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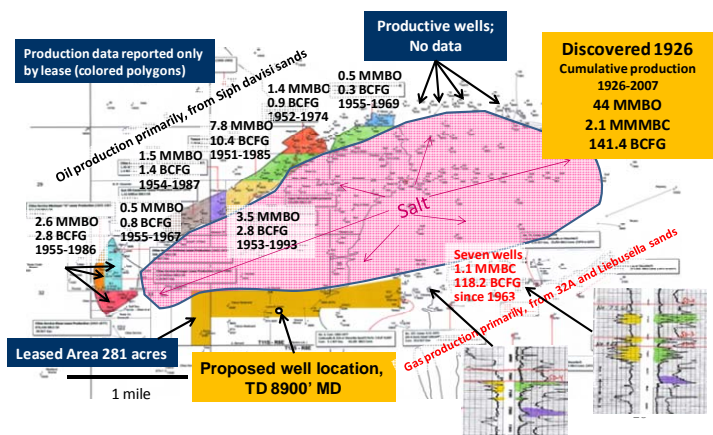
17 December 2009

Market Release (via electronic lodgement)

FAUSSE POINT DRILLING AHEAD

The Board of Golden Gate Petroleum Ltd (ASX:GGP) is pleased to advise the T.G.R. Land Company, Inc #1 well at Fausse Point is presently at a depth 5,308ft and drilling ahead. The well spudded on Saturday 5 December 2009. The well is expected to take approximately three weeks to reach its targeted depth of 9,500 ft.

The primary target is shallow oil (7,000-8,000 ft) and deeper secondary target is gas (7,500-9,000 ft).



Comments

GGP's share of the Fausse Point potential hydrocarbon resource is approximately 1.8 million barrels of oil equivalent which at \$50 per barrel (current US oil prices around US\$ 72 per bbl) provides potential revenues of over A\$0.10 cents per share in value to GGP shareholders.

These estimates are based on the potential oil resource at Fausse Point of approximately 7.4 million barrels of recoverable oil at P50 level and potential gas resource of 24.2 billion cubic feet of gas.

The Fausse Point project alone provides a significant upside to the current share price. Fausse Point is one the first of several new prospects including Bowtie West that GGP will participate in over the next 6 to 9 months with each having similar upside share potential in addition to the Companies existing production from Bullseye and Padre Island projects.

Partners in the Fausse Point Project are:

| | |
|---|-----------|
| Golden Gate Petroleum Ltd (ASX code: GGP) | 20.00% WI |
| Verus Investments Limited (ASX code: VIL) | 50.00% WI |
| Pass Petroleum L.L.C. | 30.00% WI |

Details of the Fausse Point project are summarised on the next page.

On behalf of the Board of Directors

For further information contact:

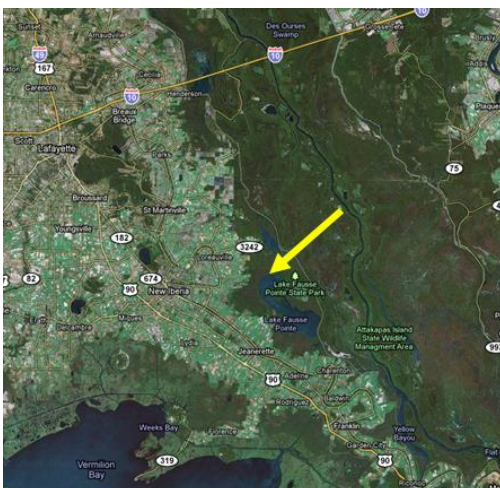
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Golden Gate is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. Its focus of operations is onshore Texas and Louisiana Gulf Coast region of the USA.

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.

Fausse Point Highlights

- The project known as Fausse Point is part of GGP's strategy to invest in low-cost, high impact, known hydrocarbon bearing areas which in the Company's view are moderately low risk in onshore Louisiana or Texas where its knowledge base and operational experience has been established from its other projects.
- The prospect is located on the flank of a producing salt dome where two high quality targets have been identified. The primary target is shallow oil (7,000-8,000 ft) and deeper secondary target is gas (7,500-9,000 ft). Total dry hole cost to drill the initial well is approximately US\$1 million.
- Salt domes in Louisiana have been proven to be highly prospective and prolific producers hence GGP views this as a particularly exciting exploration opportunity. The Fausse Point salt dome has already produced over 44 millions barrels of oil and 141 billion cubic feet of gas.
- The potential oil resource is estimated at 7.4 million barrels of recoverable oil at P50 level and potential gas resource of 24.2 billion cubic feet of gas. With potential upside in the event the anticipated pay zones are larger.
- Potential production rates could exceed 1,500 barrels of oil per day as initial production rates are estimated at 300-500 barrels of oil per day per sand and there are multiple sands. Production could be supported by nearby infrastructure.
- The Fausse Point exploration project adds another high impact exploration opportunity with near term upside to its current planned Bowtie West project. These high impact exploration wells which are relatively low cost provide good upside for GGP when combined with the current strong cashflow from Bullseye.



Fausse Point Location