



GOLDEN GATE PETROLEUM LTD

(A B N 3 4 0 9 0 0 7 4 7 8 5)

1st Floor, 8 Colin Street
West Perth WA
Australia 6005

Telephone: +61 8 9324 1177
Facsimile: +61 8 9324 2171



PO Box 453
West Perth WA
Australia 6872

Email: admin@ggpl.com.au
Website: www.ggpl.com.au

22 December 2004

Market Release (via electronic lodgement)

SALE OF UNMARKETABLE PARCELS OF SHARES

We wish to advise that the Company is mailing the attached documentation to shareholders in respect of the Company's Small Shareholder Sale Facility.

The Small Shareholder Sale Facility is being offered to all shareholders who have less than a marketable parcel, regardless of their country of domicile.

The Small Shareholder Sale Facility offer closes on 4 February 2005.

On behalf of the
Board of Directors

For further information contact:

Sam Russotti
Managing Director
Phone +61 2 6587 4348
Mobile +614 008 74 348

Mark Freeman
Company Secretary
Phone +61 8 9324 1177



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Dear Shareholder

OPPORTUNITIES FOR YOUR SHAREHOLDING

Golden Gate Petroleum Ltd ("Golden Gate") has a large number of shareholders on its register that hold less than A\$500 worth of shares ("Small Shareholders"). These small shareholdings represent significant registry costs for your company. In order to efficiently manage these costs Golden Gate is entitled, under rule 5 of its Constitution and Australian Stock Exchange Listing Rule 15.13, to sell the shares on behalf of Small Shareholders who do not respond to this letter.

Our records indicate that you held less than A\$500 worth of Golden Gate shares as at 22 December 2004. I am writing to advise you that, unless you respond to this letter, Golden Gate intends to sell your Golden Gate shares and deliver to you the proceeds of the sale of those shares (referred to as the "Small Shareholder Sale Facility"). There are no brokerage or other transaction costs payable by Small Shareholders whose shares are sold in this way.

If you do not want your shares to be sold, you must return the '**Retention of Shares Notice**' as instructed below.

As a Small Shareholder, you must therefore choose **ONE** of the following two options:

RETAIN your shares

Complete the RETENTION form

To retain your Golden Gate shares, please complete the enclosed '**Retention of Shares Notice**' and return to the Golden Gate registry so that it is received by no later than 5:00pm (Perth time) on 4 February 2005.

SELL your shares

Do nothing

If you want your Golden Gate shares to be sold, do nothing. Your shares will be sold by Golden Gate on your behalf and you will be sent a cheque for the proceeds.

Please take time to read the enclosed 'Terms and Conditions of the Small Shareholder Sale Facility' and seek your own investment or taxation advice if needed. Any taxation consequences arising from the sale of your shares under the Small Shareholder Sale Facility will be your responsibility.

Please note that the Small Shareholder Sale Facility does not affect your ability to buy or sell Golden Gate shares on ASX (subject only to the 'Terms and Conditions of the Small Shareholder Sale Facility').

If you have any questions regarding the operation of the Small Shareholder Sale Facility, please call the Company Secretary on +61 8 9324 1177.

On behalf of the Board, I encourage you to consider the opportunity provided under the Small Shareholder Sale Facility.

Yours sincerely

Frank Petruzzelli
Chairman

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<Address Line 1>
<Address Line 2>
<Address Line 3>
<Address Line 4>
<Address Line 5>
<Address Line 6>

SRN / HIN:	<SRN / HIN written>
Number of Shares:	

RETENTION OF SHARES NOTICE

You are required to complete and return this Retention of Shares Notice ("Notice") to Golden Gate Petroleum Ltd **by Friday 4 February 2005** (end of Relevant Period) if you wish to retain your Golden Gate Petroleum Ltd shares – notwithstanding that they do not currently represent a marketable parcel as at the date of this Notice.

In accordance with Rule 5 of the Constitution of Golden Gate Petroleum Ltd see note below), I give notice that I wish to retain my shareholding in Golden Gate Petroleum Ltd.

