



GOLDEN GATE PETROLEUM LTD



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SUCCESS AT LAPLAYA #1 INCREASES GGP'S GROSS DAILY PRODUCTION TO 4.6 MILLION CUBIC FEET PER DAY

La Playa Shallow #1 (La Playa Prospect), Padre Island, Tx, GGP 35% WI, Operator BNP

The Board of Golden Gate Petroleum is pleased to announce that re-completion on the La Playa #1 well has resulted in the well being put back on production at 2,000 mcf/d.

La Playa #2 (La Playa Prospect), Padre Island, Tx, GGP 20% WI, Operator BNP

The testing of La Playa #2 is continuing, the Company has been advised by the operator that the two lower zones have been tested with no flow of commercial hydrocarbons. Testing continues on several additional prospective reservoirs and results will be advised to the market once all tests are completed.

Production Update

With the addition of La Playa #1 total production on all wells is 14.7 million cubic feet per day (4.6 million gross to GGP).

At gas prices of US\$7.5 mcf and oil prices of US\$85 per barrel, monthly net revenue to GGP (after royalty and costs) is estimated at A\$730,000.

On behalf of the
Board of Directors

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Golden Gate is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. Its focus of operations is onshore Texas and Louisiana Gulf Coast region of the USA.