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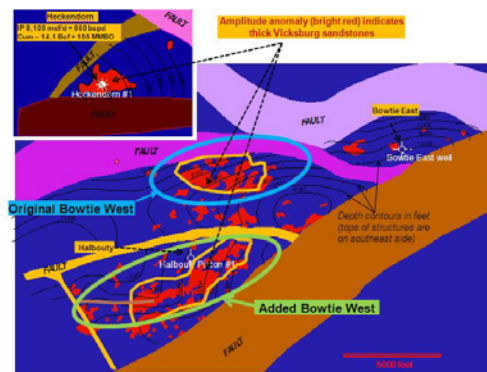
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LARGE BOWTIE WEST PROSPECT TO COMMENCE DRILLING IN EARLY APRIL

The Board of Golden Gate Petroleum Ltd (ASX:GPP) is pleased to announce that the Bowtie West prospect is to commence drilling operations in early April with the spudding of the Sugar Valley # 1 well.

The Sugar Valley # 1 well will be drilled to an approximate depth of 13,000 feet to test the Vicksburg sandstone reservoir known as the Tex-2 formation. Yarras Texas LLC, GGP's wholly own subsidiary, is paying 20% of the drilling costs to earn an 18% in the prospect.

The Bowtie prospect is a moderately risked exploration prospect with prospective reserves estimated at over 50 billion cubic feet of gas and around 1.7 million barrels of oil. Analogue producing wells exist nearby with initial production rates greater than 8 million cubic feet of gas per day and over 500 barrels of condensate per day and have cumulative production of more than 10 billion cubic feet of gas.



The reservoir sands at Bowtie West are visible on seismic with a strong amplitude anomaly that extends widely over the prospect and could represent a much larger prospective reserve than estimated. The strong amplitude anomaly equals thick reservoir sand which has been calibrated in nearby prolific Vicksburg producers.

Comments

Bowtie West is an exciting prospect with very large upside to GGP. Our working interest share of the prospective reserves could represent close to US\$40 million in net revenue or as much as 5.4c cent per share in cumulative cash flow based on current energy prices and analogue recovery assumptions.

Bowtie West fits well into the GGP strategy. With Sugar Valley well and the Napoleonville well commencing drilling operations within the next six weeks along with the Silverwood prospect planned to be drilled in June, there is a lot of activity to go along with Fausse Point being brought onto production.

A detailed summary of the Bowtie Prospect can be located on the Company's website: www.ggpl.com.au

On behalf of the Board of Directors

For further information contact:

Steve Graves
Managing Director

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.

COMPETENT PERSONS STATEMENT: The information in this report has been reviewed and signed off by Mr Mark Decker, Geologist (BS. Geology), with over 34 years respective relevant experience within oil and gas sector.

This report contains forward looking statements that are subject to risk factors associated with resources 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.