

Quarterly

Report for the three months ended 31 March 2008

Share Price 25 cents

Shares on Issue 242,384,160

Market Cap \$60m

Directors & Management

Mr Sam Russotti | Chairman

Mr Steve Graves | Managing Director

Mr Mark Freeman | Director

Mr Frank Petruzzelli | Director

Mr Chris Bowyer | Company Secretary

**Gas Price
(Henry Hub)** US\$10.96 MMBTU

Oil Price US\$118.52 BBL

Highlights

Production

- Golden Gate's current share of production for the quarter was 3.8 mmcf/d gas and 27 bbl of oil per day
- Total Production for the quarter was **340** million cubic feet of gas and **2,410** barrels of oil

Texas (Includes Padre Island)

- Strong gas flow at Manzano ST 991#1
- Manzano Shallow#2 adds to drilling success
- La Playa #2 well prepared for additional testing
- Bowtie East #1 well plugged and abandoned

Louisiana

- GGP acquires a 25% interest in West Lake Boudreaux - estimated at 115 billion cubic feet (BCF) gas equivalent
- Bullseye spudded on 26 April 2008

Corporate

- 23,986,390 shares were issued to raise \$5,037,142
- Appointment of Steve Graves as Managing Director
- Resignation of Jeff Copley as Technical Director
- Appointment of Chris Bowyer as Company Secretary



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Padre Island

Manzano Shallow (St TRACT 991 #1) BNP Turnkey Operator, GGP WI Prospect 35%

The Manzano Shallow well was spudded on 2 February 2008.

The Manzano Shallow exploration well has successfully flowed gas and has been brought into immediate commercial production.

The well has been tied directly into the sales grid along with GGP's other producing wells. The ST991#1 commenced production at more than 3.1 million cubic feet of gas per day from a perforated 6 ft interval. Water production has increased to over 300 bbls per day placing significant restriction on the flow of gas reducing the flow rate to around 600 mcf/d. Plans are to move a service rig into the ST991#1 well to undertake curative action most likely being a cement squeeze and re-perforating to stop the water production.

Partners in the ST991#1 well are:

Golden Gate Petroleum Ltd (ASX code: GGP)	35.00% WI
Modena Resources Limited (ASX code: MDA)	12.50% WI
BNP et al	52.50% WI

Manzano Shallow Development well – (Dunn McCampbell 11A) BNP Operator, GGP WI Prospect 35%

The second Manzano Shallow well (Dunn McCampbell 11A) was spudded on 5 April 2008 (Texas, USA).

The well has reached a depth of 10,755ft MD (9,503ft TVD). Electric logs were run and results within the primary objective indicate net pay of 10ft – 12ft within the Marg Tex reservoir. Well completion is currently underway and a testing program is being developed. Initial production data will be released when available.

Seismic interpretation and correlation with other wells in the area suggest that this reservoir may be part of a large accumulation covering an area of up to 1,000 acres. This interpretation will be tested by the drilling of a development well which has commenced and is using the same drilling rig and thereby making significant savings on the cost of mobilizing and setting up equipment.

Partners in the Dunn McCampbell 11A well are:

Golden Gate Petroleum Ltd (ASX code: GGP)	35.00% WI
Modena Resources Limited (ASX code: MDA)	12.50% WI
BNP et al	52.50% WI

La Playa #2 (La Playa Prospect), Padre Island, Tx, GGP 20% WI, Operator BNP

La Playa #2 well is expected to undergo further testing on several prospective reservoirs this quarter. Testing results will be advised to the market once all tests are completed.

Plum ST 212 #1 well (Plum Prospect), Operator 37.5% WI

Following a comprehensive review of the Plum Well, the Joint Venture has decided to plug and abandon the well.

East Texas

Bowtie East #1 (East Texas Prospect renamed "Bowtie Prospect"), Brazoria & Matagorda County, Tx, Non-Operator 18% WI. Operator Texakoma

Following a thorough review of log information, sidewall core analysis and other subsurface information the re-testing of the secondary reservoirs at the Bowtie East Prospect will not be pursued. Though logs do indicate pay, the sidewall core information shows very high water saturations in the zones, which reduce confidence that commercial quantities of hydrocarbons can be produced from this well.

The operator and partners have agreed that the well should be plugged and abandoned at this time.

The results at Bowtie East do not impact our favourable view of the "Bowtie West" prospect which is expected to be drilled in the third quarter this year. Further analysis of analog data supports a potentially larger structure than originally anticipated. Additional acreage has been leased to correspond with the new data. Overall, management expectations on Bowtie West have improved.

