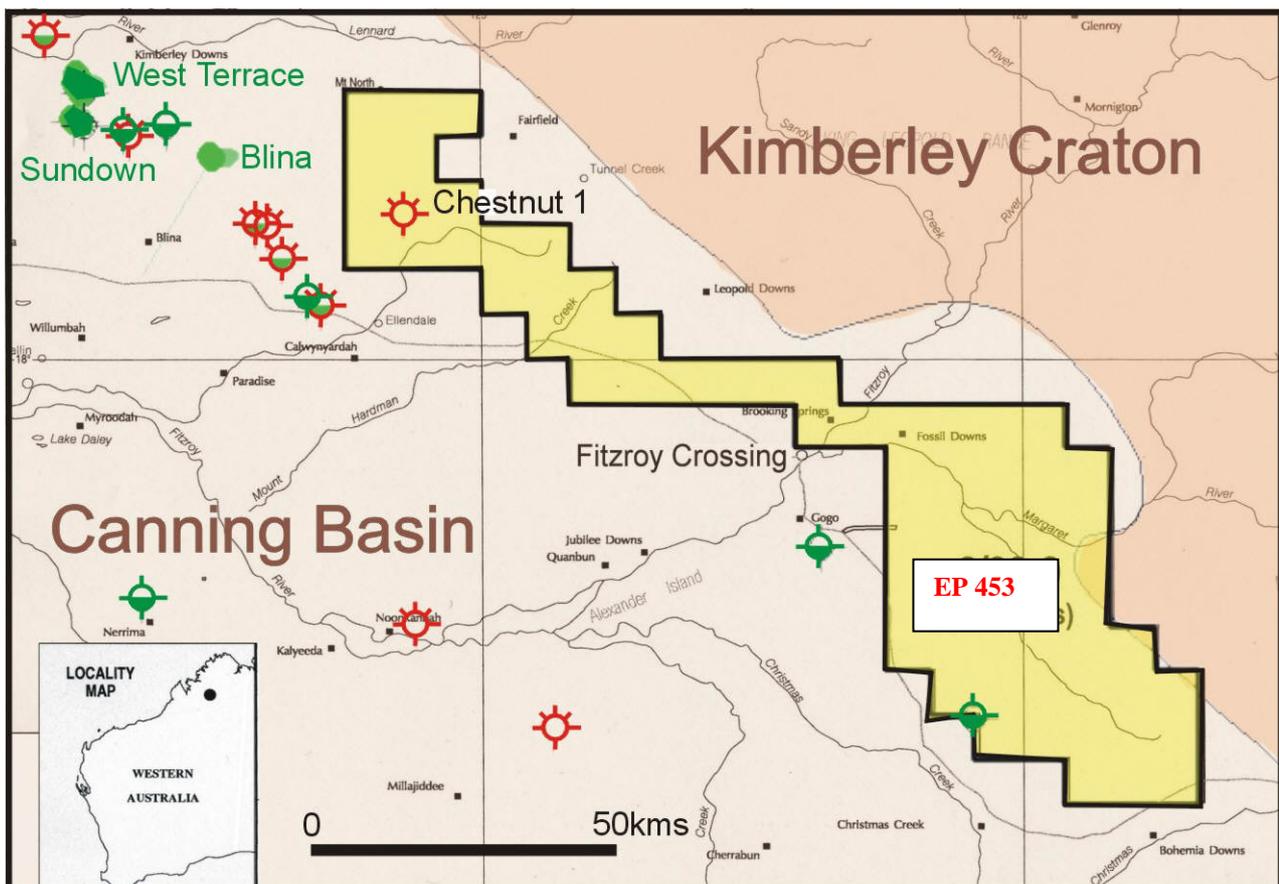


ACTIVITIES REPORT QUARTER ENDED 31st MARCH, 2008

CORPORATE

Managing Director Appointment: Dennis Morton was appointed to the Board as Managing Director effective 31st March, 2008. Dennis was a founder and until late in 2007 Managing Director of Eastern Star Gas Limited, and brings to the Board a wealth of oil and gas exploration as well as corporate experience. Dennis is also one of the Company's largest shareholders. He was previously in senior Executive positions with Bow Valley (Australia) Limited, Capital Energy Limited, Hartogen Energy Limited, and Esso Australia Limited. Dr David King, who has been acting as Executive Director since the resignation of the former Managing Director in March 2006, will revert to a non-executive role.

Acquisition of EP 453, onshore Canning Basin, Western Australia: The Directors are pleased to advise the acquisition (subject only to Ministerial approval) of a 100% interest in EP 453, onshore Canning Basin (see attached map). The consideration for the acquisition is the issue of 6 million new fully paid ordinary shares in the Company, and assumption of existing royalties to the vendors of 3%.



PHILIPPINE OPERATIONS – SC 44, Onshore Cebu

During the Quarter, independent contractor Geo-Microbial Technologies, Inc. of Oklahoma, USA (“GMT”) submitted the final report for the reconnaissance geo-microbiological survey, conducted in December, 2007. Samples were collected on a 250-500 metre spacing over the Malolos-Barili a and the immediately surrounding areas with a total of 270 samples collected for Microbial Oil Survey Technique (“MOST”) analysis and 36 samples collected for Sorbed Soil Gas (“SSG”) analysis.

The MOST samples recorded significant levels of hydrocarbons in a number of samples with three separate areas containing clusters of significant measurements. These clusters trend northeast – southwest and are thought to represent hydrocarbon seepage along thrust faults that bound potential structural traps. The SSG samples indicate that the hydrocarbons are likely to be sourced from oil and thermogenically derived natural gas which is in agreement with the oil and gas recovered on drill-stem tests in the Malolos-1 and Nuevo Malolos-1 exploration wells.

