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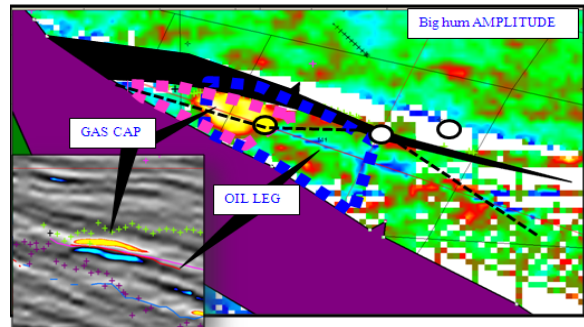
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NAPOLEONVILLE SALT DOME—WELL SPUDDED

Napoleonville-- Dugas & Leblanc #1 Well, Assumption Parish, Louisiana, 15% WI

The Board is pleased to advise the Dugas & Leblanc #1 well spudded on Tuesday, 22 June 2010. The well is expected to run surface casing at 2,000ft. The well is expected to take approximately two weeks to drill.

The Dugas & Leblanc #1 well is testing the Big Hum and Operc Sands with an amplitude anomaly targeting 1.2 MMBO and 3 BCF gas. If the well is successful initial flow rates are expected to be around the 200+ barrels of oil per day and 1,000 MCF per day. The Company's share of drill hole and completion costs is US\$189,000 and US\$129,000 respectively.

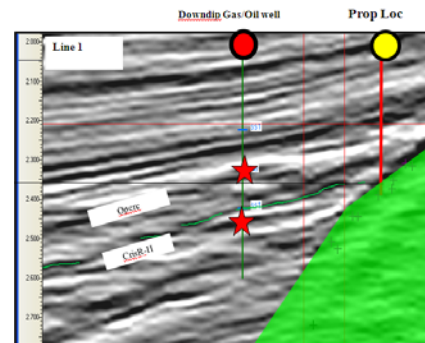


Partners in the Dugas & Leblanc #1 Well are:

Grand Gulf Energy Ltd (ASX: GGE)	39.50% WI
Golden Gate Petroleum Ltd (ASX: GGP)	15.00% WI
Other partners	45.50% WI

Well # 2

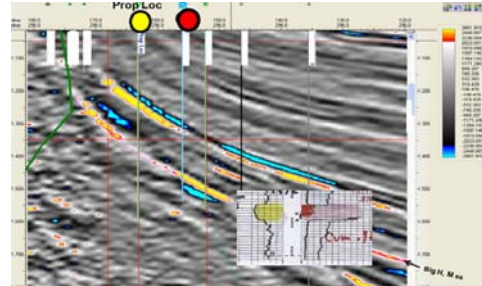
Spud date is anticipated to be mid to late July. The second well is testing the Operc C and Cris R III Sands as primary objectives with 300,000 barrels and 1.2 BCF of gas classified as a PUD with further upside in secondary exploration objectives in the Marg A and Cris R I of 300,000 barrels of oil and 1.2 BCF of gas. If the well is successful initial flow rates are expected to be around the 200+ barrels of oil per day and 500 MCF per day. Total dry hole costs are estimated at US\$900,000 and GGP's share is US\$207,000.



Well 2: targeting 600,000 BBL and 2.4 BCF

Well #3

The third well is testing a primary objective in the Big Hum sand with 5 BCF classified as a PUD and targeting further exploration upside objectives in the Tex W of 100,000 barrels oil. If the well is successful initial flow rates are expected to be around the 5,000 MCF per day and 100+ barrels of oil per day. Total dry hole costs are estimated at US\$800,000 and GGP's share is US\$184,000.



Please see Appendix 1 below for more details on the Napoleonville Salt Dome.

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.