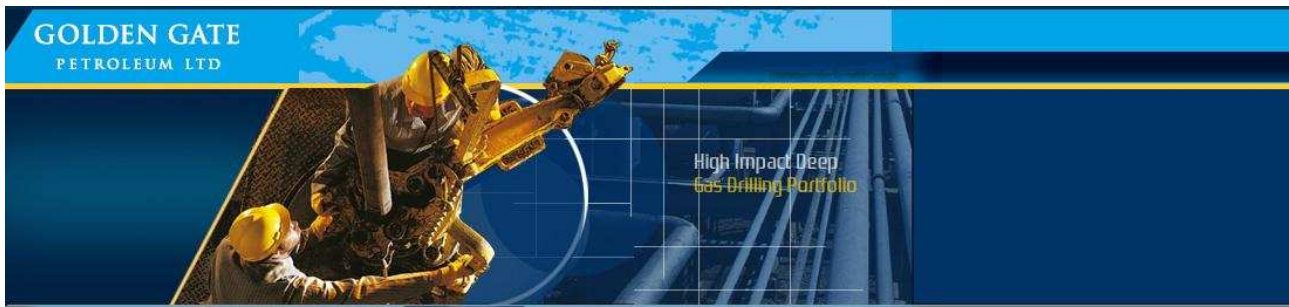
Louisiana Wells

Jumonville #1 Bullseye Prospect, Iberville Parish, Louisiana, Operator 50% WI

- The Jumonville # 1 well commenced drilling on 28 April 2008 with a planned total depth of 14,200 ft and is expected to take approximately 60 days to reach total depth.
- The total combined reserves in the three objective reservoirs are estimated at 12.5 million barrels of oil and 33 billion cubic feet of gas.
- GGP is the Operator of the well and in the event of success, this project would be a material event as at today's oil and gas prices, GGP's share of the net revenue interest potential is over US\$500 million based on conservative reserve expectations.
- The targeted reservoirs have high expected production levels given analogous producing well rates in the region hence any discovery would yield almost immediate strong cash flow due to nearby established infrastructure.

The Company has contracted a rig from Helmrich & Payne, a premier drilling contractor to drill the Jumonville # 1 well. Additional consulting expertise with a track record for successfully drilling similar wells has been contracted to enhance the company's prudent operating philosophy.

The Jumonville # 1 well targets three objectives (Camerina, Miogyp and Cib Haz), with independent traps, defined by new, proprietary 3D seismic data. Total reserves for these objectives were initially estimated (P50) to be 12.5 million barrels of oil and 33 BCF of gas. Recent internal GGP evaluation regarding probable pay thickness, reservoir extent as mapped by the seismic data, and hydrocarbon column height



demonstrated in analogous traps, has indicated that the reserve potential could be considerably more for each of these reservoirs.

The areal extent of the Miogyp and Cib Haz reservoir sands are clearly delineated by the seismic at thicknesses in excess of 20 feet. The initial location offsets a previously drilled well which demonstrated 50 feet of Miogyp sands on the logs but was not completed due to mechanical difficulties in reaching a deeper objective.

Both the Miogyp and Cib Haz sands are high-quality reservoirs with porosity ranging from 24-30% and permeability of 300-1000mD. This results in initial well rates observed in surrounding fields in the range of 500-1000 barrels per day of oil and 4-10 million cubic feet of gas per day. These high rate wells provide an excellent economic return. A successful discovery will also benefit from high near-term US oil and gas prices. The Company's current oil sales contract for the area has a \$2.55 per barrel premium to West Texas Intermediate prices due to the high quality of the liquids.

The Company has put in place a permanent drilling pad suitable for multiple development wells with excellent access. This will allow for accelerated development drilling and early cash flow in the event of success.

A detailed summary of the Project is located on the Company's website please refer to http://www.ggpl.com.au/operations_bullseye.html

Partners in the Jumonville #1 well are:

Golden Gate Petroleum Ltd (ASX code: GGP)	50.00% WI
Modena Resources Limited (ASX code: MDA)	15.00% WI
Pantheon Resources PLC	15.00% WI
Eastern Advisors	20.00% WI

