

1. Background

The Company has a policy that imposes certain restrictions on directors and management trading in the Company's securities.

The policy has been adopted to prevent trading in contravention of the insider trading provision of the Corporations Act 2001 (Cth), in particular when Company personnel are in possession of price-sensitive information.

The general aim of this policy regarding dealings by directors and management in Golden Gate's securities is that those persons should:

- Never engage in short term trading of Golden Gate's securities;
- Never deal in Golden Gate's securities while in possession of price sensitive information;
- Seek approval from the Managing Director of any intended transactions involving Golden Gate's securities (the Managing Director to seek approval from the Chairman); and
- Subject to the above conditions, not trade Golden Gate's securities during nominated black-out periods.

The law imposes a number of significant restrictions on directors and other employees of companies when they deal in their company's securities. As fiduciaries, these corporate managers must not utilise their position for their own gain or for the gain of any person other than their Company.

The Corporations Act 2001 (Cth) imposes severe penalties (both criminal and civil) on persons who conduct insider-trading activities. Perhaps more importantly, any perceptions of improper conduct by members of Golden Gate has the potential to substantially damage Golden Gate's reputation.

This is an important document. It is the personal responsibility of each individual to comply with this policy. If you do not understand any aspect of this policy, it is strongly recommended that you contact the Company Secretary.

2. Overview of the insider trading provision of the Corporations Act

It is illegal for anybody to deal in any securities of a body corporate (including Golden Gate), when in possession of information that the person knows, or ought reasonably to know:

- a) is not generally available (including information that has not been disclosed to the market in accordance with Golden Gate's Continuous Disclosure policy); and
- b) might have a material effect on the price of value of those securities if it was generally available ("**Inside Information**").

This prohibition extends to procuring another person to deal, and, in the case of securities of listed corporations, extends to communicating the inside information to another person, if the person knows, or ought reasonably to know, that the other person would, or would be likely to, deal in the securities in question or procure another person to do so.

"**Dealing**" includes applying for, acquiring or disposing of or entering into an agreement to apply for, acquire or sell, securities, and "**deal**" has a corresponding meaning.

"**Securities**" includes shares, derivatives and other financial products that can be traded on a financial market including financial products issued or created over Golden Gate's securities by third parties and products which operate to limit economic risk in securities holdings in Golden Gate.

3. Confidentiality and Inside Information

A person in possession of Inside Information about Golden Gate has a duty to keep that information confidential and must not in any way disclose or communicate that information to any person. Confidentiality is also stressed in relation to external advisers.

4. Key Management Personnel restrictions on trading

Golden Gate's Key Management Personnel, whose positions expose or is likely to expose them to Inside Information regarding Golden Gate, include:

- (a) the directors;
- (b) the Managing Director / Chief Executive Officer, the Chief Financial Officer, the Company Secretary; and
- (c) any other employee, who may have access to Inside Information in the course of their duties

(collectively called "Key Management Personnel (KMPs)" for the purposes of this policy) are to be subject to restrictions on trading in Golden Gate's securities.

5. Associated parties

Each person to whom this policy applies has a personal responsibility to ensure that his or her "associated parties" (being immediate family (including spouse or de facto spouse or dependent), family company or trust) complies with the same respective restrictions as apply to that person.

6. Restrictions on KMPs dealing in Golden Gate securities

KMPs and their associated parties are prohibited from dealing in Golden Gate securities during any of the following defined black-out periods:

- (a) one month before and 24 hours after the release of the Company's financial results for the full year;
- (b) one month before and 24 hours after the release of the Company's financial results for the half year;
- (c) two weeks before and 24 hours after the release of the Company's Quarterly Activities and Cash Flow Report;
- (d) 24 hours after the release of an Announcement made to ASX which ASX determines as price sensitive;
- (e) any other periods determined by Golden Gate from time to time to meet its continuous disclosure obligations.

7. Exemption to trade during black-out period

The Board may, in exceptional circumstances only, approve any KMP or his or her associated parties dealing in Golden Gate securities during a black-out period. An exemption will not be granted by the Board if it considers there is in existence confidential price sensitive information (Inside Information) that has not previously been released.

