has been established.

The Group recognises its share of the revenue and expenses of the oil & gas activities.

Prepaid drilling and completion expenses

Where the Company has a non-operator interest in an oil and gas property, or has outsourced certain development processes of an operated interest in an oil and gas property, it may periodically be required to make a cash contribution for its share of the operator's/contractors estimated drilling and/or completion costs, in advance of these operations taking place.

Where these contributions relate to a prepayment for exploratory or early stage drilling activity, prior to a decision on the commerciality of a well having been made, the costs are capitalised as prepaid drilling costs.

Where these contributions relate to a prepayment for well completion, these costs are capitalised as prepaid completion costs within current assets. As the operator/contractor notifies the Company as to how funds have been expended, the costs are reclassified from prepaid costs to the appropriate expenditure or capitalised category.

Producing projects

Producing projects are stated at cost less accumulated amortisation and impairment charges. Producing projects include construction, installation or completion of production and infrastructure facilities such as pipelines, development wells and the provisions for restoration.

Amortisation, depreciation and impairment of producing projects

The Group uses the "units of production" ("UOP") approach when amortising and depreciating field-specific assets. Using this method of amortisation and depreciation requires the Consolidated Entity to compare the actual volume of production to the reserves and then to apply this determined rate of depletion to the carrying value of depreciable asset.

Capitalised producing projects costs relating to commercially producing wells are depreciated/amortised using the UOP basis once commercial quantities are being produced within an area of interest. The reserves used in these calculations are the Proved plus Probable reserves and are reviewed at least annually.

If any indication exists of impairment and where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount. The recoverable amount of producing projects is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Material accounting policy information (continued)

(c) Financial Instruments

Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less Expected Credit Loss. Trade receivables are generally due for settlement between thirty (30) and ninety (90) days from the date of recognition. They are presented as current assets unless collection is not expected for more than 12 months after reporting date.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The movement in the provision is recognised in profit or loss.

Expected credit losses of financial asset at amortised cost

Loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Impairment

For trade and other receivables, the Group applies the simplified approach permitted by AASB 9 *Financial Instruments*, which requires expected lifetime losses to be recognised from initial recognition of the receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience.

(d) Revenue Recognition

Oil & Gas Sale

Revenue from the sale of oil/condensate, gas and natural gas liquids produced is recognised when the Group has transferred the goods to the buyer and the costs incurred or to be incurred in respect of the transaction can be measured reliably and performance obligation(s) completed.

- Dry Gas – upon transfer to third party, typically upon entry to a third party sale pipeline;
- Natural Gas Liquids (NGL's) – upon transfer to a third party, typically upon entry to a third party sales pipeline; or
- Oil/Condensate – upon transfer of product to purchasers' transportation mode, either truck or pipeline.
- Revenue is stated net of royalties.

(e) Segment reporting

Operating segments are now reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of operating segments, has been identified as the Board of Directors.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(f) Share based payments

Equity-settled transactions are awards of shares, performance rights or options over shares, that are provided to employees and service providers in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

2. Revenue

	2025 \$	2024 \$
Sale of oil and gas	613,252	545,743
Total revenues from ordinary activities	<u>613,252</u>	<u>545,743</u>

Revenue is recognised when or as the Group completes its performance obligation(s) to a customer, which is typically on delivery, at the amount to which the Group expects to be entitled. All revenue is generated in the USA.

3. Expenses

Loss before income tax includes the following specific expenses:

	2025 \$	2024 \$
<i>Cost of sales</i>		
Operating costs	187,030	485,355
Total cost of sales	<u>187,030</u>	<u>485,355</u>
<i>Professional and statutory fees</i>		
Business development	252,079	-
Consultancy fees	270,676	439,028
Accounting, audit, ASX and share registry fees	153,145	229,824
Others	5,062	74,207
Total professional and statutory fees	<u>680,962</u>	<u>743,059</u>

Business development of \$252,079 for the year ended 30 June 2025 includes \$229,396 of the option fee paid for the Wrangel Project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. Income tax

a. Income tax expense

	2025 \$	2024 \$
Current tax expense	-	-
Deferred tax expense	-	-
	<u>-</u>	<u>-</u>

b. Reconciliation of income tax benefit to prima facie tax payable

	2025 \$	2024 \$
Loss from ordinary activities before income tax expense	(840,468)	(1,815,931)
Prima facie tax benefit on gain from ordinary activities at 25% (2024: 25%)	(210,117)	(453,983)
Non-temporary differences	14	208,385
Tax losses & timing differences not recognised	217,429	217,954
Foreign tax rate differential	(7,326)	27,644
Income tax expense	<u>-</u>	<u>-</u>

c. Unrecognised temporary differences

	2025 \$	2024 \$
Unused tax losses for which no deferred tax asset has been recognised – Overseas	8,271,970	8,340,258
Unused tax losses for which no deferred tax asset has been recognised - Australia	5,757,132	5,301,299

The ability of the Group to use tax losses in the future is subject to the Group entities satisfying the relevant taxation laws applicable at the time of submitting the return.

