



GOLDEN GATE PETROLEUM LTD

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5 March 2009



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Market Release (*via electronic lodgement*)

\$4.3M RAISED FROM CONVERTIBLE NOTE & SHARE PURCHASE PLAN RAISE

The Company is pleased to announce the placement of 38,888,888 convertible notes with a face value of 9 cents each to raise A\$3.5m before expenses. The Company will issue all of the convertible notes utilising its 15% capacity under Listing Rule 7.1.

The notes have the following key terms:

- (i) The coupon rate is 1.25% per month, payable quarterly in arrears. The coupon rate may be increased with a capped rate in the event of an increase in the oil price or an increase in oil production from the Bullseye project.
- (ii) the principal is repayable 5 years from drawdown and may be redeemed by the Company at any time for the face value plus a discounted value of future interest payment over the remaining life of the notes.
- (iii) the notes convert on a 1:1 basis (ie 38.9m ordinary shares).

In addition and contingent on commercial success in the Cib Haz Interval of the Jumonville #2 well a further facility of A\$3.5m on the same terms will be available to be drawn down subject to shareholder approval.

The Company is pleased to also advise that under the offer to Australian and New Zealand registered holders to purchase securities under the Share Purchase Plan (SPP) a total of 10,418,750 ordinary shares were subscribed at 8 cents each, raising \$833,500 in total. Allotment of the share purchase plan shares has taken place today and holding statements dispatched shortly after this date. Please find attached a duly completed Appendix 3B.

Notwithstanding the significant size of this fundraising the Company's expenditure is US\$ based with total funds raised converting to ~ US\$2.8m. The Company's ability to internally self fund project development has also been significantly impacted with a fall in the price of oil from over \$100 to \$40 per barrel.

All funds will be applied toward the drilling and cost overruns of the Jumonville #2 well and cover the shortfalls associated with cost overruns in drilling and completing the Acosta well.

The Company is very pleased to have organised this critical funding particularly in very challenging equity and debt markets.

On behalf of the Board of Directors

For further information contact:

Steve Graves
Managing Director
Phone +1 805 469 4656

Chris Bowyer
Company Secretary
Phone +61 3 9349 1488

Golden Gate is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. Its focus of operations is onshore Texas and Louisiana Gulf Coast region of the USA.

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 | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 10,418,750 |
| 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) | Ordinary Fully Paid |

<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"> • 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 	<p>Yes</p>												
<p>5 Issue price or consideration</p>	<p>\$0.08 each</p>												
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Shares issued from the Company's Share Purchase Plan announced on 10 February 2009 and which closed on 27 February 2009</p>												
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>5 March 2009</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>Number</th> <th>⁺Class</th> </tr> </thead> <tbody> <tr> <td>272,867,197</td> <td>Ordinary Fully Paid Shares</td> </tr> </tbody> </table>	Number	⁺ Class	272,867,197	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>Number</th> <th>⁺Class</th> </tr> </thead> <tbody> <tr> <td>3,250,000 Options</td> <td>Exercise 54 cents Exp 31/12/09</td> </tr> <tr> <td>2,000,000 Options</td> <td>25 cents 30/06/10</td> </tr> <tr> <td>17,600,000 Options</td> <td>35 cents 30/10/10</td> </tr> <tr> <td>11,320,754 Con Notes</td> <td>26.5 cents 15/05/09</td> </tr> <tr> <td>600,000 Options</td> <td>40 cents 31/08/11</td> </tr> </tbody> </table>	Number	⁺ Class	3,250,000 Options	Exercise 54 cents Exp 31/12/09	2,000,000 Options	25 cents 30/06/10	17,600,000 Options	35 cents 30/10/10	11,320,754 Con Notes	26.5 cents 15/05/09	600,000 Options	40 cents 31/08/11
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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
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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

+ 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

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

(now go to 43)

+ 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.

+ 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: 5 March 2009

Print name:

Company Secretary
Chris Bowyer

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+ See chapter 19 for defined terms.