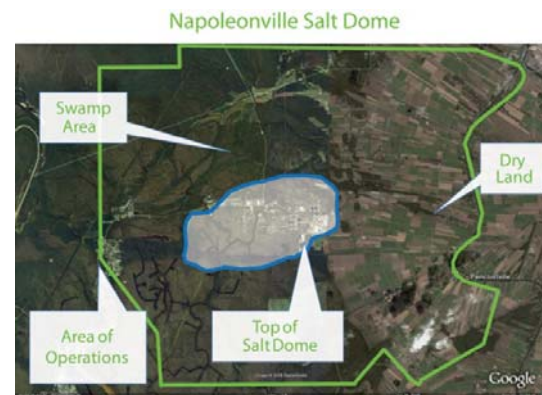
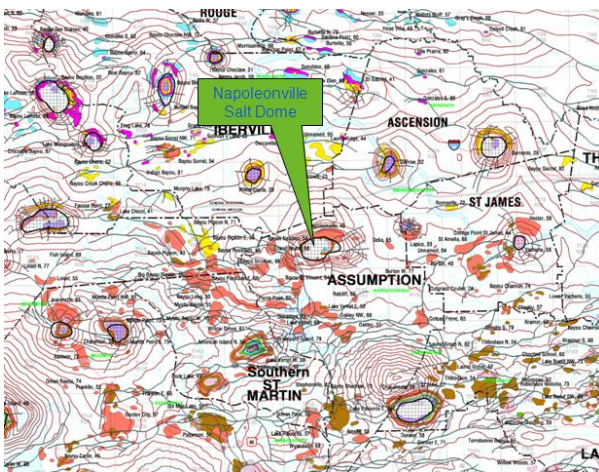
COMPETENT PERSONS STATEMENT: The information in this report has been reviewed and signed off by Mr Mark Decker, Geologist (BS. Geology), with over 34 years respective relevant experience within oil and gas sector.

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.

Appendix 1

Napoleonville Salt Dome Project

The Napoleonville Salt Dome Project (“Napoleonville”) is located in Assumption, Iberville and Ascension Parishes, Louisiana within the Mid-Lower Miocene productive fairway of south Louisiana. The Miocene is one of the regions’ most prolific producing zones along the South Louisiana Gulf Coast region. Gravity data indicate a large salt withdrawal basin surrounding the dome with potential sourcing from a very large fetch area of 120 square miles. Studies have shown (Halbouty, 1967; Johnson and Bredeson, 1971) that the size of the uplifted area and the fetch area directly corresponds to the relative amount of production found. Napoleonville discovered in the 1940’s has produced 188 billion cubic feet (“BCF”) of gas and 20.2 million barrels (“MMBO”) of oil and was one of the few remaining opportunities to shoot a proprietary 3D Seismic survey. In 2007 Grand Gulf Energy with its partners shot 50.4 sq miles of 3D seismic proprietary data over the area and has since developed a full inventory of prospects and leads for future development. Actual production is most likely much higher given the age of discovery and lack of consistent reporting prior to the mid 1960’s.



The Napoleonville Project is located within the Lower Miocene Planulina – Upper Frio Marg vag trend of south Louisiana. The field is uniquely positioned along a paleo shelf edge and overlaps both the ancestral Laura ridge and the edge of the Lake Verret Planulina embayment. A large salt withdrawal basin exists to the north and flanks the dome. Production along trend is primarily from the unexpanded Planulina and Marg Vag. The nature of salt dome affords it with additional production from the middle and upper Miocene formations primarily along the edge of the salt. The prospect and lead inventory was generated using the proprietary 3D seismic integrated with subsurface well data and production histories. Previous to the Napoleonville 3D seismic shoot the area was developed by subsurface well data and sparse 2D seismic. A detailed description of the play types associated with the dome is set out below.

As of February 2010, the joint venture had exercised approximately 5,700 acres of leases from its 35,300 optioned acres pertaining to the seismic shoot, over various prospects. Relationships with the various landowners previously under option have been maintained in preparation to lease newly developed prospects as they advance. Napoleonville is a shallow piercement salt dome traversed by numerous growth faults both parallel and radial to the dome. Of significance and central to the production and remaining potential are the shape of the salt history growth and early growth faults. The salt stock is extremely irregular in shape both vertically and laterally to form the following:

- Irregular salt outline and salt face re-entrants
- Salt wings and overhangs
- Platform and salt shoulders
- A north bounding salt withdrawal basin

- Vertically interbedded thick mineralized sands with clean reservoir sands
- Large block tilting and erosion
- Angular and onlap unconformities

In combination these characteristics act to form numerous productive traps as old as Miogyp-Marg Vag and well into the Upper Miocene. There are over 20 individual producing horizons within the Napoleonville Field.

Planulina Sands are shelf margin sands deposited with progradation of the Marg Vag shelf edge. These sands are coincident with a low stand sequence which provided for an influx of sands across the area and promulgation into a collapsed mini basin to the southwest flank of the dome forming the Lake Verret Planulina Embayment. The Lower Planullina Cris R sands have a low sand/shale ratio and tend to onlap onto the dome. The majority of sands are found on the north flank and account for the majority of the 188 billion cubic feet gas and 20 million barrels of oil, plus, produced from the field.