Comments

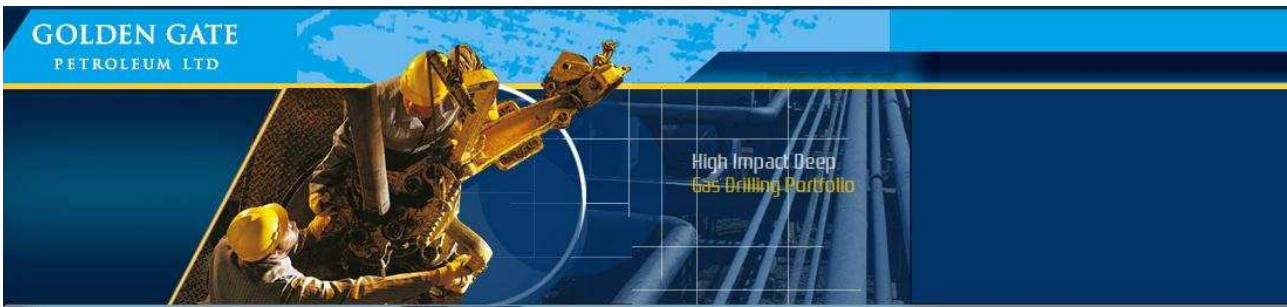
The Bullseye Prospect initiates a new strategic direction with larger and deeper targets that provide Golden Gate with significant upside and diversification from the Padre Island Prospects. The project has the potential to provide exponential growth for the Company and its Shareholders. Bullseye is one on many high impact wells planned over the coming months as GGP accelerates its drilling activities.

West Lake Boudreaux Prospect, Iberville Parish, Louisiana, Non-Operator 25% WI

During the quarter the Company executed a letter of intent to acquire a 25% interest in a new prospect called West Lake Boudreaux in South Louisiana. The new prospect provides more diversity for the 2008 drilling portfolio in GGP's core focus area, the US Gulf Coast. The West Lake Boudreaux prospect will be GGP's fourth high impact well to be drilled this year along with Bowtie West, LGS Deep and Bullseye. This high impact drilling comes at a time when US gas prices are around US\$10 per mcf.

HIGHLIGHTS

- Gross potential P50 reserves are estimated by GGP at 115 billion cubic feet (BCF) gas equivalent
- Estimated NPV value to GGP in the event of success is 28 cents per share on an unrisksed basis



- Multiple structures and sands with four main prospective targets between 12,000-15,000 feet. All targets are known to be productive in the local area
- Well expected to spud in September – Dry hole cost net to GGP is approximately US\$1.3 million
- High flow rate potential in excess of 5-7 million cubic feet per day (“mmcfpd”)
- Prospect considered relatively low risk due to the existence of amplitude-anomaly direct hydrocarbon indicators in productive adjacent analogue fields

This new prospect is an important part of the asset base as it offers a moderately low exploration risk and a high success case rate of return. The initial well is expected to be drilled in September. As a non-operated partner GGP can diversify its activity base and still concentrate its operational activity on other core projects. Drilling operations will be conducted by an experienced operator with a significant paying working interest participation in the project and a successful track record of local exploration and development.

The West Lake Boudreaux prospect offers several attractive target reservoir intervals in the Miocene Tex W interval at depths between 12,000 and 15,000 feet. The initial well should encounter four sets of sandstone reservoirs occurring in three independent trap types, including dip-closure traps against faults and stratigraphic traps. All of the reservoirs and traps that will be investigated in the first well are known to produce gas and oil in adjacent fields (within 2-5 miles), with typical initial gas rates in excess of 5-7 mmcfpd. The development should become self-funding after 3 development wells.

For some of the potential reservoirs, amplitude anomalies in the 3D seismic survey indicate gas-charged reservoirs (confirmed by drilling in adjacent fields), and mapping from the 3D survey allows good delineation of these accumulations.

The West Lake Boudreaux prospect has relatively low risk because of the combination of amplitude-anomaly direct hydrocarbon indicators, production from adjacent analogue reservoirs, and the possibility of multiple stacked gas pays.

Comments

This is an excellent project for our overall portfolio as it provides an opportunity to diversify prospects beyond the current group. It is low risk due to multiple targets in the well that are proven productive in the area.

Production

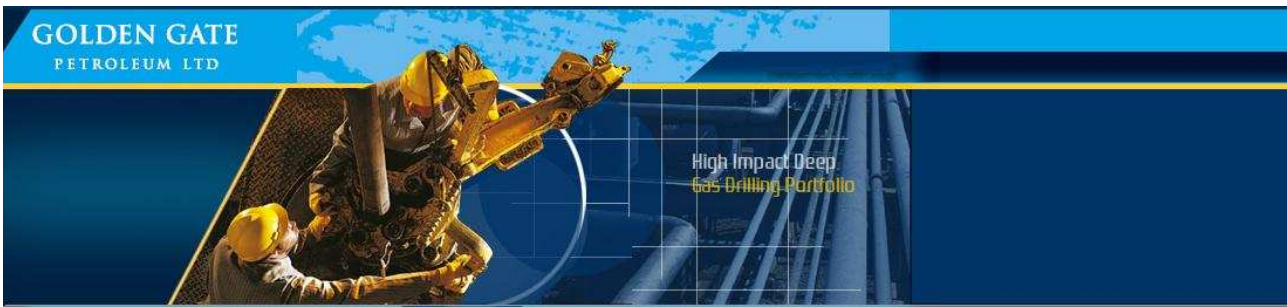
for the quarter ended 31 March 2008

During the quarter Golden Gate’s estimated gross share of production from its USA operations was **340** million cubic feet of gas and **2,410** barrels of oil.

