



GOLDEN GATE PETROLEUM LTD

ABN 34 090 074 785

NOTICE OF ANNUAL GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

30 November 2011

Time of Meeting

10 am (AEDT)

Place of Meeting

Radisson Blu Hotel Sydney
27 O'Connell Street
Sydney 2000

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the Annual General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

GOLDEN GATE PETROLEUM LTD
ABN 34 090 074 785

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of Golden Gate Petroleum Ltd ABN 34 090 074 785 (**'Company'**) will be held at Radisson Blu Hotel Sydney, 27 O'Connell Street, Sydney NSW 2000 on Wednesday 30 November 2011 at 10.00am (AEDT).

The Explanatory Memorandum which accompanies this Notice of Meeting forms part of the Notice.

AGENDA

ORDINARY BUSINESS

2011 Accounts

To receive and consider the financial report of the Company for the year ended 30 June 2011, and the reports by the Directors and Independent Auditors.

Resolution 1 – Non Binding Resolution to adopt Remuneration Report

To consider and, if thought fit, to pass as a non-binding and advisory resolution in accordance with section 250R of the Corporations Act:

"That the Remuneration Report as set out in the Annual Report for the year ended 30 June 2011 be adopted."

Note: The vote on this Resolution is advisory only and does not bind the Directors or the Company. Shareholders are encouraged to read the Explanatory Memorandum for further details on the consequences of voting on this Resolution.

The Company will disregard any votes cast on Resolution 1 by or on behalf of a Restricted Voter¹. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy appointed by writing that specifies how the proxy is to vote on the proposed resolution; and
- (b) it is not cast on behalf of a Restricted Voter.

Further, the Company will not disregard a vote cast by the Chair of the meeting as a proxy, if the appointment of the Chair expressly authorises the Chair to exercise the proxy even though the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, Shareholders should note that the Chair intends to vote any undirected proxies in favour of Resolution 1. Shareholders may also choose to direct the Chair to vote against Resolution 1 or to abstain from voting.

Resolution 2 – Re-Election of Frank Petruzzelli

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That Mr Frank Petruzzelli, who retires in accordance with rule 73 of the Company's Constitution and, being eligible for re-election, be re-elected as a Director."

¹ Restricted Voter means the Key Management Personnel and their Closely Related Parties as defined in the glossary.

Resolution 3 – Adoption of Constitution

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, pursuant to section 136 of the Corporations Act the Constitution (excluding rule 14) contained in the document submitted to this meeting and signed by the Chairman for identification purposes be approved and adopted as the Constitution of the Company in substitution for the existing Constitution of the Company with effect from the end of the meeting."

Resolution 4 – Approval of Proportional Takeover Provisions

To consider and, if thought fit, to pass the following resolution as a **special resolution**:

"That, with effect from the end of the meeting, the proportional takeover provisions set out in Annexure A to the Explanatory Memorandum be inserted into the new Constitution document submitted to this meeting and signed by the Chairman for identification purposes and approved under Resolution 5."

By order of the Board,



Chris Bowyer
Company Secretary
21 October 2011

INFORMATION FOR SHAREHOLDERS

Attendance at the Meeting

If you are planning to attend the meeting, please bring the proxy form with you to facilitate registration.

Voting

A member of the Company can vote by attending the Meeting and voting in person, by proxy or by authorised representative.

VOTING ENTITLEMENTS

In accordance with regulation 7.11.37 of the Corporations Regulations 2001, all shares in the Company will be taken, for the purposes of this Annual General Meeting, to be held by the persons who are the registered holders at 8.00pm (AEDT) on Monday 28 November 2011. Accordingly, share transfers registered after this time will be disregarded in determining entitlements to attend and vote at the Meeting.