Signature of Shareholder(s)

Individual or First Shareholder

Shareholder 2

Shareholder 3

Sole Director or
Sole Company Secretary

Director/Company Secretary
Director

Date:

NOTES TO THIS NOTICE

1. Number of Shares

This Notice only applies to the account identified by the SRN / HIN given above.

2. Signature requirements

Each shareholder must sign this form. If shares are held in joint names, all shareholders must sign. If signing as an Attorney, then the Power of Attorney must have been noted by the Company's share registry to be duly executed and accompany this form. Only duly authorised officers may sign on behalf of a company, stating the office held by the signatories.

3. Address for Retention of Shares Notice

Golden Gate Petroleum Ltd
C/- Advanced Share Registry Services
PO Box 6283
East Perth WA 6892

Terms and Conditions of the Small Shareholder Sale Facility

These terms and conditions and the accompanying Retention of Shares Notice set out the terms and conditions of the Small Shareholder Sale Facility.

1. WHAT IS THE SMALL SHAREHOLDER SALE FACILITY?

The Small Shareholder Sale Facility allows Golden Gate to sell shares on behalf of shareholders who hold less than a marketable parcel (that is, less than A\$500 worth of Golden Gate ordinary shares) on a particular date ("Small Shareholders"). A small shareholder sale facility is often implemented by listed companies in response to the disproportionately high registry and administrative costs incurred by the company from maintaining small shareholders on its shareholder register.

2. DOES GOLDEN GATE HAVE THE RIGHT TO SELL MY GOLDEN GATE SHARES?

Yes. Golden Gate is entitled, under rule 5 of its Constitution and Australian Stock Exchange Listing Rule 15.13, to sell the shares of Small Shareholders, unless they elect to retain their shares. Proceeds from the sale must be remitted to Small Shareholders.

3. WHAT IF I DONT WANT MY GOLDEN GATE SHARES TO BE SOLD?

If you wish to retain your Golden Gate shares, you MUST complete the Retention of Shares Notice and return it (you may use the reply paid envelope provided) so that it is received by Golden Gates registry **no later than 5:00pm (Perth time) on 4 February 2004**. If you do so, your shares will not be sold.

4. WHAT ARE THE COSTS OF HAVING MY GOLDEN GATE SHARES SOLD ON MY BEHALF?

There are no brokerage or other transaction costs payable by Small Shareholders whose shares are sold under the Small Shareholder Sale Facility. These costs will be paid by Golden Gate. Taxation consequences arising from the sale of your shares under the Small Shareholder Sale Facility will be your responsibility.

5. WHEN WILL MY GOLDEN GATE SHARES BE SOLD?

Sales of shares will occur on ASX and are expected to occur over a ten to twenty trading day period after 4 February 2004 ("Sale Period").

6. WHAT PRICE WILL I RECEIVE FOR SHARES SOLD UNDER THE SMALL SHAREHOLDER SALE FACILITY?

For each share sold, you will receive an amount equal to the total proceeds from all shares sold under the Small Shareholder Sale Facility, divided by the total number of shares sold under the Small Shareholder Sale Facility.

7. WHEN WILL THE PROCEEDS FROM THE SALE OF SHARES BE SENT TO ME?

A cheque for your proceeds will be mailed to you as soon as practicable after the Sale Period.

8. WHERE CAN I OBTAIN FURTHER INFORMATION IN RELATION TO THE SMALL SHAREHOLDER SALE FACILITY?

If you have any questions about the Small Shareholder Sale Facility, please call Golden Gates Company Secretary on +61 8 9324 1177. If your shares are sold under the Small Shareholder Sale Facility, you will be taken to appoint Golden Gate as your agent to receive a Financial Services Guide and any update of that document from Golden Gates registry. Any such document will be made available on Golden Gates website (www.ggpl.com.au/investors/). None of Golden Gate or Advanced Share Registry Services Pty Limited, or any of their personnel, is or is to be taken to be, giving any securities recommendation or investment advice in relation to the Small Shareholder Sale Facility, nor do any of them have any obligation to do so. You should consider seeking your own independent advice in relation to the Small Shareholder Sale Facility.