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BULLSEYE PROSPECT: OPERATIONAL UPDATE

Acosta #1 Well, Bullseye Prospect, Iberville Parish, Louisiana, Operator 41.25% WI

The Acosta #1 well is currently undergoing completion operations with a service rig on site. Standard completion programs are progressing, although somewhat delayed by recent severe weather conditions. Cased hole logs have been run to further evaluate the formation and determine the integrity of the cement across the Miogyp Formation.

Once current evaluations and any required remediation are complete, the plan is to test the Miogyp Formation which has been producing from the Jumonville #1 well. Flow testing of this zone in the Acosta #1 well will provide added confirmation of the oil-water contact and reservoir thickness, further supporting reserve estimates along with providing a production and cash flow uplift.

A successful test in the Miogyp will result in the Acosta well beginning production quickly as surface facilities, flow lines and a gas sales pipeline are now in place.

The Acosta #1 well successfully reached total depth of 12,475 feet at the beginning of December. Open hole logs and side wall cores indicated approximately 24 feet of net pay in the Miogyp Formation and 26 feet of oil saturated porosity in the Camerina Formation. Both log correlations and samples are considered consistent with results obtained from drilling the Jumonville #1 well, which supports an oil column in the Miogyp, at the upper end of the Company's expectations.

Partners in the Acosta #1 well are:

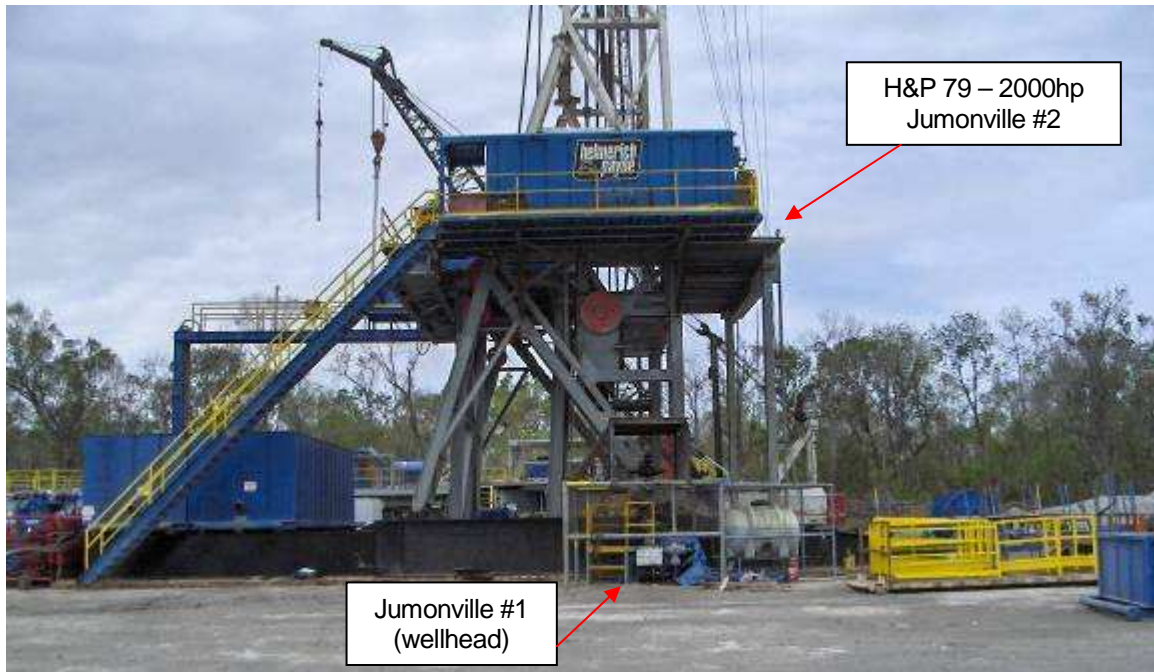
Golden Gate Petroleum Ltd (ASX code: GGP)	41.25% WI
Modena Resources Limited (ASX code: MDA)	9.00% WI
Quest Petroleum NL (ASX code: QPN)	5.00% WI
Pantheon Resources PLC	11.25% WI
Eastern Advisors	12.00% WI
Other partners	21.50% WI

Jumonville #2 Bullseye Prospect, Iberville Parish, Louisiana, Operator 43.33% WI*

The Jumonville #2 well is expected to spud this week. The Helmrich & Payne rig #79 (see photo below) is on location and is finalizing preparations for drilling operations to commence. Planned total depth is approximately 14,200ft and anticipated to take approximately 60 days to reach total depth.

The Jumonville #2 well targets three objectives; the Camerina, Miogyp and Cib Haz Formations. The primary target in the Jumonville #2 well is the deep Cib Haz reservoir along with providing added penetrations of the Miogyp and Camerina Formations approximately 1,500 feet to the west of the Jumonville #1 well. Added penetrations of the Miogyp will assist with our current analysis of the formation's reserve potential.

The Cib Haz objective is part of the same hydrocarbon trap as the shallower productive intervals. Although deeper than the proven Miogyp reservoir and apparent pay in the Camerina section, it is considered to have a high probability of success. However, the Cib Haz is still considered an exploration target. The proprietary 3D seismic data which provided an accurate pre-drill estimate of pay thickness in the Jumonville # 1 well indicates substantially thicker reservoir sand over a larger area in the deeper Cib Haz reservoir. If this deeper test is successful the combined reserves of the Camerina, Miogyp and Cib Haz has the potential to make Bullseye one of the largest onshore discoveries in South Louisiana in recent years.



Partners in the Jumonville #2 well* are:

Golden Gate Petroleum Ltd (ASX code: GGP)	43.33% WI
Modena Resources Limited (ASX code: MDA)	15.00% WI
Quest Petroleum NL (ASX code: QPN)	6.67% WI
Pantheon Resources PLC	15.00% WI
Eastern Advisors	20.00% WI

* GGP will have a 41.25% working interest following back in rights of the project vendor.

Jumonville #1 Bullseye Prospect, Iberville Parish, Louisiana, Operator 41.25% WI

The Jumonville # 1 well has been shut-in for safety reasons during the rigging up of the H&P # 79 rig. It is expected to be put back on production while drilling operations are underway. Production rates will be reviewed closely over the coming weeks to test the optimal flow rates from the reservoir now that the gas sales line is connected and production constraints have been removed.

Surface Production Facilities

The surface production facility work has continued with the installation of four 1,500 bbl tanks along with oil, gas and water flow lines for the Jumonville #1 well, the Acosta #1 well and the soon to be commenced Jumonville #2 well which is on the same location as the Jumonville #1 well.

The gas sales line went operational with initial sales having commenced in mid-December.

On behalf of the Board of Directors

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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.