

GOLDEN GATE PETROLEUM LTD ASX / MEDIA ANNOUNCEMENT

31 January 2013

Permian Project Update – Preparation to Frac SRH #5H Well plus New Well Permitting

Golden Gate Petroleum Ltd (ASX: GGP) ("Golden Gate" or the "Company") is pleased to provide a project update on our Permian Project, Texas, USA.

Permian Project, Reagan and Irion Counties, Texas, Operator 100% WI

SRH #5H Well

The SRH #5H well, Golden Gate's first horizontal well, has been successfully drilled, cased and being readied for hydraulic fracturing over the Upper Wolfcamp horizontal interval. Halliburton has been scheduled to frac the SRH #5H in February 2013 after the completion of the current partially underwritten Entitlement Offer and sufficient funds are available for the planned program.

New Well Permitting

Preparations are underway for drilling the 6th well in the Permian project. Surveying of several sites for both vertical and horizontal wells is underway. The next well to be drilled is expected to commence drilling operations in March 2013. A decision on whether to drill a horizontal or vertical well next will be determined based on the results of the #5H well's initial production and other factors involving the current permitting process and legal issues.

SRH #1 & #2 Well

We are currently in the process of preparing to set capillaries on both the SRH #1 & #2 wells so the isolated Cline interval can be put on production and comingled with the Wolfcamp intervals which have already been frac'd. The addition of chemicals to the bottom hole Cline interval is designed to avoid paraffin falling out of the oil while being produced.

The current plan is to bring the two wells back on production from both the Wolfcamp and Cline intervals. Fracture stimulating the Spraberry-Dean intervals will be done at the same time as the next frac program for the planned well to be drilled in March. This will save a considerable amount of frac costs plus provide time to evaluate the effectiveness of the capillaries and make any necessary adjustments.

For and on behalf of the board

Steve Graves
Executive Chairman

For further information contact:

Chris Ritchie
Chief Financial Officer
Phone +61 3 9349 1488
investor.relations@ggpl.com.au

COMPANY INFORMATION

Golden Gate Petroleum Ltd
ABN 34 090 074 785

COMPANY DIRECTORS

Steve Graves – Executive
Chairman
Chris Porter – Director
Rob Oliver - Director

MANAGEMENT

Chris Ritchie – CFO / Co Sec

STOCK EXCHANGE LISTING

Australian Stock Exchange
ASX Code: GGP

Current Shares on Issue:

2,841,930,815

Market Capitalization as at 30

January 2013 based on a share
price of \$0.005

AUD \$ 14.2 million

CURRENT PROJECTS

Permian Project
Eagle Ford Shale
Bowtie West
Napoleonville
North Edna
Acadia
Goliad

www.ggpl.com.au

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 George Placke, Petroleum Engineer, with over 30 years of experience within the oil and gas sector and an extended background in Texas.

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.