A KMP who is not in possession of Inside Information in relation to Golden Gate, may be given clearance to deal if he or she is in severe financial difficulty or there are other exceptional circumstances. Clearance may be given for such a person to sell (but not purchase) Golden Gate securities when he or she would otherwise be prohibited by this procedure from doing so. The determination of whether the person is in severe financial difficulty or whether there are exceptional circumstances can only be made by the Managing Director.

A person may be regarded as being in severe financial difficulty if he or she has a pressing financial commitment that cannot be satisfied otherwise than by selling the relevant Golden Gate securities. A liability to pay tax would not normally constitute a severe financial difficulty unless the person has no other means of satisfying the liability. A circumstance will be considered exceptional if the person in question is required by a court order to transfer or sell the Golden Gate securities or if there is some other overriding legal requirement for him or her to do so.

The following dealings are regarded as permitted dealings for the purpose of section 7:

- (a) Trading under an offer or invitation made to all or most of the security holders, such as, a rights issue, a security purchase plan, a dividend or distribution reinvestment plan and an equal access buy-back, where the plan that determines the timing and structure of the offer has been approved by the board. This includes decisions relating to whether or not to take up entitlements and the sale of entitlements required to provide for the take up of the balance of entitlements under a renounceable pro rata issue;
- (b) Undertakings to accept, or the acceptance of a takeover offer;
- (c) Dealing where the beneficial interest in the relevant Golden Gate security does not change;
- (d) Transfers of securities of the entity already held in a superannuation fund or other saving scheme in which the restricted person is a beneficiary;
- (e) An investment in, or trading in units of, a fund or other scheme (other than a scheme only investing in the securities of the entity) where the assets of the fund or other scheme are invested at the discretion of a third party;
- (f) Where a restricted person is a trustee, trading in the securities of the entity by that trust provided the restricted person is not a beneficiary of the trust and any decision to trade during a black-out period is taken by the other trustees or by the investment managers independently of the restricted person;
- (g) A disposal of securities of the entity that is the result of a secured lender exercising their rights, for example, under a margin lending arrangement;
- (h) The exercise (but not the sale of securities following exercise) of an option or a right under an employee incentive scheme, or the conversion of a convertible security, where the final date for the exercise of the option or right, or the conversion of a convertible security, falls during a black-out period and the entity has been in an exceptionally long black-out period or the entity has had a number of consecutive black-out periods and the restricted person could not reasonably have been expected to exercise it at a time when free to do so;
- (i) The grant of securities by the Board under an employees securities scheme to employees other than KMPs may be permitted during a black-out period if such grant could not reasonably be made at another time;
- (j) Trading under a non-discretionary trading plan for which prior written clearance has been provided in accordance with procedures set out in the trading policy and where:
 - (i) The restricted person did not enter into the plan or amend the plan during a black-out period;
 - (ii) The trading plan does not permit the restricted person to exercise any influence or discretion over how, when or whether to trade; and

- (iii) The entity's trading policy does not allow for the cancellation of a trading plan during a black-out period other than in exceptional circumstances.

8. Prohibition on active trading

Dealing in the securities of the Company is subject to the prohibition that KMPs must not engage in the business of active dealing in the Company's securities. This means that KMPs must not actively trade in the Company's securities with a view to deriving profit related income from that activity. "Active trading" for this purpose means to deal in the Company's securities in a manner that involves frequent and regular trading activity.

9. Board of directors discretion

The Board of Golden Gate has an absolute discretion to place an embargo on KMPs and employees and their respective associated parties trading in Golden Gate's securities at any time.

10. Clearance rules in relation to dealing in Golden Gate's securities.

KMPs with access to confidential price sensitive information are required to seek clearance from the Managing Director prior to initiating any dealings in securities, by themselves or their associated parties, at least three days prior to such intended dealings. This clearance request should be submitted by written notice to the Managing Director (or Chairman in the case of the Managing Director) of Golden Gate outlining:

- (a) Name of security holder;
- (b) Proposed date of dealing;
- (c) Type of proposed transaction (purchase / sale, etc); and
- (d) Number of securities involved.

