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SAMSTOWN WELL ON PRODUCTION

Folse #2 Samstown Prospect, Iberville Parish, Louisiana, Operator 45% WI

The Board of Golden Gate Petroleum (ASX Code: GGP) is pleased to announce that Folse #2 Well commenced production on 8 December 2007.

The initial flow commenced at 500 mcf per day of gas and 4 barrels of condensate. The field is performing in line with expectations. To optimise gas recoveries the well is being choked back and may gradually be increased following assessment of the performance of the well.

The now established infrastructure at Folse #2 could be utilised for other gas discoveries such as LGS Shallow which may ultimately be hooked into production.

The high working interest (ie 45%) in Folse #2 is making a meaningful contribution to the Company's earnings.

Reserves are estimated at 1-2 Bcf.

A 20% back-in after project payout (which includes all well and entry costs for Samstown, LGS and Noel) to the project sellers effectively delivers the Company a WI of 36% after payout.

A more detailed summary of the Project is located: www.ggpl.com.au/operations_lgsnoel.html

On behalf of the Board of Directors

For further information contact:

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This report has been reviewed and signed off by Mr Sam Russotti, CEO, (BSc Geology) and Mr. Jeff Copley, Technical Director (BSc Geology & MSc. Geophysics), both with over 30 years experience in the oil and gas sector.

Forward Looking Statements

This announcement contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.