5. Dividends paid or provided for on ordinary shares

No dividend has been declared or paid during the current financial year or the prior financial year. The Group does not have any franking credits available for current or future years as the Group is not in a tax paying position.

6. Trade and other receivables

	2025 \$	2024 \$
Current		
Trade receivables	523,111	424,441
Provision for expected credit losses	(226,092)	-
GST receivable	11,452	16,474
	<u>308,471</u>	<u>440,915</u>

Trade and other receivables include sales revenue outstanding and amounts outstanding for goods & services tax (GST). Trade and other receivables are non-interest bearing and GST amounts have repayment terms applicable under the relevant government authorities.

Refer to note 24 for the Group's financial risk management policies. The Group has estimated the expected credit loss to be \$226,092 (2024: nil) based on the Group's history of dealing with long outstanding receivables. Due to the short-term nature of the current receivables, their carrying amount is assumed to be the same as their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. Other assets

	2025 \$	2024 \$
Prepayment of vendors	75,989	75,141
Prepaid insurance	4,319	19,126
Insurance claim receivable	2,461	2,434
	<u>82,769</u>	<u>96,701</u>

8. Exploration and Evaluation Asset

	2025 \$	2024 \$
Red Helium project costs	23,536,064	23,208,450
Provision for impairment	-	-
	<u>23,536,064</u>	<u>23,208,450</u>
Carrying amount at beginning of year	23,208,450	20,949,139
Expenditure during the year	210,530	2,240,335
Foreign exchange difference	117,084	18,976
Carrying amount at end of year	<u>23,536,064</u>	<u>23,208,450</u>

Impairment

There is no indication of impairment in the year ended 30 June 2025.

9. Oil and Gas Properties

	2025 \$	2024 \$
Producing oil & gas assets	8,117,727	8,117,727
Provision for impairment and amortisation	<u>(8,117,727)</u>	<u>(8,117,727)</u>
	-	-
Capitalised oil and gas properties		
Carrying amount at beginning of year	-	394,679
Foreign exchange differences	-	29,822
Impairment	-	<u>(424,501)</u>
Carrying amount at end of year	<u>-</u>	<u>-</u>

The Group has a 39.6% working interest in Desiree Field (Hensarling #1 well) at 30 June 2025 and 30 June 2024.

The estimate of the recoverable amount for oil and gas properties is based on an asset's fair value in use using a discounted cash flow (value in use) method. Where the economic or fair value of a well forming part of oil and gas properties is less than the carrying value, the well is impaired to its economic/fair value. Accordingly, the Group has fully impaired its Desiree (Hensarling #1) well for the year ended 30 June 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. Trade and other payables

	2025 \$	2024 \$
Current		
Trade creditors	396,299	602,558
	<u>396,299</u>	<u>602,558</u>

Risk exposure: Information about the Group's exposure to foreign exchange risk is provided in note 24. Due to the short-term nature of the current payable, their carrying amount is assumed to be the same as their fair value.

11. Provisions

	2025 \$	2024 \$
Non-Current		
Asset retirement obligation	310,108	306,644
	<u>310,108</u>	<u>306,644</u>
Reconciliations		
Asset retirement obligation		
Carrying amount at beginning of year	306,644	306,367
Foreign exchange differences	3,464	277
Carrying amount at end of year	<u>310,108</u>	<u>306,644</u>

The non-current asset retirement obligation relates to provision for rehabilitation in relation to the Desiree Field (Hensarling #1 well). As the Group is not the operator of the well, the operator has not given an indication of the anticipated timing of the plugging and abandonment of the well. As such, the timing of the rehabilitation is uncertain. The Group's share of the provision is adequate and does not expect reimbursement from the operator.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Contributed equity

(a) Issued and paid-up share capital

	2025		2024	
	Number of Shares	\$	Number of Shares	\$
Balance at the beginning of the year	2,095,247,028	75,583,921	1,675,247,028	72,737,233
Placement August 2024 (i)	250,000,000	1,000,000	400,000,000	3,200,000
Rights issue 19 September 2024 (ii)	105,140,121	420,561	-	-
Placement 30 April 2025 (iii)	350,000,000	700,000	-	-
Shares issued to a vendor (iv)	20,037,728	80,151	20,000,000	150,000
Less: Share issue costs (v)	-	(287,644)	-	(503,312)
Balance carried forward at the end of the year	2,820,424,877	77,496,989	2,095,247,028	75,583,921

- (i) On 29 August 2024, the Company completed a \$1million Share 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 to raise up to approximately another \$1million (before costs) on the same terms as the 29 August 2024 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) The Company undertook a placement of \$700,000 (before costs) through the issue of 350,000,000 fully paid ordinary shares in the capital of the Company (Placement Shares) at an issue price of \$0.002 per Placement Share. The Company completed the Placement on 30 April 2025.
- (iv) As per the 14 April 2025 announcement, the Company also agreed to pay an option fee for the grant of the Wrangel Option in cash or GGE shares (at GGE's election) to TSE Oil and Gas Pty Ltd (or its nominee). GGE has elected to issue shares and has issued 20,037,728 fully paid ordinary shares pursuant to the election. The share price at issue date was \$0.004.
- (v) Includes 50,000,000 options valued at \$175,000 issued to lead manager as share issue costs. Refer note 15 for details.