Clearance requests may be submitted and responded to by mail, email or facsimile.

A person who is given clearance to deal in accordance with this section must deal as soon as possible.

Following completion of the proposed dealing, the KMP must provide confirmation to the Company Secretary that the dealing has occurred, and details of the price per security.

14. Directors to notify ASX of shareholding

ASX Listing rule 3.19B requires Golden Gate to make arrangements with each director to ensure that the director discloses to Golden Gate all the information that Golden Gate requires for it to satisfy its obligations to advise ASX of notifiable interests of directors. Each director will enter into an agreement with Golden Gate in the form of that annexed to this Policy.

15. Disclosure

In order to maintain transparency, this policy is to be disclosed in the annual report and be made publicly available via the Company's website.

ANNEXURE

Letter of Undertaking in relation to disclosure of interest in Golden Gate Petroleum Limited securities

[Date]

[Name / Address of Director]

Dear [Name]

Agreement to disclose your interests in Golden Gate Petroleum Limited

Golden Gate Petroleum Limited (Golden Gate) is required, under the Listing Rules to disclose to ASX details of the interests of its directors in securities of the Company (Company Securities), and in contracts relevant to Company Securities. Contracts relevant to Company Securities are contracts to which you are a party or under which you are entitled to a benefit, and that confer a right to call for or deliver shares in or debentures of Golden Gate or its related bodies corporate.

Golden Gate is also required to enter into an agreement with directors under which directors are obliged to provide the necessary information to it.

If you agree to the following terms, please sign and return the enclosed copy of this letter.

Binding Agreement

In consideration of the mutual obligations contained in this agreement, you and Golden Gate agree to be bound by the terms of this agreement.

Initial disclosure

You will immediately provide the following information as at the date of your appointment as a director;

- (a) Details of all Company Securities registered in your name. These details include the number and class of the Company Securities;
- (b) Details of all Company Securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act 2001 (Cth). These details include the number and class of the Company Securities, the name of the registered holder, the nature of your relevant interest and the circumstances giving rise to that interest.

Ongoing disclosure

You will provide the following information:

- (a) Details of changes in Company Securities registered in your name other than changes occurring as a result of corporate actions by Golden Gate. These details include the date of the change, the number and class of the Company Securities held before and after the change, the number of Company Securities acquired or disposed, and the nature of the change, for example on-market transfer. You will provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Company Securities the subject of the change.

- (b) Details of changes in Company Securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act. The details must include the date of the change, the number and class of the Company Securities held before and after the change, the number of Company Securities acquired or disposed, the entire of your relevant interest and the circumstances giving rise to that interest. You will also provide details of the consideration payable in connection with the change, or if a market consideration is not payable, the value of the Company Securities the subject of the change. If there are any circumstances that may affect the value of the Company Securities (e.g. in the case of options, the satisfaction of performance hurdles) you will also provide details of those circumstances.

You will provide the required information as soon as reasonably possible after the date of the change and in any event no later than two business days after the date of the change.

Final disclosure

You will provide the following information as at the date of ceasing to be a director:

- (a) Details of all Company Securities registered in your name. These details include the number and class of the Company Securities;
- (b) Details of all Company Securities not registered in your name but in which you have a relevant interest within the meaning of section 9 of the Corporations Act. These details include the number and class of the Company Securities, the name of the registered holder, the nature of your relevant interest and the circumstances giving rise to that interest.

Agency

You authorise Golden Gate to give the information provided by you to ASX on your behalf and as your agent.

Company's obligations

Golden Gate will:

- (a) Lodge with ASX any information provided by your to Golden Gate pursuant to this agreement within two business days of receipt of the information by Golden Gate; and
- (b) Retain and allow you access to a hard copy of any notification given to ASX by Golden Gate pursuant to ASX Listing Rule 3.19A for a period of not less than seven years after the date on which such notification is given.

Yours faithfully,

Company Secretary

I agree to the terms of this undertaking.

Date:

[Directors Signature]

[Print Name].