Of these the Cris R I, II, III and V are the main producers. Concentration of activity and production has been restricted to the north and northeast flanks parts of the dome with few penetrations elsewhere around the dome. These areas remain relatively unexplored. In addition there are numerous stray sands within the sequence which contribute to the serendipity factor in drilling recognized targets around the dome. The Cris R is a low risk objective with several other potential deeper pools, Marg Vag – Miogyp prospects.

The Cris R I is primarily an oil target and is the thinnest of the sands averaging 8-10 feet in thickness. It is present immediately below the Cris R LIME which is a good mapping horizon around the field. Total historical production in the Cris R I has been 2 MMBOE. Several attic PUD's and development prospects have been generated to targeting this sand. The Cris R II is much thicker averaging 40-50 feet on the north flank. While the reservoir has a gas cap and/or is a gas reservoir in some areas, cumulative historical production is much greater than the Cris R I, at 6.8 million barrels oil. Lead areas for this sand are being developed.

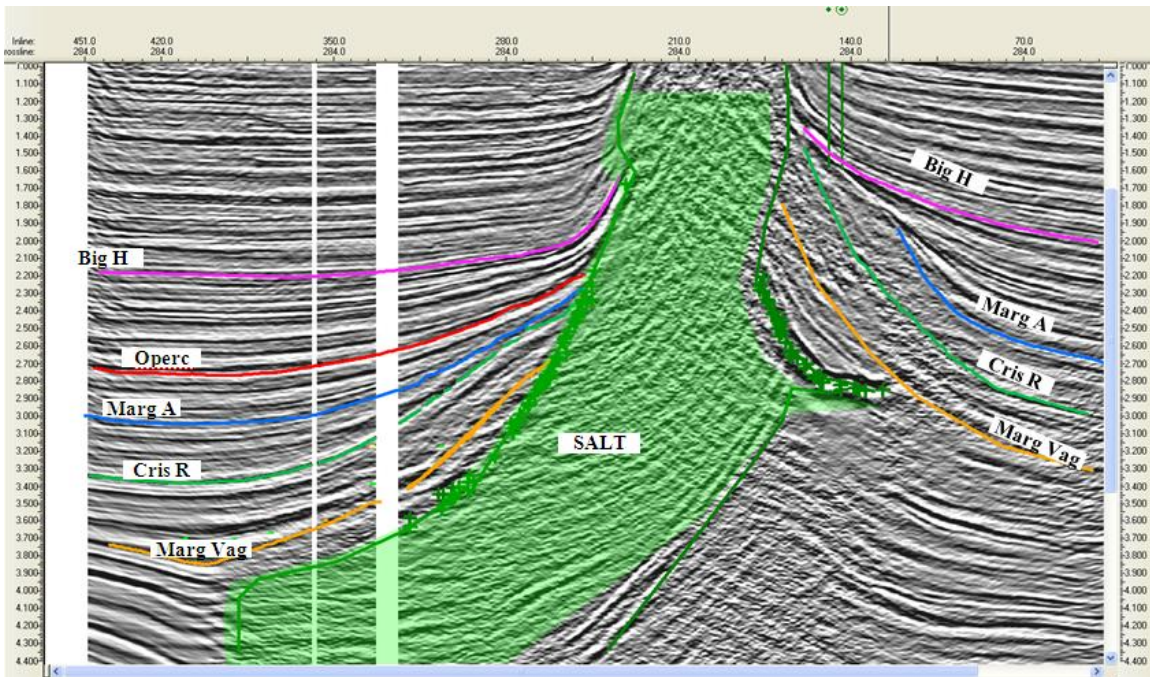
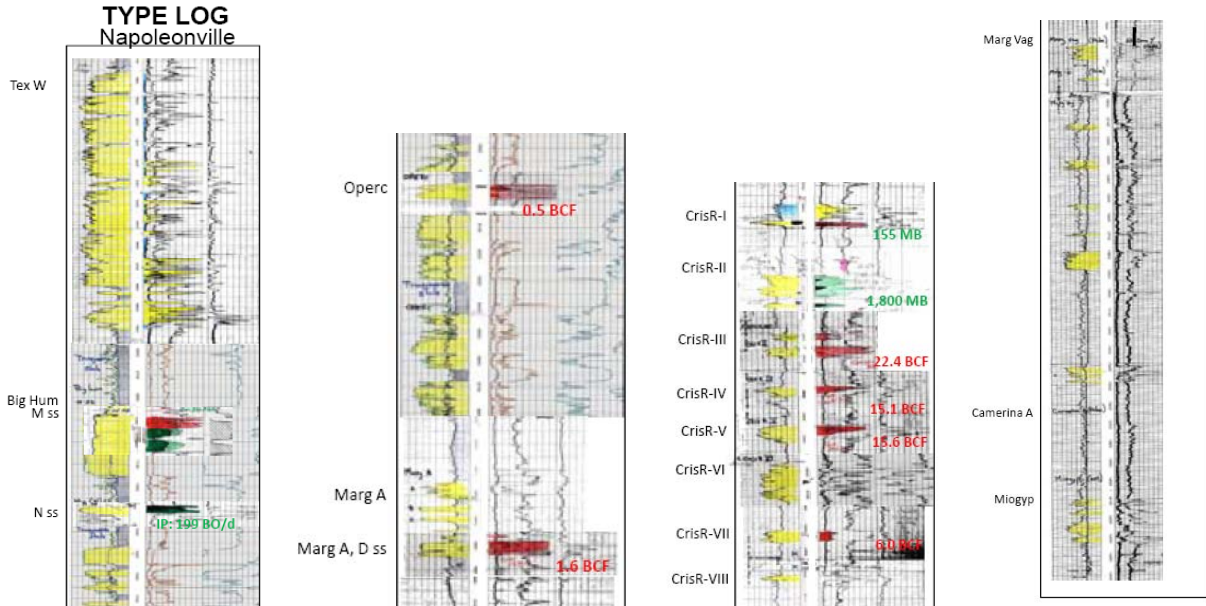
The Cris R III thru VII are similar to the Cris R II with thick sands and high per well cumulative production. Total historical production is 118 BCFE. Well control suggests sands are concentrated on the north and northeast flanks in the area of significant production. On the north flank the 13-34 KCR-4 Prospect targets the Cris R VI updip to a well with 84 feet of sand. The sand is pinched out in updip wells which produce from the Cris R I and II in analogous trapping position. Two other prospective areas have been generated on the northeast and northwest flanks. On the southwest and southeast flanks of the dome there are only a few Cris R penetrations in an area thought from sparse well data to be devoid of sand. However the new 3D seismic data suggests the presence of sands in trapping position in these areas. Further work is being done to solidify these plays.

