



GOLDEN GATE PETROLEUM LTD

(A B N 3 4 0 9 0 0 7 4 7 8 5)

1st Floor, 8 Colin Street
West Perth WA
Australia 6005

Telephone: +61 8 9324 1177
Facsimile: +61 8 9324 2171



PO Box 453
West Perth WA
Australia 6872

Email: admin@ggpl.com.au
Website: www.ggpl.com.au

10 January 2007

PADRE ISLAND TESTING PROGRAMME- UPDATE

Kindee ST 212 #1, Padre Island Texas, Operator 37.5% WI

The Company advises that the electric logging and testing of the deepest three zones in the sidetrack portion of the Kindee ST 212 #1 well has been completed. While our preliminary interpretation of the well was encouraging, the subsequent testing and sampling programme has determined that the lower zones are non-commercial. Consequently, the sidetrack has been plugged and abandoned. The Parker Rig 122 has commenced moving operations to the next location in the drilling programme.

A fourth shallow zone remains to be tested. This is behind the 7" liner. Indications of a gas-bearing zone were recorded over an approximate interval of 25 feet. This will now be tested by a workover rig, commencing within the next 6 weeks. The results will be released to the market as they become available.

Parker Rig 122 is being mobilised to the Wilson Prospect, the Kindee ST 949 #1 well, further north on Padre Island. This well will test prospective zones in the upper Frio system, at similar depths to our current production at La Playa Deep and Shallow to the north, and Dunn Peach # 6 to the south.

Mr. Mike Bell, Managing Director, said, "We are obviously disappointed in the results of the testing and sampling programme. It will take us some time to evaluate the data and determine the impact on the rest of our prospect inventory. During that time, we will focus our drilling programme on the shallow prospects in the inventory, with wells on Wilson, El Mar, and Dunn Deep."

Partners in the Kindee ST 212 #1 well are:

Golden Gate Petroleum Ltd	37.5% WI
Lodore Oil and Gas LP	37.5% WI
Pantheon Resources Plc	25.0% WI

Contact:

Mike Bell
Managing Director
Phone +1 713 334 0986

Sam Russotti
Chairman and Director
Phone +61 2 6587 4348

For more information: www.ggpl.com.au
