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FAUSSE POINT UPDATE— PRODUCTION AND TESTING CONTINUES



The Board of Golden Gate Petroleum Ltd (ASX:GGP) advises that production and testing continues at the Fausse Point T.G.R. Land Company, Inc #1 well.

Numerous testing programs have been run on the lowest interval (8,370 feet) with sufficient data having now been collected on flow rates, pressures and other information. Analysis to date indicates that the lowest zone is possibly connected to a much larger hydrocarbon accumulation, and that this well may have only just penetrated the edge of this larger accumulation. This zone was not an original target of this well and it has the potential to represent a new play type.

The reprocessing of seismic data over the Fausse Point Salt Dome has commenced to better understand the extent and potential of the lower sands and will assist with the location of an appraisal well.

The primary target objectives of the well that were intercepted at the shallower depths and were hydrocarbon bearing will now be tested.

Comments

Persisting with testing this deep zone before moving up the hole and testing the numerous other zones is based on our expectation that we may have discovered something substantial in a new play type in this deep section that we need to understand.

Fausse Point has been an extremely interesting well in that it has discovered hydrocarbons over multiple levels which is extremely encouraging, however patience is required to fully understand each of these zones so as to optimise any appraisal drilling operation.

Partners in the Fausse Point Project are:

Golden Gate Petroleum Ltd (ASX code: GGP)	18.00% WI
Verus Investments Limited (ASX code: VIL)	45.00% WI
Pass Petroleum L.L.C.	27.00% WI

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.