(b) Terms and conditions of contributed equity

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company. Refer note 24 for details of the Group's capital management policy.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. Reserves

	2025 \$	2024 \$
Foreign currency translation (a)	3,508,941	3,498,006
Share option reserve (b)	5,341,327	5,166,327
Option premium reserve (c)	676,800	676,800
Other equity (d)	609,887	609,887
	<u>10,136,955</u>	<u>9,951,020</u>

(a) Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of self-sustaining foreign operations.

	2025 \$	2024 \$
Balance at beginning of year	3,498,006	3,511,475
Gain on translation of foreign controlled entities	10,935	(13,469)
Balance at end of year	<u>3,508,941</u>	<u>3,498,006</u>

(b) Share option reserve

The share option reserve is used to recognise the value of options issued to employees, Directors, consultants, and external finance companies.

	2025 \$	2024 \$
Balance at beginning of year	5,166,327	4,876,327
Share-based payments - share issue costs (note 15)	175,000	280,000
Share-based payments – consideration for services	-	10,000
Balance at end of year	<u>5,341,327</u>	<u>5,166,327</u>

(c) Option premium reserve

The option premium reserve is used to recognise the options issued under a rights issue at 1 cent per option.

	2025 \$	2024 \$
Balance at beginning of year	676,800	676,800
Balance at end of year	<u>676,800</u>	<u>676,800</u>

(d) Other equity

The other equity is used to record the change in parent's ownership interest in a subsidiary that does not result in the parent losing control of the subsidiary.

	2025 \$	2024 \$
Balance at beginning of year	609,887	323,979
Change in ownership of a subsidiary	-	285,908
Balance at end of year	<u>609,887</u>	<u>609,887</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. Options, Performance Rights and Performance Shares

At 30 June 2025, a summary of the Company options in issue and not exercised are as follows. Options are settled by the physical delivery of shares:

Grant date	Vesting date	Expiry date	Exercise Price (cents)	Balance at the start of the year	Granted during the year	Exercised during the year	Expired / lapsed during the year	Balance at the end of the year	Vested and exercisable at the end of the year
Quoted:									
10-Jun-22	10-Jun-22	10-Jun-25	8	103,333,333	-	-	(103,333,333)	-	-
20-Oct-23	20-Oct-23	20-Oct-26	2.5	225,000,000	-	-	-	225,000,000	225,000,000
Unquoted:									
11-Oct-21	11-Oct-21	15-Oct-24	2.5	60,000,000	-	-	(60,000,000)	-	-
10-Jun-22	10-Jun-22	16-Jun-26	7	10,000,000	-	-	-	10,000,000	10,000,000
31-Mar-23	31-Mar-23	31-Mar-26	5	85,227,273	-	-	-	85,227,273	85,227,273
29-Aug-24	29-Aug-24	19-Sep-27	1.2	-	62,500,000	-	-	62,500,000	62,500,000
29-Aug-24	29-Aug-24	19-Sep-27	1.2	-	26,284,977	-	-	26,284,977	26,284,977
29-Aug-24	29-Aug-24	19-Sep-27	1.2	-	50,000,000	-	-	50,000,000	50,000,000
Total				483,560,606	138,784,977	-	(163,333,333)	459,012,250	459,012,250
Weighted Average Exercise Price (cents)				4.21	1.20	-	2.67	2.67	2.67

The weighted average remaining contractual life of options outstanding at year end was 1.46 years (30 June 2024: 1.66 years).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. Options, Performance Rights and Performance Shares (continued)

At 30 June 2025, a summary of the Company Performance Shares and Performance Rights in issue and not vested are as follows.

	Grant date	Expiry date	Exercise price (cents)	Fair value at grant date per right	Balance at the start of the year	Granted during the year	Converted during the year	Expired / lapsed during the year	Balance at the end of the year	Number vested
Performance Shares ¹	11-Oct-21	4 years	Nil	\$0.0345	100,000,000	-	-	-	100,000,000	-
Class A Performance Rights ²	11-Oct-21	5 years	Nil	\$0.0345	12,500,000	-	-	-	12,500,000	-
Class B Performance Rights ³	11-Oct-21	5 years	Nil	\$0.0345	27,500,000	-	-	-	27,500,000	-
Class B Performance Rights ³	10-Jun-22	15-Oct-25	Nil	\$0.0260	10,000,000	-	-	-	10,000,000	-
Class C Performance Rights ⁴	10-Jun-22	5 years	Nil	\$0.0260	20,000,000	-	-	-	20,000,000	-
Total					170,000,000	-	-	-	170,000,000	-

¹ Performance Shares vest upon the sale of the first 4 million cubic feet gross helium produced from the leases; each Performance Share will convert on a one for one basis into a share. Performance shares issued were assigned a nil vesting factor as the achievement of the milestones was assessed as not probable at reporting date, hence no value has been attributed to the Performance Shares.