The geo-microbiological survey results indicate that the technique has application within SC 44 where structural movements have been recent and the major fault systems outcrop with associated hydrocarbon seepage. The major faults are thought to be associated with subsurface structural traps and the survey technique could prove useful when locating seismic lines. Consideration of conducting another geo-microbiological survey will be made after new seismic data has been acquired and the technique further validated.

Nuevo Malolos-1 and Malolos-1 well test results have proved the presence of thick, good quality sandstone reservoirs containing both oil and gas however, formation damage caused during the drilling process has precluded commercial production of this oil and gas. At this stage the damage mechanism and ability to overcome the damage is not known. An external group of industry experts has been retained to further review the well data and test results in an attempt to find a way to overcome the formation damage and commercially recover the hydrocarbons. It is likely that the first stage of this review will be completed during the June Quarter.

The Company would like to acquire new seismic data over existing SC 44 leads and prospects however, there is no onshore seismic crew currently located within the Philippines. Seismic crew mobilisation and demobilisation costs from nearby countries would be too high for a single survey within SC 44 so G2G is canvassing other onshore Philippine operators to see if a large enough program can be combined to allow the mobilisation of a seismic crew into the country.

JAPEX recently completed the drilling of a 3,200 metre well located approximately 4 kms offshore from the western boundary of SC 44. Scouting reports indicated hydrocarbon shows but the well was plugged and abandoned as a dry hole.

NEW ZEALAND: PEP 38260 (onshore), Canterbury Basin

Kate-1 will spud in early May immediately after the contracted rig completes the drilling of a well for another operator located near Masterton on the North Island. The Kate-1 wellsite has been prepared and awaits the rig arrival.

FRANCE: Aquitaine Basin St. Griede Application Area

The Company is still waiting for the formal offer of an exploration licence covering an area of 1,238 square kilometres at St. Griede, within the Aquitaine Basin. The Designated Authority in France is waiting on the completion of local prefecture reports following which it will proceed with the award of an exploration licence as previously submitted by the Company and its joint venture partner Gippsland Offshore Petroleum.

WESTERN AUSTRALIA: EP 453, onshore, Canning Basin

EP 453 is a highly prospective exploration licence with both oil and gas targets in carbonate reefs and sandstone reservoirs. A number of carbonate reef prospects have already been delineated from existing seismic data in the area. The prospectivity of sandstone reservoirs is evidenced by the fact that the only recent well drilled in the licence area, Chestnut-1 (1994) intersected a shallow (1,350 metres) 8 metre thick sandstone reservoir interpreted (from logs) to be hydrocarbon-bearing, although the interval was not tested. A deeper (1,800 metre) sandstone reservoir is also hydrocarbon bearing but has poor reservoir parameters and on drillstem test flowed gas to surface at a rate too small to measure. These two sandstone reservoirs were deposited in a marine fan setting and reservoir quality should improve towards their depositional source, proximal area. An updip and more proximal to reservoir source location on this prospect is drill-ready.

EP 453 enjoys the benefit of an executed Native Title and Heritage Protection Agreement with the Kimberley Land Council Aboriginal Corporation which took many years to negotiate. The acquisition of a 100% working interest in EP 453 will facilitate the Company attracting a farm-in partner to participate in future exploration, enabling the Company to benefit from any farm-in premium in such a transaction.

Dennis Morton.
Managing Director.



APPENDIX 5B
Mining Exploration Entity Quarterly Report

Name of Entity

GAS2GRID LIMITED

ABN

46 112 138 780

Quarter Ended ("Current Quarter")

31 MARCH 2008

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	(18,255)	(120,544)
	(b) Development	-	-
	(c) Production	-	-
	(d) Administration	(90,779)	(425,322)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature	32,378	120,145
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	20,134	11,652
	Net operating cash flows	(56,522)	(414,069)
Cash flows related to investing activities			
1.8	Payment for purchases of:		
	(a) prospects	-	-
	(b) equity investments	(600,000)	(600,000)
	(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	(600,000)	(600,000)
Cash flows related to financing activities			
1.13	Proceeds from issue of shares, options, etc.	-	2,329,319
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	-	-
	Net financing cash flows	-	2,329,319
	Net increase (decrease) in cash held	(656,522)	1,315,250
1.19	Cash at beginning of quarter/year to date	2,712,853	740,323
1.20	Exchange rate adjustments to Item 1.19 above	(245)	513
1.21	Cash at end of quarter	2,056,086	2,056,086



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

Name of Entity

GAS2GRID LIMITED

ABN

46 112 138 780

Quarter Ended ("Current Quarter")

31 MARCH 2008

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	31,718
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

Item 1.22 comprises management fees of \$30,000 paid to an entity controlled by a director and consulting fees of \$1,718 paid to a director.

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	1,400,000
4.2	Development	-
Total		1,400,000



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

Name of Entity

GAS2GRID LIMITED

ABN

46 112 138 780

Quarter Ended ("Current Quarter")

31 MARCH 2008

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	2,052,418	2,695,731
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	3,668	17,122
Total: cash at end of quarter (item 1.21)	2,056,086	2,712,853

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	EP 453	Nil	100%



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

Name of Entity

GAS2GRID LIMITED

ABN

46 112 138 780

Quarter Ended ("Current Quarter")

31 MARCH 2008

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	115,520,066	115,520,066		
7.4 Changes during quarter				
a) Increases	6,000,000	6,000,000		
b) Decreases	None	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 . . .

Name of Entity

GAS2GRID LIMITED

ABN

46 112 138 780

Quarter Ended ("Current Quarter")

31 MARCH 2008

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

Dennis Morton - Director

Date 29 April 2008

Notes

- 1 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.