VOTING BY PROXY

- Completion of a proxy form will not prevent individual shareholders from attending the Annual General Meeting in person if they wish. Where a shareholder completes and lodges a valid proxy form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that shareholder is suspended while the shareholder is present at the Annual General Meeting.
- A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies.
- Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.
- A proxy need not be a member of the Company.
- A proxy appointed to attend and vote instead of a member has the same right as the member to speak and vote at the meeting on a show of hands and on a poll.
- Where a proxy is appointed by a member's attorney, the power of attorney together with the evidence of non-revocation must be lodged with the proxy form.
- A proxy form appointing for a corporation must be executed in accordance with Section 127 of the Corporations Act 2001.
- If a proxy is not directed how to vote on an item of business, the proxy may generally vote, or abstain from voting, as they think fit. However, where a Restricted Voter is appointed as a proxy, the proxy may only vote on Resolution 1, if the proxy is the Chair of the Meeting and the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.
- Should any resolution, other than those specified in this Notice, be proposed at the meeting, a proxy may vote on that resolution as they think fit.
- If a proxy is instructed to abstain from voting on an item of business, they are directed not to vote on the shareholder's behalf on the poll and the shares that are the subject of the proxy appointment will not be counted in calculating the required majority.
- Shareholders who return their proxy forms with a direction how to vote but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the meeting will act in place of the nominated proxy and vote in accordance with any instructions. Proxy appointments in favour of the Chairman of the meeting, the secretary or any Director that do not contain a direction how to vote will be used where possible to support each of the resolutions proposed in this Notice, provided they are entitled to cast votes as a proxy under the voting exclusion rules which apply to some of the proposed resolutions. These rules are explained in this Notice.

- To be effective, proxy forms (and the power of attorney (if any) under which they are signed or proof thereof to the satisfaction of the directors) must be lodged at Level 1, 566 Elizabeth Street, Melbourne, Victoria 3000 by 10am (AEDT) on 28 November 2011 (not less than 48 hours before the scheduled time of the Meeting). Alternatively, and if received or recorded by the same time, proxy forms (and the power of attorney (if any) under which they are signed or proof thereof to the satisfaction of the directors) may be lodged by facsimile (+61 3) 9349 1186.
- Members of the Company who return their proxy forms but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. A form of proxy is enclosed with the Notice of Annual General Meeting. An additional form will be supplied by the Company on request.

GOLDEN GATE PETROLEUM LIMITED
ABN 34 090 074 785

EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting of Golden Gate Petroleum Limited ("**Golden Gate**" or the "**Company**").

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

The Directors recommend that Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

2011 ACCOUNTS

The first item of the Notice deals with the presentation of the consolidated annual financial statements of the Company for the financial year ended 30 June 2011 together with the Directors' declaration and report in relation to that financial year and the auditor's report on those financial statements. Shareholders should consider these documents and raise any matters of interest with the Directors when this item is being considered.

No resolution is required to be moved in respect of this item. Shareholders will be given a reasonable opportunity at the Annual General Meeting to ask questions and make comments on the accounts and on the business, operations and management of the Company.

The Chairman will also provide Shareholders a reasonable opportunity to ask the auditor questions relevant to:

- a) the conduct of the audit;
- b) the preparation and content of the independent audit report;
- c) the accounting policies adopted by the Company in relation to the preparation of accounts;
and
- d) the independence of the auditor in relation to the conduct of the audit.

RESOLUTION 1 – NON BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

The Remuneration Report is in the Directors' Report section of the Company's 2011 Annual Report.

By way of summary, the Remuneration Report:

- a) explains the Company's remuneration policy and the process for determining the remuneration of its Directors and executive officers;
- b) addresses the relationship between the Company's remuneration policy and the Company's performance; and
- c) sets out remuneration details for each Director and each of the Company's executives and group executives named in the Remuneration Report for the financial year ended 30 June 2011.

The vote on the Resolution is advisory only and does not bind the Directors or the Company. The Remuneration Report is set out in the Company's Annual Report and is also available on the Company's website (www.ggpl.com.au).

However, if at least 25% of the votes cast are against adoption of the Remuneration Report at the 2011 AGM, and then again at the 2012 AGM, the Company will be required to put a resolution to the 2012 AGM, to approve calling an extraordinary general meeting (**spill resolution**). If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene an extraordinary general meeting (**spill meeting**) within 90 days of the 2012 AGM. All of the Directors who were in office when the 2012 Directors' Report was approved, other than the Managing Director, will (if desired) need to stand for re-election at the spill meeting.

The Remuneration Report explains the Board policies in relation to the nature and level of remuneration paid to Directors, sets out remuneration details for each Director and any service agreements and sets out the details of any share based compensation.

Voting

Note that a voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. In particular, the directors and other Restricted Voters may not vote on this Resolution and may not cast a vote as proxy, unless the appointment gives a direction on how to vote or the proxy is given to the Chair and expressly authorises the Chair to exercise your proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel. The Chair will use any such proxies to vote in favour of the Resolution.

Shareholders are urged to carefully read the proxy form and provide a direction to the proxy on how to vote on this Resolution.

The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

RESOLUTION 2 –RE-ELECTION OF FRANK PETRUZZELLI AS A DIRECTOR

2.1 General

Mr Petruzzelli joined the Board as a Director in May 2001. Mr Petruzzelli was re-elected as a Director on 30 November 2009. In accordance with Listing Rule 14.4 and rule 73 of the Company's Constitution, Mr Petruzzelli must retire at this meeting and, being eligible, offers himself for election.