² 27,500,000 Class A Performance Rights were granted with vesting condition - the VWAP of the Company shares trading on the ASX being at least 3 cents over 20 consecutive trading days (on which shares have actually traded). 15,000,000 Performance Rights have fully vested and were converted into shares on 20 June 2023. The remaining 12,500,000 Performance Rights have been forfeited under the terms of the Employee Incentive Securities Plan when the former directors resigned. They will be cancelled on expiry.

³ Class B Performance Rights will vest upon the sale of the first 4 million cubic feet gross helium produced from the Utah Leases within 5 years of issue date (part of the Red Helium Project).

⁴ Class C Performance Rights vest on the sale of the first 100 MMCF gross helium produced from the Utah Leases and subject to continued service of the holder as a director, consultant or employee of the Group for a period of at least 12 months from the date of grant.

Given the early stage of the Red Helium Project, with no drilling yet completed, it is not possible to predict if the production hurdle required for the Class B and C Performance Rights will be met, hence a vesting factor of nil has been applied in determining the value of these rights. The vesting factor will be reviewed at each subsequent period end and the value of the Class B and C Performance Rights and corresponding expense adjusted if appropriate

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. 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 options to the lead manager of the Placement, CPS Capital Group Pty Ltd (Lead Manager Options).

The fair value of the Lead Manager Options granted 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 Lead Manager options granted in the current year:

Options	Lead Manager Options
Number issued	50,000,000
Grant date	29 August 2024
Expiry date	19 September 2027
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 Options vested immediately on grant date. The options were valued at \$175,000 with the share-based payment expense included in share issue costs.

16. Notes to the statement of cash flows

(a) Reconciliation of cash and cash equivalents

For the purposes of the statement of cash flows, cash includes cash on hand and in banks and investments in money market instruments. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2025 \$	2024 \$
Cash on hand	1,141,120	267,316

The Group's exposure to interest rate risk is discussed in note 24.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. Notes to the statement of cash flows (continued)

(b) Reconciliation of loss after related income tax to net cash outflows from operating activities

	2025 \$	2024 \$
Loss for the year	(840,468)	(1,815,931)
Impairment - oil and gas properties	-	424,501
Share based payments	-	160,000
Option fee for signing Wrangel	80,151	-
Exchange rate differences on assets/liabilities held in foreign currencies	13,107	(43,055)
Changes in net assets and liabilities		
Decrease/(increase) in trade and other receivables	146,376	(78,214)
(Decrease)/increase in trade and other creditors	(160,336)	580,734
Net cash outflows from operating activities	<u>(761,170)</u>	<u>(771,965)</u>

17. Non-cash investing and financing activities

	2025 \$	2024 \$
Options issued as payment of share issue costs	<u>175,000</u>	<u>280,000</u>
	<u>175,000</u>	<u>280,000</u>

18. Expenditure commitments

There were no commitments as at 30 June 2025 (2024: nil).

19. Contingent liabilities

As at 30 June 2025, Valence is a party to a royalty agreement with the founders of the Red Helium project. Under the terms of this deed the Company must pay varying percentages out of all, oil, gas and other hydrocarbons and minerals produced, saved and sold from or attributable to the Leasehold Interests subject to the royalty agreement. The royalty is calculated after Leasehold Interest is paid. The Over Riding Royalty Interest (ORRI) paid to founders is the difference between the 10% (in the first instance) and 20% (in the second instance) on sales, after Leasehold interest/s are paid. If the Leasehold interest is greater than 20% (in the third instance), the ORRI paid to founders is limited to 1%. The royalty is uncapped and is for the life of the project.

The Group had no other contingent liabilities as at 30 June 2025 (2024: nil).

20. Events occurring after reporting date

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21. Loss per share

The Group is in a loss-making position, accordingly the based and diluted earnings per share are the same. The following reflects the loss and share data used in the calculation of basic and diluted gain per share:

Basic/diluted loss per share

	2025 \$	2024 \$
Loss used in calculating basic loss per share	(840,468)	(1,815,931)
Weighted average number of ordinary shares used in calculating basic loss per share	2,485,409,499	2,029,072,165
Basic/Diluted loss per share (cents per share)	(0.034)	(0.089)

All potential ordinary shares are considered anti-dilutive as the average share price over the year was less than the exercise price of the options. There were 459,012,250 outstanding options and 170,000,000 performance shares and rights as at 30 June 2025 (2024: 483,560,606 outstanding options and 170,000,000 performance shares and rights).

