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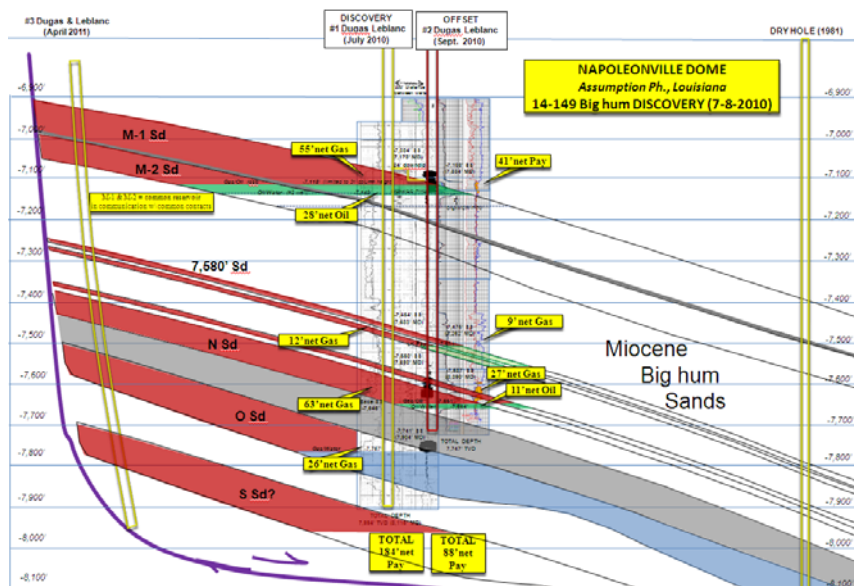
Market Release *(via electronic lodgement)*

DUGAS & LEBLANC # 3 DRILLING UPDATE

Napoleonville- Dugas & Leblanc #3 Well, Assumption Parish, Louisiana, Non Operator 15% WI

The Dugas & Leblanc #3 well spudded on 16 April 2011 and reached TVD of 8,000ft (TD 8,920ft) on Saturday, 30 April 2011. The well encountered gas shows through all primary intervals whilst drilling and a further show was identified in a potential new "S" sand structure. Whilst pulling out of the hole to complete electric logs the drill string's bottom hole assembly ("fish") became stuck.

The Board is pleased to advise that final efforts by the Operator to free the fish were successful at 7.30am Houston time on 9 May 2011. The well will be cleaned and logs will be run over the next 24 hrs.



The Dugas & Leblanc #3 well is updip of the #2 well and will target the gas in the M, N, Stray and O sands. Production will start at the lowest known sand, the O, and as each zone depletes the zone above will be completed.

The expectation is that the D&L #3 well will be a gas well with the D&L #2 well recovering the oil in the "M" Sand. The D&L #2 well is currently completed and producing in the "N" sand. Once this production depletes, the 41ft of net pay in the "M" sand will be completed for production.

The potential recoverable from the Dugas & Leblanc field is estimated at 7 BCF and 305,000 BBLS and will be recoverable over the following intervals.

	Gas (BCF)	Oil (MBBL)
"M" Sand	4.15	300
Stray Sand	0.25	-
"N" Sand	1.3	5
"O" Sand	1.25	-
"S" Sand	?	?
Total	6.95	305

The "N" Sand has proven to date in D&L #2 to exhibit a strong water drive. However, the dominant drive mechanism in the remaining sands is an unknown variable.

The high permeability and porosity of the sands indicate potential flow rates of over 4,000 mcfgd in the D&L #3 well resulting in significant cash flow generation.

Partners in the D&L #3 well are:

Company	WI
Grand Gulf Energy Ltd	39.5%
Golden Gate Petroleum Ltd	15.0%
Other Partners	45.5%

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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 and the Permian Basin 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.