



# GOLDEN GATE PETROLEUM LTD

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## ASX Release

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ASX  
Level 8 Exchange Plaza  
2 The Esplanade  
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## Finance News Network Video Interview with Managing Director

You can watch the interview by clicking the [interview link](#) here.

## TRANSCRIPTION OF FINANCE NEWS NETWORK INTERVIEW WITH GOLDEN GATE PETROLEUM LIMITED (ASX:GGP) MANAGING DIRECTOR, STEPHEN GRAVES

**Clive Tompkins:** Hello Clive Tompkins reporting for the Finance News Network. Joining me for the first time from Golden Gate Petroleum is Managing Director, Stephen Graves. Stephen welcome to FNN, can you start by introducing the company.

**Stephen Graves:** Golden Gate's a company that's been around eight years. It's been focused in the Gulf Coast of North America, specifically in Texas and Louisiana. All the drilling activity has been there, it's been onshore, it's been primarily in shallow oil and gas of course, and projects that vary quite a bit.

All those projects, there's six of them and those projects have tremendous upside potential for our share price in each one of them. And in most of them we are the operator and we control our project and the destiny that we have.

**Clive Tompkins:** Could you tell us about your announcement today, the investor presentation. What are the highlights?

**Stephen Graves:** Well the real emphasis of today's presentation is the fact that this company now has got six major projects under development. Three of them are discoveries. We just recently announced the discovery at Fausse Point. We have production at our project called Bullseye and we also have some production still at Padre Island, which is the original project that the company started eight years ago.

We've just announced two new projects, one called Silverwood and the other one called Napoleonville. Both of those are just fantastic upside projects for us and we've also got a project called Bowtie West.

The difference now for Golden Gate as in the past, is that we're going to be drilling six wells or participating in at least six wells and the testing of two other wells that have already been drilled, over the next six months. So we have a tremendous amount of activity and all those projects have a significant upside potential to our share price.

**Clive Tompkins:** Stephen, why have you chosen to focus on six projects when other companies focus on just one or two?

**Stephen Graves:** Well the good thing is that we've been able to again, stay focused in one area of the country but also be diversified across these projects. We have no more than 30 to 35% of any one project, some of them as low as 15%. That gives us a chance to have more projects and lower risk, and that's what we're doing with this type of strategy that we're moving ahead with. It is different than most companies that have one or two projects and a much larger working interest position.

**Clive Tompkins:** Okay so how many barrels do you currently produce?

**Stephen Graves:** Well we have one well that has been producing for the last year and it's accrued about 240,000 barrels of oil since the project started and that's our primary producer. We've been producing gas from Padre Island for the last four or five years, so we've had numerous billion cubic feet of gas produce in Padre Island. Last week - two weeks ago I'm sorry - we announced a discovery at Fausse Point and that well is going to go on production, probably in about six weeks.

**Clive Tompkins:** So are you cash flow positive?

**Stephen Graves:** No we're not positive yet because we're still in development mode. We have all these opportunities to develop these projects that are coming up. They're exciting projects and we want to take advantage of those projects, and that means we're spending our equity capital to do that now. But we've got again, six wells to drill in the next six months, a couple of wells to test – with success in two or three of those, we will be cash positive - big time.

**Clive Tompkins:** Stephen last question, where's your share price today and what's your market cap?

**Stephen Graves:** Our share price is around the 4 cent mark per share and we have a market cap of about \$26 million. A lot of the share price has been dictated by the most recent well we've just announced a discovery in. The discovery that we've announced is extremely exciting and has tremendous upside, but we don't know the order of magnitude of how big it is at the moment, and the market's pretty much discounted us a bit because of this one discovery. The good news is the discovery.

The further good news is that we've got five other projects that we're still working on that have just as much or more upside potential. So we're pleased about that but I don't think the market's reflecting that one - our total portfolio. As a consequence we've come out with this new investor presentation to remind the market that we're not just a one project company, we've got six projects. And we think that will provide an opportunity over the next few months for the investor to come in and take a look at us at this stage, and take advantage and see if they want to participate as we go forward.

**Clive Tompkins:** Stephen Graves thanks for introducing Golden Gate Petroleum.

**Stephen Graves:** You're welcome.

**ENDS**