22. Auditor's remuneration

	2025 \$	2024 \$
Audit and review of financial reports - BDO	-	65,000
Audit and review of financial reports – William Buck	40,000	-
	40,000	65,000

23. Segment information

Operating segments

The consolidated entity is organised into one operating segment, being oil & gas production and exploration operations (including exploration for Helium). This operating segment is based on internal reports that are reviewed and used by the Board of Directors, who are identified as the Chief Operating Decision Makers ('CODM'), in assessing performance and in determining the allocation of resources. The principle products and services of this operating segment are the production and exploration operations in the United States.

As noted above, the Board only considers one segment to be a reportable segment for its reporting purposes. As such, the reportable information the CODM reviews is detailed throughout the financial statements.

	Sales to external customers		Geographical non-current assets	
	2025 \$	2024 \$	2025 \$	2024 \$
<i>Geographical information</i>				
United States of America	613,252	545,743	23,536,064	23,208,450
Australia	-	-	-	-
	613,252	545,743	23,536,064	23,208,450

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24. Financial instruments

FINANCIAL RISK MANAGEMENT

The Group's policies with regard to financial risk management are clearly defined and consistently applied. They are a fundamental part of the Group's long term strategy covering areas such as foreign exchange risk, interest rate risk, commodity price risk, credit risk and liquidity risk and capital management. The natural hedges provided by the relationship between commodity prices and the US currency reduces the necessity for using derivatives or other forms of hedging. The Group does not issue derivative financial instruments, nor does it believe that it has exposure to such trading or speculative holdings through its investments in wholly owned subsidiaries. Risk management is carried out by the Board as a whole, which provides written principles for overall risk management, as well as policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and aging analysis for credit risk.

Market Risk

(i) Foreign exchange risk

There is an exposure on a Group or Company level to foreign exchange risk when the Company is raising capital on ASX. As its domicile is Australia it must raise equity capital in Australian \$. As its primary currency is the US\$ due to its assets, operations and commodities being priced in US\$ the Company has taken the view that while it is raising US\$ to finance US\$ operations that it might from time to time hedge its currency for the time period over which it has received funds via an equity raising but has not issued the equity securities which have been subscribed for.

(ii) Commodity price risk

Due to the nature of the Group's principal operations being oil & gas exploration and production the Group is exposed to the fluctuations in the price of oil & gas. Although the Group is economically exposed to commodity price risk of the abovementioned inputs, this is not a recognised market risk under the accounting standards as the risk is embedded within normal purchase and sales and are therefore not financial instruments.

Interest rate risk

Interest rate risk relates to the statement of financial position values of the consolidated cash at bank at 30 June 2025 and 30 June 2024. The interest rate risk of the Group is minimal.

Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, however the Board constantly monitors customer receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset. The Group does not hold collateral as security. No material exposure is considered to exist by virtue of the possible non-performance of the counterparties to financial instruments and cash deposits. Credit rating of cash is A+; all funds are held by Frost Bank and NAB which have government guarantees on deposits.

The maximum exposure to credit risk at the reporting date is the carrying amount of the assets as summarised below. The Group has estimated the expected credit loss to be \$226,092 (2024: nil).

	CARRYING AMOUNT	
	2025	2024
	\$	\$
Cash and cash equivalents	1,141,120	267,316
Receivables	308,471	440,915
Insurance claim	2,461	2,434

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

24. Financial instruments (continued)

Capital Risk and Liquidity Risk Management

The Group's overriding objectives when managing capital are to safeguard the business as a going concern; to maximise returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure in order to reduce the cost of capital. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows. Surplus funds are generally only invested in instruments that are tradeable in highly liquid markets.

Financing Arrangements

The Group did not have access to the borrowing facilities during the year.

Maturities of financial liabilities

The tables below analyse the Group's financial liabilities and relevant maturity Groupings based on the remaining period at reporting date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flows.

At 30 June 2025	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
Financial Liabilities							
Trade creditors	396,299	-	-	-	-	396,299	396,299
Total	396,299	-	-	-	-	396,299	396,299

At 30 June 2024	Less than 6 months	6-12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total contractual cash flows	Carrying amount liabilities
Financial Liabilities							
Trade creditors	602,558	-	-	-	-	602,558	602,558
Total	602,558	-	-	-	-	602,558	602,558

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25. Parent Entity Financial Information

The financial information for the parent entity, Grand Gulf Energy Limited, disclosed below has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the parent entity's financial statements.

(i) Summary financial information

	2025 \$	2024 \$
Statement of Financial Position		
Current assets	1,103,645	257,189
Non-current assets	20,272,162	20,170,407
Total assets	21,375,807	20,427,596
Total liabilities	65,112	181,359
Net assets	21,310,695	20,246,237
<i>Shareholders' equity</i>		
Issued capital	77,496,989	75,583,921
Reserves	6,018,129	5,843,129
Accumulated losses	(62,204,423)	(61,180,813)
	21,310,695	20,246,237
Loss for the year	(1,023,610)	(1,124,821)

(ii) Contingent Liabilities and Commitments

The Parent Company has no contingent liabilities or commitments other than as those disclosed in the notes.

