



ABN 46 112 138 780

**ACTIVITIES REPORT
QUARTER ENDED 31 MARCH 2007**

PHILIPPINES OPERATIONS – SC 44, Cebu

Methodologies to mitigate severe formation damage observed in the Nuevo Malolos-1 well, drilled early in 2006, and the earlier (1961) Malolos-1 well, remain under investigation. With the cost-effective availability of appropriate equipment as part of any new drilling on the island of Cebu, it is proposed to re-test the deeper Toledo Formation in Nuevo Malolos-1, from which a small amount of oil was recovered in original under-balanced test. Additional re-testing of the shallower Maingit sand sequence in the original Malolos-1 well is also under investigation, based on an interpretation that the zone reported to have flowed significant gas in the original (1961) testing operations may lie above the zone tested in the 2006 re-entries to the well.

Negotiations with a number of companies who have expressed interest in participating in SC 44 on a joint venture basis are continuing.

NEW VENTURES

The Company's application for an exploration licence in the Aquitaine Basin in southwest France has been progressed with the publication of the application in the European Gazette, and advice from the designated authority in France that publication in the Gazette of the Republic of France is imminent.

Following a review of opportunities to expand the Company's exploration within Australasia, the Company expects to be in a position to announce a new exploration venture with a drill-ready prospect within the next four weeks. Arrangements for the requisite recapitalization of the Company which will be necessary to enable participation in this transaction are in process.

EXPLORATION EXPENDITURE INCURRED

Total exploration and evaluation expenditure incurred for the quarter ended 31 March 2007 was \$24,947.

David King
Director
30 April 2007



APPENDIX 5B
Mining Exploration Entity Quarterly Report

Name of Entity

GAS2GRID LIMITED

ABN

46 112 138 780

Quarter Ended ("Current Quarter")

31 MARCH 2007

CONSOLIDATED STATEMENT OF CASH FLOWS

		Current Quarter \$A	Year to Date (9 Months) \$A
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for:		
	(a) Exploration and evaluation	(24,947)	(418,937)
	(b) Development	-	-
	(c) Production	-	-
	(d) Administration	(40,542)	(146,301)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature	3,351	13,747
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other – Net GST	4,081	3,634
Net operating cash flows		(58,057)	(547,857)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sales of:		
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities		
1.11	Loans repaid by other entities	-	-
1.12	Other	-	-
Net investing cash flows		-	-
Cash flows related to financing activities			
1.13	Proceeds from issue of shares, options, etc.	-	-
1.14	Proceeds from sale of forfeited shares	-	-
1.15	Proceeds from borrowings	-	-
1.16	Repayments of borrowings	-	-
1.17	Dividends paid	-	-
1.18	Other (JV partners)	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		(58,057)	(547,857)
1.19	Cash at beginning of quarter/year to date	318,396	810,605
1.20	Exchange rate adjustments to Item 1.19 above	309	(2,100)
1.21	Cash at end of quarter	260,648	260,648



**Mining Exploration Entity Quarterly Report
Continued . . .**

Name of Entity

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Quarter Ended ("Current Quarter")

31 MARCH 2007

PAYMENTS TO DIRECTORS OF THE ENTITY AND ASSOCIATES OF THE DIRECTORS

PAYMENTS TO RELATED ENTITIES OF THE ENTITY AND ASSOCIATES OF THE RELATED ENTITIES

		Current Quarter \$A
1.22	Aggregate amount of payments to the parties included in item 1.24	None
1.23	Aggregate amount of loans to the parties included in item 1.10	None

1.24 Explanation necessary for an understanding of the transactions

NON-CASH FINANCING AND INVESTING ACTIVITIES

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows.

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest.

None

FINANCING FACILITIES AVAILABLE

		Amount Available \$A	Amount Used \$A
3.1	Loan facilities	None	
3.2	Credit standby arrangements	None	

ESTIMATED CASH OUTFLOWS FOR NEXT QUARTER

		\$A
4.1	Exploration and evaluation	30,000
4.2	Development	-
Total		30,000



**Mining Exploration Entity Quarterly Report
Continued . . .**

Name of Entity

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Quarter Ended ("Current Quarter")

31 MARCH 2007

RECONCILIATION OF CASH

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current Quarter \$A	Previous Quarter \$A
5.1 Cash on hand and at bank	255,408	313,056
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	5,240	5,340
Total: cash at end of quarter (item 1.21)	260,648	318,396

CHANGES IN INTERESTS IN MINING TENEMENTS

	Tenement Reference	Nature of Interest	Interest at Beginning Of Quarter	Interest at End of Quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	None		
6.2	Interests in mining tenements acquired or increased	None		



**Mining Exploration Entity Quarterly Report
Continued . . .**

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Quarter Ended ("Current Quarter")

31 MARCH 2007

ISSUED AND QUOTED SECURITIES AT END OF CURRENT QUARTER

	Total Number	Number Quoted	Issue Price per Security (see note 1) (cents)	Amount paid up per security (see note 1) (cents)
7.1 Preference securities	None			
7.2 Changes during quarter				
a) Increases	None			
b) Decreases	None			
7.3 Ordinary securities	59,520,067	38,731,528		
7.4 Changes during quarter				
a) Increases	None			
b) Decreases	None			
7.5 Convertible debt securities	None			
7.6 Changes during quarter				
a) Increases	None			
b) Decreases	None			
7.7 Options	2,600,000	None	Exercise price 30 cents	Expiry date 15.3.2009
7.8 Issued during quarter	None			
7.9 Exercised during quarter	None			
7.10 Expired during quarter	None			
7.11 Debentures	None			
7.12 Unsecured notes	None			



Mining Exploration Entity Quarterly Report
Continued . . .

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Quarter Ended ("Current Quarter")

31 MARCH 2007

COMPLIANCE STATEMENT

1. This statement has been prepared under accounting policies that comply with accounting standards as defined in the Corporations Act or other standards acceptable to the ASX.
2. This statement does give a true and fair view of the matters disclosed.

Signed by

David King - Director

Date 30 April 2007