

GOLDEN GATE PETROLEUM LTD ASX / MEDIA ANNOUNCEMENT

24 June 2013

Permian Project Operational Update—5H on Gas Lift

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:

4,343,316,468

Market Capitalization as at 21

June 2013 based on a share

price of \$0.002

AUD \$ 8.7 million

CURRENT PROJECTS

Permian Project

Napoleonville

Bowtie West

Acadia

Goliad

www.ggpl.com.au

Golden Gate Petroleum Limited (“GGP”) (ASX: GGP) is pleased to provide the market an update on the 5H well which is part of the Permian Project in Texas, USA.

#5H Well Update

The 5H well has been converted to a gas lift system which has replaced the original electrical submersible pump (ESP). The ESP had been experiencing difficulties coping with the unexpected early breakthrough of gas and oil resulting in a high GOR (gas oil ratio) outside normal specifications for an ESP. After some mechanical difficulties with the compressor, gas injection has begun with the successful valve sequencing being achieved.

The initial 24 hour test recorded 244 bbl of fluid and 246 mcf of gas. Of the total fluid, 188 bbl of oil was recovered. The high level of oil recovery is most likely due to the oil accumulation around the well bore while the well was shut in for the change over from the ESP to gas lift system. Adjustments to the gas lift system continue in determining if the current configuration including bottom hole location will be effective in moving both frac fluid and hydrocarbons. It is too early to determine if our current lift system will achieve satisfactory long term results.

Prior to this gas lift test, the ESP pump system had produced approximately 1,500 bbls of oil plus gas. The continuing challenge will be to determine the best pump or gas lift system for the well's characteristics. Work continues on evaluating the results, making adjustments and determining if further changes are required. The permanent production facilities and gas pipeline are in place. The current line pressure on the gas pipeline is an issue Atlas, the gas purchaser, is addressing.

For and on behalf of the board

Steve Graves
Executive Chairman

For further information on GGP contact:

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About Golden Gate Petroleum Limited

Golden Gate Petroleum Limited (ASX: GGP) is an ASX listed company focused on the exploration and development of oil and gas projects in the Gulf States of the United States of America.

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 and Louisiana.

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.