26. Related Party Transactions

(i) Parent entity

The ultimate parent entity within the Group is Grand Gulf Energy Limited (the legal parent).

(ii) Subsidiaries

Interests in subsidiaries are set out below.

(iii) Investments in controlled entities

The consolidated entity financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1.

Investments in controlled entities held by Grand Gulf Energy Limited

	Country of incorporation	Ownership interest 2025	2024
		%	%
Alto Energy Limited	Australia	100	100
Kessel Resources Pty Ltd	Australia	100	100
GG Oil & Gas 1, INC	USA	100	100
GG Oil & Gas 2, INC	USA	100	100
GG Oil & Gas, INC	USA	100	100
Birdwood Louisiana LLC	USA	100	100
Valence Resources LLC	USA	83	83

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. Related Party Transactions (continued)

Investment in controlled entity held by Kessel Resources Pty Ltd

	Country of incorporation	Ownership interest			
		Parent		Non-controlling interest	
		2025	2024	2025	2024
		%	%	%	%
Valence Resources LLC	USA	83.0	83.0	17.0	17.0

The following table sets out the summarised financial information for the subsidiary that has a non-controlling interest (NCI). Amounts disclosed are before intercompany eliminations (AASB 12.B11 *Disclosure of Interests in Other Entities*).

Summarised statement of financial position	Valence Resources LLC	
	2025	2024
	\$	\$
Current assets	77,114	91,541
Non-current assets	19,425,076	18,999,891
Total assets	19,502,190	19,091,432
Current liabilities	149,371	195,294
Total liabilities	149,371	195,294
Net assets	19,352,819	18,896,138
Loss for the year	(37,494)	(187,584)
Accumulated NCI	3,149,856	3,156,928

Investment in controlled entity held by Alto Energy Limited

	Country of incorporation	2025	2024
		%	%
Grand Gulf Energy Inc	USA	100	100

(iv) Key management personnel compensation

	2025	2024
	\$	\$
Short-term employee benefits	371,124	427,826
Share-based payments	-	-
	371,124	427,826

Detailed remuneration disclosures are provided in the Remuneration Report in the Directors' Report.

(v) Other transactions with key management personnel

There were no transactions with key management personnel during the year.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Company name	Entity Type	Country of incorporation	Percentage Interest Held %	Australian or Foreign Resident	Foreign jurisdiction of foreign resident
Parent Entity					
Grand Gulf Energy Ltd	Public company	Australia	-	Australian	-
Subsidiaries of Grand Gulf Energy Limited:					
Alto Energy Limited	Private limited company	Australia	100	Australian	-
Kessel Resources Pty Ltd	Proprietary limited company	Australia	100	Australian	-
GG Oil & Gas 1, INC	Corporation	USA	100	Foreign resident	USA
GG Oil & Gas 2, INC	Corporation	USA	100	Foreign resident	USA
GG Oil & Gas, INC	Corporation	USA	100	Foreign resident	USA
Birdwood Louisiana LLC	Private limited company	USA	100	Foreign resident	USA
Subsidiary of Kessel Resources Pty Ltd:					
Valence Resources LLC	Private limited company	USA	83	Foreign resident	USA
Subsidiary of Alto Energy Limited:					
Grand Gulf Energy Inc	Corporation	USA	100	Foreign resident	USA

Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295 (3A) of the *Corporations Act 2001* defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian Tax Residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/15.

DIRECTORS' DECLARATION

Directors' Declaration

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows and consolidated statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the consolidated financial position as at 30 June 2025 and of its performance for the year ended on that date.
2. In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
3. The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by s295A.
5. Note 1 confirms that the financial standards also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.
6. The information disclosed in the consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Fergus Kiley
Director

Perth, 19 September 2025

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

Report on the audit of the financial report



Our opinion on the financial report

In our opinion, the accompanying financial report of Grand Gulf Energy Limited (the Company) and its subsidiaries (the Group) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What was audited?