At gas prices of US\$10 mcf and oil prices of US\$110 per barrel, monthly net revenue to GGP (after royalty and costs) is estimated at over A\$900,000.

Board Changes

During the quarter Mr Stephen Graves was appointed as Managing Director of the Company. Mr Sam Russotti has moved to the position of Non Executive Chairman. Mr Jeff Copley has resigned from the Board in order to better concentrate on operational duties with respect to the Company's Louisiana and Texas Projects. Mr Chris Bowyer has been appointed Company Secretary. Mr Freeman has accordingly resigned from this position. Mr Freeman continues as a non executive director.



Steve Graves Profile

Mr Graves brings to Golden Gate a wealth of oil and gas experience gathered over 30 years in the industry both in Australia and overseas. Most recently Mr Graves was executive chairman of Orchard Petroleum. Like Golden Gate, Orchard was transformed from a purely exploration company to a company with reserves and production that was eventually taken over in April 2007. Mr Graves was instrumental in this transformation. Mr Graves worked for Mobil Corporation and affiliated companies for 23 years. He has also been an independent consultant to the energy industry, a senior consultant to Ernst & Young and has extensive experience with funding infrastructure projects.

Chris Bowyer Profile

Mr Bowyer is a chartered accountant with 15 years experience in public practice as well as the private sector. Chris is currently the company secretary of Solimar Energy Ltd, an ASX listed oil and gas explorer with projects in California, USA. Chris was previously company secretary of Orchard Petroleum Ltd which was listed on the ASX before its takeover in March 2007. He is an employee of MDB, an Australian accounting firm.

Fundraising

During the quarter 23,986,390 shares were issued at 21 cents each to ordinary fully paid shares raising \$5,037,142.

On behalf of the Board of Directors

For further information contact:

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Mark Freeman
Director
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This report has been reviewed and signed off by Mr Sam Russotti, CEO, (BSc Geology) with over 30 years experience in the oil and gas sector.

Forward Looking Statements

This announcement contains forward looking statements that are subject to risk factors associated with oil and gas 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.

Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Golden Gate Petroleum Ltd

ABN

34 090 074 785

Quarter ended ("current quarter")

31 March 2008

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from product sales and related debtors	3,410	6,968
1.2 Payments for		
(a) exploration and evaluation	(5,473)	(13,044)
(b) development	(1,330)	(2,498)
(c) production	(712)	(2,288)
(d) administration	(156)	(573)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	10	87
1.5 Interest and other costs of finance paid	(75)	(248)
1.6 Income taxes paid		
1.7 Unapplied Cash Advance to Operator	905	589
Net Operating Cash Flows	(3,421)	(11,007)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(e) prospects		(1,937)
(f) equity investments (net of receivables and cash)		
(g) other fixed assets		
1.9 Proceeds from sale of:		
(h) prospects	109	429
(i) equity investments		
(j) other fixed assets	5	(27)
1.10 Loans from other entities		
1.11 Refunds/(Payments) of Security Deposits		
Net investing cash flows	114	(1,535)
1.13 Total operating and investing cash flows	(3,307)	(12,542)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (carried forward)	(3,307)	(12,542)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	5,037	16,278
1.15	Costs of the Issue	(8)	(229)
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Net financing cash flows	5,029	16,049
Net increase (decrease) in cash held			
		1,722	3,507
1.20	Cash at beginning of quarter/year to date	5,270	3,274
1.21	Exchange rate adjustments to item 1.20	(91)	120
1.22	Cash at end of quarter	6,901	6,901

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	281
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payments include consulting fees, directors fees and provision of a fully serviced office which includes accounting staff.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	3,000	3,000
3.2 Credit standby arrangements	0	0

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	3,000
4.2 Development	850
Total	3,850

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	6,901	5,270
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	6,901	5,270

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1 Preference securities				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	242,384,160	242,384,160		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs		23,986,390	21 cents	21 cents
7.5 *Convertible debt securities (description)	Number 11,320,754	+Class	Conversion \$ 26.5 cents	Maturity 15/5/2009
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	26,790,997		Exercise price 33 cents (200k) 33 cents (1m) 22 cents (3.5m) 54 cents (3.25m) 35 cents (5.19m) 25 cents (2m) 35 cents (11.65m)	Expiry date 19 Aug 08 1 Dec 08 1 Dec 08 31 Dec 09 31 July 08 30 June 10 30 Oct 10
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)	0			
7.12 Unsecured notes (totals only)	0			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Mark Freeman

Finance Director

Date: 30 April 2008

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.