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Market Release (*via electronic lodgement*)

SILVERWOOD—OIL SALES AND PRODUCTION TESTING UPDATE

Production Testing Update

The Board of Golden Gate Petroleum Ltd (ASX:GGP) advises that the Richardson #1 Well has been on production for two weeks. Production has averaged approximately 75 barrels of high quality oil per day and 100,000 cubic feet of gas per day while testing has been on going at various choke sizes and pressures, in addition to shut in periods for permanent facility installation (see new tank facilities below). Oil sales of 800 barrels of oil have already been made under a new purchase agreement. It is expected that a stable production rate will be established over the next few weeks as further information is gathered on the oil sand interval. There is water production with the oil. The amount of water as a percentage of total fluid has been stable throughout the initial testing phase.



New Tank Facility at Silverwood

The Richardson # 1 Well was drilled to a depth of 9,500 feet. The mud log recorded a gas show in the primary Vicksburg Sand target interval covering approximately 26 feet which is slightly larger than original projections. The top 10 feet of the interval was perforated and began flowing high quality 44 gravity oil to surface along with gas.

Partners in the Silverwood project are:

Augustus Minerals Limited (ASX code: AUJ) 40.00% WI

Golden Gate Petroleum (ASX code: GGP) 30.00% WI

Verus Investments Limited (ASX code: VIL) 30.00% WI

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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.

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 the 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.