We have audited the financial report of the Group, which comprises:

- the consolidated statement of financial position as at 30 June 2025,
- the consolidated statement of profit or loss and other comprehensive income for the year then ended,
- the consolidated statement of changes in equity for the year then ended,
- the consolidated statement of cash flows for the year then ended,
- notes to the financial statements, including material accounting policy information,
- the consolidated entity disclosure statement, and
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit 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 & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group reported a net loss of \$840,468 and net operating cash outflows of \$761,170 during the year ended 30 June 2025. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation assets	Area of focus (refer also to notes 1 & 8)	How our audit addressed the key audit matter
	<p>As at 30 June 2025, the carrying value of the Group's exploration and evaluation assets amounted to \$23,536,064. The carrying value of these costs represent a significant asset of the Group.</p> <p>This is considered a key audit matter as significant judgement is applied in determining whether the asset continues to meet the recognition criteria in <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i>.</p> <p>As noted in Note 1 of the financial report, significant judgement is required in determining whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment.</p>	<p>Our audit procedures focussed on evaluating management's assessment of whether the exploration and evaluation assets continue to meet the recognition criteria of <i>AASB 6 Exploration for and Evaluation of Mineral Resources</i>, including:</p> <ul style="list-style-type: none"> — Obtaining evidence that the Group has valid rights to explore the areas for which exploration costs have been capitalised; — Enquiring of management and reviewing management's cashflow forecast and Australian Securities Exchange announcements to verify that substantive expenditure on further exploration for and evaluation of mineral resources in the Group's areas of interest is planned and compared this to the minimum expenditure requirements of the licences' expenditure requirements; — Enquiring of management, reviewing announcements made and reviewing minutes of director meetings to verify that management had not decided to discontinue activities in any of the areas of interest for which exploration costs have been capitalised; and — Assessing the adequacy of the related disclosures in the financial report.

Provision for Rehabilitation	Area of focus (refer also to notes 1 & 11)	How our audit addressed the key audit matter
	<p>As a result of its oil producing operations, the Group is obliged to restore and rehabilitate the areas disturbed by these operations and remove related infrastructure in accordance with legislative requirements and the Group's policies.</p> <p>As at 30 June 2025, the provision for rehabilitation was \$310,108.</p> <p>As noted in Note 1 of the financial report, significant judgement and estimation by management is required by management in determining the restoration activities required, and estimation of the cost of these activities.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> — Enquiring, understanding and critically assessing management's assessment and valuation provision for rehabilitation; — Assessing the reasonableness of the provision by comparing the management's assessment to the market rates for the cost of similar rehabilitation work in that jurisdiction; — Checking the restoration activities which management has included in estimating the provision to the mandatory requirements of local legislation; and — Assessing the adequacy of disclosure in the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Other matter

The financial report of the Group for the year ended 30 June 2024 was audited by another auditor who expressed an unmodified opinion with material uncertainty related to going concern on that annual financial report on 27 September 2024.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report



Our opinion on the Remuneration Report

In our opinion, the Remuneration Report of Grand Gulf Energy Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

What was audited?

We have audited the Remuneration Report included in pages 13 to 18 of the directors' report for the year ended 30 June 2025.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

William Buck

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

Amar Nathwani

Amar Nathwani
Director

Dated this 19th day of September 2025

ADDITIONAL SHAREHOLDER INFORMATION

1. Statement of issued capital

- a) Distribution of fully paid ordinary shares as at 10 September 2025.

Size of Holding			Number of Shareholders	Shares Held
1	-	1,000	105	13,530
1,001	-	5,000	27	95,286
5,001	-	10,000	32	293,766
10,001	-	100,000	1,022	51,555,392
100,001	and	Over	1,176	2,768,466,903
			2,362	2,820,424,877

Based on a price per security of \$0.002, the number of holders with an unmarketable holding is 1,592, with total of 120,461,898 shares, amounting to 24.27% of Issued Capital.

- b) There are no restrictions on voting rights attached to the ordinary shares. On a show of hands every member present in person shall have one vote and upon a poll, every member present or by proxy shall have one vote for every share held.

2. Substantial shareholders

The names of substantial shareholders who had notified the Company in accordance with section 671B of the *Corporations Act 2001* are:

DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	7.40%
MR JAMES PETER ALLCHURCH <MANSTEIN HOLDINGS A/C>	6.56%

3. Quotation

Listed securities in Grand Gulf Energy Limited are quoted on the Australian Stock Exchange.

4. Top Twenty Shareholders as at 10 September 2025 - GGE

The twenty largest shareholders hold 48.08% of the total issued ordinary shares in the Company as at 10 September 2025:

NAME	SHARES	%
DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	208,600,997	7.40%
MR JAMES PETER ALLCHURCH <MANSTEIN HOLDINGS A/C>	185,000,000	6.56%
ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	124,972,613	4.43%
BROWN BRICKS PTY LTD <HM A/C>	86,297,772	3.06%
ZERO NOMINEES PTY LTD	80,045,455	2.84%
GREYSKULL NOMINEES PTY LTD	72,670,145	2.58%
MR ANRONG LIU	68,004,239	2.41%
SACHA INVESTMENTS PTY LTD	57,370,377	2.03%
MR JOHN PAUL DE DEUGE	56,500,000	2.00%
ALBA CAPITAL PTY LTD	54,830,335	1.94%
CITICORP NOMINEES PTY LIMITED	50,855,472	1.80%
GREYSKULL NOMINEES PTY LTD	44,406,250	1.57%
HSBC CUSTODY NOMINEES	36,830,079	1.31%
GLOBAL CONSORTIUM HOLDINGS PTY LTD <FTW HOLDINGS A/C>	35,608,750	1.26%
OKAWARI CONSORTIUM PTY LTD <THE OKA A/C>	35,000,000	1.24%
SKYE EQUITY PTY LTD	33,958,557	1.20%
THE SUN W INVESTMENT PTY LTD <THE SUN FAMILY A/C>	33,125,000	1.17%
ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	32,500,000	1.15%
BROWN BRICKS PTY LTD <HM A/C>	30,063,393	1.07%
SUNSET CAPITAL MANAGEMENT PTY LTD	29,375,000	1.04%
Totals: Top 20 holders of GGE ORDINARY FULLY PAID	1,356,014,434	48.08%
Total Holders Balance	2,820,424,877	100.00%

