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NAPOLEONVILLE SALT DOME—WELL CONTROL UPDATE

Napoleonville-- Dugas & Leblanc #1 Well, Assumption Parish, Louisiana, 15% WI

Further to previous announcements Golden Gate provides an update of the well control operations being carried out by Mantle Oil & Gas LLC as Operator of the Dugas & Leblanc #1 well and the Dugas & Leblanc #2 well.

Mantle Oil & Gas, as Operator, reported that during the day of 25th August US Central Time it has managed to secure the new BOP and wellhead on the Dugas & Leblanc #1 well. Control operations are continuing but barring any more incidents the well should now be able to Plugged and Abandoned. At this point Golden Gate's best estimate is that all of the costs will most likely be covered by the Operator's and Golden Gate's insurance.

Casing is now being set at the Dugas & Leblanc #2 well at 2,316 ft. The well is still continuing progress to intersect the Dugas & Leblanc #1 well for kill operations pending Louisiana State Authorities decision which will depend on the success of the P&A at Dugas & Leblanc #1. Planning is now underway to use this well as a producer.

Partners in the Dugas & Leblanc Wells are:

Mantle Oil & Gas LLC (Operator)	4.09% WI
Grand Gulf Energy Ltd (ASX: GGE)	39.50% WI
Golden Gate Petroleum Ltd (ASX: GGP)	15.00% WI
Other partners	41.41% WI

On behalf of the Board of Directors

For further information contact:

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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.