

ASX/Media Release

13 July 2007

Grand Gulf Energy Instigates Monthly Operations Reports

Grand Gulf Energy Limited (ASX: GGE) is pleased to announce that it is instigating a Monthly Operations Report designed to provide shareholders with an easy-to-understand summary of its prospects, exploration and production in its proven conventional oil and gas areas in Oklahoma and southern Louisiana.

As a petroleum company, Grand Gulf's development and production process includes building an acreage position, acquiring seismic and geological data, developing prospects, drilling prospects and bringing successful wells into production.

Over the past few months alone Grand Gulf has drilled three successful wells in a row and brought two into production, acquired 3D seismic surveys in both Oklahoma and Louisiana and will add to its list of prospects dramatically over the next few months as these surveys are interpreted.

As a result of this extensive activity, Grand Gulf has decided to provide investors with a monthly summary of its activities and progress.

The Monthly Operations Report (**see attached**) includes:

1. Prospects – A table listing prospects that are working towards drilling. This table will grow in the near future as prospects are developed from the Oklahoma 3D seismic and as the interpretation from the Napoleonville 3D seismic becomes available.
2. Drilling – As Prospects move into the drilling phase (permits applied for and rigs booked) they will be moved onto the Drilling table.
3. Monthly Production Chart – This chart provides a snapshot of the total monthly production over a period of time and will show how Grand Gulf is progressing.

Grand Gulf believes that the Monthly Operations Report will provide a very clear view of the company and its progress.

For further information contact:

Mr James Trimble

Tel. +1 (713) 829-7930

Email: jtrimble@grandgulf.net or

Mr Charles Morgan

+61 412 152534

Email: cmorgan@seaspin.com.au

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

Monthly Operations Report

June 2007



Prospects

| Well | Working Interest | Location (County) | Spud Date (estimated) | Total Depth (estimated) | Target Initial Rate mcf/d | Target Reserves mmcf gross |
|--------------------|------------------|-------------------|-----------------------|-------------------------|---------------------------|----------------------------|
| Oklahoma | | | | | | |
| 3D Seismic Spiro | 10.0% | LeFlore | October | 11,000 ft | 1,500 | 3,000 |
| 3D Seismic Red Oak | 10.0% | LeFlore | December | 9,000 ft | 1,000 | 1,000 |
| Red Oak #2-17 | 8.0% | LeFlore | October | 10,000 ft | 750 | 1,000 |
| Spiro #6-23 | 10.0% | LeFlore | November | 12,000 ft | 1,500 | 3,000 |
| Louisiana | | | | | | |
| Bastian Bay | 25.0% | Plaquemine | September | 2,000 ft | 2,000 | 3,000 |

Drilling

| Well | Working Interest | Net Revenue Interest | Location (County) | Spud Date (estimated) | Total Depth (est) | Current Depth | Target Initial Rate mcf/d | Target Reserves mmcf gross |
|--------------------|------------------|----------------------|-------------------|-----------------------|-------------------|---------------|---------------------------|----------------------------|
| Oklahoma | | | | | | | | |
| Nixon #1-8 | 8.0% | 6.0% | LeFlore | Late July | 9,700 ft | 0 | 750 | 1,000 |
| Louisiana | | | | | | | | |
| Catapult #1 | 3.7% | 2.8% | Vermilion | August | 14,200 ft | 0 | 5,000 | 30,000 |
| Conoco Phillips #5 | 7.5% | 5.6% | Terrebonne | September | 12,500 ft | 0 | 2,000 | 6,000 |