ADDITIONAL SHAREHOLDER INFORMATION

5. Top twenty quoted Option holders as at 10 September 2025 - GGEO

250,000,000 quoted options expire on 13 October 2026 and are exercise able at \$0.025 per share. The Options have no voting rights attached and no dividend entitlement.

NAME	OPTIONS	%
AXSIM FUNDS MANAGEMENT PTY LTD <MAMAS SUPER FUND A/C>	26,717,739	11.87%
ZERO NOMINEES PTY LTD	12,000,000	5.33%
MR STEPHEN JOHN HORN	11,490,000	5.11%
THE SUN W INVESTMENT PTY LTD <THE SUN FAMILY A/C>	10,750,000	4.78%
RICHSHAM NOMINEES PTY LTD	10,200,000	4.53%
DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	10,000,000	4.44%
GREYSKULL NOMINEES PTY LTD	8,062,500	3.58%
GRANIMO NOMINEES PTY LTD <GTP FAMILY SUPER FUND A/C>	8,062,500	3.58%
SACHA INVESTMENTS PTY LTD	6,750,000	3.00%
SUROKI PTY LTD <SUROKI SUPER FUND A/C>	6,000,000	2.67%
S3 CONSORTIUM PTY LTD	5,000,000	2.22%
APNEA HOLDINGS PTY LTD <KELLY FAMILY A/C>	4,500,000	2.00%
COMSEC NOMINEES PTY LIMITED	4,291,250	1.91%
J & D LAWRENCE PTY LTD <J & D LAWRENCE SUPER FUN A/C>	3,750,000	1.67%
CITICORP NOMINEES PTY LIMITED	3,267,480	1.45%
HONEYBEE ANHM PTY LTD	3,250,000	1.44%
QUATTRO STAGIONE PTY LTD	3,250,000	1.44%
THE 5TH ELEMENT MCTN PTY LTD	3,250,000	1.44%
FREYABEAR FHMN PTY LTD	3,250,000	1.44%
HUNTERLAND HJDN PTY LTD	3,250,000	1.44%
ANGKOR IMPERIAL RESOURCES PTY LTD <TURKISH BREAD S/F A/C>	3,125,000	1.39%
MR JAMES PETER ALLCHURCH <MANSTEIN HOLDINGS A/C>	3,125,000	1.39%
MR PATRICK JOSEPH HODGES	3,000,000	1.33%
MS MEIXIA CHEN	2,948,924	1.31%
MR LUKE NICHOLS	2,903,083	1.29%
MR SYED KHALIL BIN SYED IBRAHIM	2,500,000	1.11%
Total	164,693,476	73.20%
Total issued capital - selected security class(es)	225,000,000	100.00%

6. Unquoted equity securities

a) Performance Shares

There are 29 holders of 100,000,000 Performance Shares.

Holder Name	Holding	% IC
MR JAMES PETER ALLCHURCH	37,959,199	37.96%

b) Performance Rights – Classes A, B, and C

There are 2 holders of 12,500,000 unlisted Class A Performance Rights, 3 holders of 37,500,000 Class Performance rights and 1 holder of 20,000,000 Class C Performance Rights all with various terms.

c) Unquoted Options

There is 1 holder of 10,000,000 unlisted Options with an exercise price of \$0.07 expiring on 16 June 2026.

Holder Name	Holding	% IC
MR DANE LANCE	10,000,000	100%

There are 78 holders of 85,227,273 unlisted Options with an exercise price of \$0.05c expiring on 31 March 2026.

Holder Name	Holding	% IC
Zenix Nominees	17,045,455	20%

ADDITIONAL SHAREHOLDER INFORMATION

d) Unquoted Options (continued)

There are 206 holders of 138,784,977 unlisted Options with an exercise price of \$0.012 expiring on 19 September 2027.

Holder Name	Holding	% IC
DC & PC HOLDINGS PTY LTD	14,171,836	10.21%
GREYSKULL NOMINEES PTY LTD	9,489,062	6.84%
GREENSEA INVESTMENTS PTY LTD	9,125,000	6.57%

7. Restricted Securities

There are no restricted securities.

8. Market buyback

There is no current market buyback.