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Market Release (via electronic lodgement)

Dugas & Leblanc #2 Well Flowing at 320 BBLD

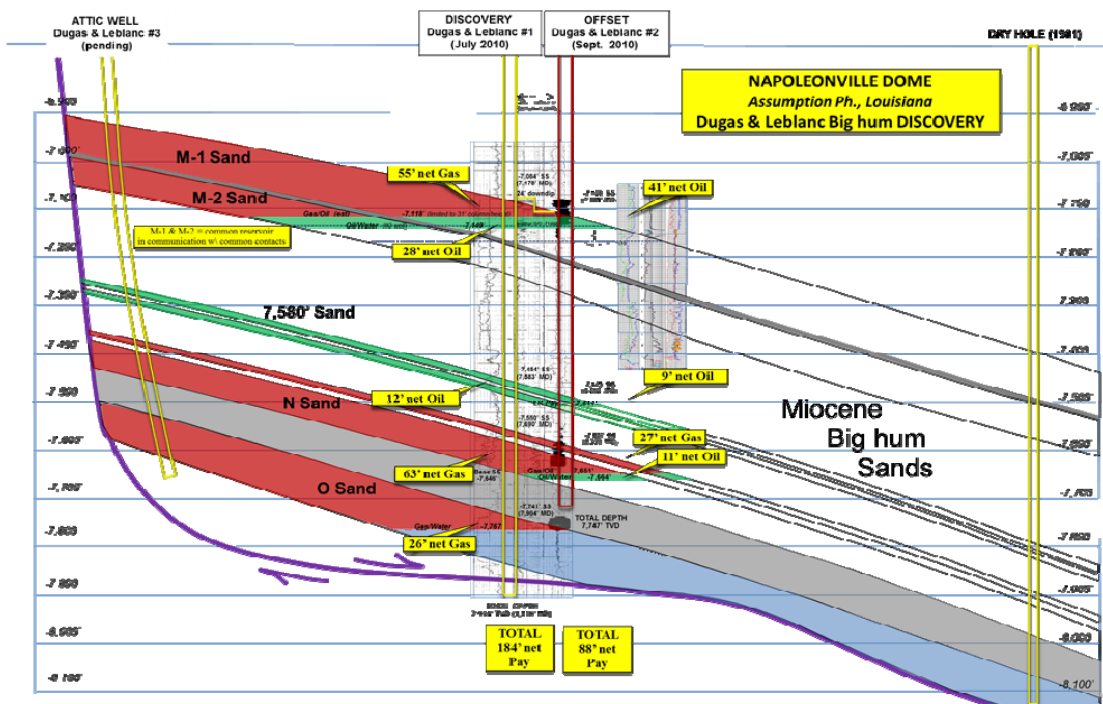
Napoleonville- Dugas & Leblanc #2 Well, Assumption Parish, Louisiana, Non Operator 15% WI

The Board is pleased to advise that the Dugas & Leblanc #2 which commenced production on 21 December 2010 is presently flowing at 320 bbls and 450 mcf per day on a 9/64" choke.

The board has been advised that it appears that as expected, oil has become the majority of the flow, which is very positive. The joint venture will be watching the flow rates closely over the ensuing weeks.

Partners in the D&L #2 well are:

Company	WI
Grand Gulf Energy Ltd	39.5%
Golden Gate Petroleum Ltd	15%
Other Partners	45.50%



Dugas & Leblanc #3, Development well, Non-Operator 15%

The JV is presently reviewing plans for a development attic well updip from the Dugas & Leblanc #1 and #2 wells as identified in the above cross section. The proposal being reviewed is to drill the updip well to 7,900ft to initially produce gas from the lowest of the Sands, the "O", until it is depleted and then move up the hole. Following JV consensus, the Company anticipates drilling this well in 2011.

For further information contact:

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About Golden Gate: Golden Gate is an independent oil and gas exploration and production company listed on the Australian Securities 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 the 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