



# GOLDEN GATE PETROLEUM LTD

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

1<sup>st</sup> 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](mailto:admin@ggpl.com.au)  
Website: [www.ggpl.com.au](http://www.ggpl.com.au)

10 August 2007

## DIRECTOR AND KEY EMPLOYEE INCENTIVE OPTIONS

The Board has resolved, subject to shareholder approval, to issue incentive options to Directors as detailed below.

The Board has also resolved to issue 1,650,000 options to key personnel.

<b>Role</b>	<b>Options</b>	<b>Exercise Price</b>	<b>Expiry</b>
Sam Russotti	4,000,000	35 cents	30/10/2010
Mark Freeman	2,000,000	35 cents	30/10/2010
Jeff Copley	2,000,000	35 cents	30/10/2010
Frank Petruzzelli	2,000,000	35 cents	30/10/2010
Key Personnel	1,650,000	35 cents	30/10/2010

The options will be subject to vesting conditions that include a minimum period of service of one year.

Please find attached a completed appendix 3B.

On behalf of the  
Board of Directors

### ***For further information contact:***

Sam Russotti  
Managing Director  
Phone +61 2 6587 4348

Mark Freeman  
Finance Director  
Phone +61 8 9324 1177

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002.

Name of entity

Golden Gate Petroleum Ltd

ABN

34 090 074 785

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | Unlisted Options                                     |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 1,650,000  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Exercisable at 35 cents on or before 30 October 2010 |

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No, new class</p>																														
<p>5 Issue price or consideration</p>	<p>nil</p>																														
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Incentive to management, further to service agreements</p>																														
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>10 August 2007</p>																														
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1368 991 1402">Number</th> <th data-bbox="999 1368 1295 1402">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1402 991 1615">217,717,710</td> <td data-bbox="999 1402 1295 1615">Ordinary Fully Paid Shares</td> </tr> </tbody> </table>	Number	+Class	217,717,710	Ordinary Fully Paid Shares																										
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<p>9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="695 1648 991 1682">Number</th> <th colspan="2" data-bbox="999 1648 1295 1682">+Class</th> </tr> <tr> <td></td> <th data-bbox="999 1693 1118 1727">Exercise</th> <th data-bbox="1126 1693 1295 1727">Exp</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1727 991 1760">200,000 Options</td> <td data-bbox="999 1727 1118 1760">33 cents</td> <td data-bbox="1126 1727 1295 1760">19/08/08</td> </tr> <tr> <td data-bbox="695 1760 991 1794">1,000,000 Options</td> <td data-bbox="999 1760 1118 1794">33 cents</td> <td data-bbox="1126 1760 1295 1794">01/12/08</td> </tr> <tr> <td data-bbox="695 1794 991 1827">3,500,000 Options</td> <td data-bbox="999 1794 1118 1827">22 cents</td> <td data-bbox="1126 1794 1295 1827">01/12/08</td> </tr> <tr> <td data-bbox="695 1827 991 1861">3,250,000 Options</td> <td data-bbox="999 1827 1118 1861">54 cents</td> <td data-bbox="1126 1827 1295 1861">31/12/09</td> </tr> <tr> <td data-bbox="695 1861 991 1895">2,000,000 Options</td> <td data-bbox="999 1861 1118 1895">25 cents</td> <td data-bbox="1126 1861 1295 1895">30/06/10</td> </tr> <tr> <td data-bbox="695 1895 991 1928">11,870,997 Options</td> <td data-bbox="999 1895 1118 1928">35 cents</td> <td data-bbox="1126 1895 1295 1928">31/07/08</td> </tr> <tr> <td data-bbox="695 1928 991 1962">1,650,000 Options</td> <td data-bbox="999 1928 1118 1962">35 cents</td> <td data-bbox="1126 1928 1295 1962">30/10/10</td> </tr> <tr> <td data-bbox="695 1962 991 1995">11,320,754 Con Notes</td> <td data-bbox="999 1962 1118 1995">26.5 cents</td> <td data-bbox="1126 1962 1295 1995">15/05/09</td> </tr> </tbody> </table>	Number	+Class			Exercise	Exp	200,000 Options	33 cents	19/08/08	1,000,000 Options	33 cents	01/12/08	3,500,000 Options	22 cents	01/12/08	3,250,000 Options	54 cents	31/12/09	2,000,000 Options	25 cents	30/06/10	11,870,997 Options	35 cents	31/07/08	1,650,000 Options	35 cents	30/10/10	11,320,754 Con Notes	26.5 cents	15/05/09
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+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A
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## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
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12	Is the issue renounceable or non-renounceable?	N/A
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13	Ratio in which the +securities will be offered	N/A
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14	+Class of +securities to which the offer relates	N/A
----	--	-----

15	+Record date to determine entitlements	N/A
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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
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17	Policy for deciding entitlements in relation to fractions	N/A
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18	Names of countries in which the entity has +security holders who will not be sent new issue documents  <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	N/A
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19	Closing date for receipt of acceptances or renunciations	N/A
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20	Names of any underwriters	N/A
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21	Amount of any underwriting fee or commission	N/A
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22	Names of any brokers to the issue	N/A
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23	Fee or commission payable to the broker to the issue	N/A
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24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	N/A

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

- (a)  Securities described in Part 1

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+ See chapter 19 for defined terms.

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*(If the additional securities do not form a new class, go to 43)*

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

*(now go to 43)*

**Entities that have ticked box 34(b)**

38 Number of securities for which +quotation is sought 

N/A
-----

39 Class of +securities for which quotation is sought 

N/A
-----

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?  
  
If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A
-----

41 Reason for request for quotation now  
  
Example: In the case of restricted securities, end of restriction period  
  
(if issued upon conversion of another security, clearly identify that other security)

N/A
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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

(now go to 43)

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+ See chapter 19 for defined terms.

## All entities

### Fees

43 Payment method (tick one)

Cheque attached

Electronic payment made

Note: Payment may be made electronically if Appendix 3B is given to ASX electronically at the same time.

Periodic payment as agreed with the home branch has been arranged

Note: Arrangements can be made for employee incentive schemes that involve frequent issues of securities.

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

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+ See chapter 19 for defined terms.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

Date: 10 August 2007

Director

Print name: Mark Freeman

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+ See chapter 19 for defined terms.