Marg A sands lie immediately above the Cris R and similarly have a low sand shale ratio. These are the last sands to be deposited prior to the major Middle Miocene progradation. Sands within the Marg A thicken locally and tend to produce proximal to the dome. Areas of thick sands have been noted in vicinity of salt re-entrants and overhangs for future prospect development.

Middle Miocene sands are near shore to fluvial in deposition and are characterized by thick, blocky sand sequenced with a high sand/shale ratio. Due to this ratio, production from these sands in most of South Louisiana tend to be restricted to salt domes and rollover anticlines. The most prolific of these at Napoleonville are the Big hum "M" sands. Restriction to this interval is due to thick transgressive shale capping the sequence. Several productive areas have been identified where these sands meet salt in re-entrant areas. An attic PUD "M" prospect with a deeper pool Marg Vag test has been generated and added to the prospect priority list. Significant mineralization of sands within this interval has been noted up against salt in certain areas. The mineralized sands are imbedded with clean porous sands and the mineralization has the capacity to provide lateral and vertical seal for hydrocarbon entrapment. Chacahoula dome is analogous with this type of post 3-D play. Other lead areas have been developed for future evaluation.

A significant upside play is the Middle Miocene interval between the Big hum and the base of the Operc above the Marg A on the south flank of the dome. Due to significant uplift and south push of salt during this time this 2,500 foot interval was uplifted and eroded followed by onlap of sediment on the south flank of the dome. The Big hum upper sands make it to the salt where they produce as previously noted. The lower sands truncate or onlap in a flank position creating significant potential over a large area which is sparsely drilled. This area will be evaluated

with future work. Tex W sands above the Big hum are similar in deposition and truncate against the dome above 4,000 feet.



Typical Seismic Cross Section