2.2 Biography

Mr Petruzzelli is a principal of MDB & Co. an Australian accounting firm. He is an accounting and management services specialist and advises many ASX listed companies and large private organisations.

2.3 Directors Recommendation

The Board (other than Mr Petruzzelli) unanimously recommends that Shareholders vote in favour of the re-election of Mr Petruzzelli as a Director.

RESOLUTION 3 – ADOPTION OF CONSTITUTION

Resolution 3 asks members to approve a special resolution adopting a new Constitution in substitution for the existing Constitution of the Company. The Company's present Constitution was adopted on 7 August 2000.

There have been a number of significant developments in law (both the Corporations Act and the ASX Listing Rules), corporate governance principles and general corporate and commercial practice for ASX listed companies since that time. Accordingly, the Company's current Constitution requires substantial updating. The Board has determined that it is more appropriate to adopt a new

Constitution, which reflects these changes, rather than make each of the necessary amendments to the current Constitution.

Copies of the current and proposed Constitution are available for perusal by Shareholders at the Company's registered office or via the internet at www.ggpl.com.au.

Many of the proposed changes are administrative or relatively minor in nature. The principal differences between the current Constitution and the proposed Constitution are outlined below:

- *Preference shares*

Rule 2.3 of the proposed new Constitution sets out the rights and restrictions of any future preference shares that may be issued.

- *Unmarketable parcels*

The provisions regarding the sale of unmarketable parcels is not substantially dissimilar to the current provisions regarding the sale of unmarketable parcels.

The proposed new Constitution provides that any amount owing under a call may be deducted by the Company from the consideration received for the sale of an unmarketable parcel.

The proposed new Constitution no longer contains the ability for the Company to give notice requiring the minority member (being a holder of less than a marketable parcel of Shares) to within 30 days of receipt of the notice, either sell its security holding or to buy (or otherwise acquire) further securities such that the minority member would no longer be a minority member.

- *Certificates and CHES statements*

The proposed new Constitution does not contain the detail provided for in rule 12 of the current Constitution regarding share certificates and CHES statements. As the Company is a listed company, the procedures regarding holding statements are governed by the ASX Settlement Operating Rules.

- *Calls on Shares*

The proposed new Constitution does not contain a rule similar to rule 19 of the current Constitution as matters relating to fixed calls would be a terms of issue of the Share subject to the fixed call.

Rule 20 of the current Constitution provides that interest on outstanding calls will be at a rate determined by the Directors. Rule 3.9 of the proposed new Constitution provides that if a rate is not fixed, the interest will be 10%p.a.

Rule 3.3 of the proposed new Constitution provides that where calls are paid in advance the Director may authorise payment of interest on the amount paid in advance. The proposed new Constitution is silent on the Directors power to determine whether such a payment of a call in advance is to be treated as capital or a loan to the Company.

- *Forfeiture of Shares*

The proposed new Constitution does not contain a provision similar to rule 26.8 of the current Constitution which provides that forfeited Share which are withdrawn from sale or for which no bid is received are held by the Directors in trust for the Company.

- *Transfer of Shares*

The proposed new Constitution clarifies that the Company must not charge a fee for the transfer of Shares.

The proposed new Constitution provides that an instrument of transfer is not required to be signed by the transferor and transferee if the transfer relates only to fully paid shares and the signature of the transferee has been dispensed with by the directors or the transfer is sufficient for the purposes of the Corporations Act.

The proposed new Constitution does not contain a rule on similar terms to the current rule 34.6. The current rule 34.6 refers to transfer relating to certificated sub-registers which is not relevant in the Company's current circumstances.

The proposed new Constitution provides that the Company may (in addition to its current powers) decline to register a share transfer if the transfer would not be permitted under the terms of an employee incentive scheme or where the transfer is a paper based transfer and the transfer would result in a holding of less than a marketable parcel of Shares.

The proposed new Constitution provides that the Company may only suspend the registration of the transfer of shares for a period not exceeding a total of 30 days in any year. The current Constitution did not place a time limit on the closure of the register of members.

- *Conversion of shares*

The proposed new Constitution does not contain rules similar to rules 39 ("Company may convert Shares") as these matters are dealt with in the Corporations Act.

- *General meetings*

The proposed new Constitution incorporates a number of changes proposed to assist with the orderly conduct of general meetings of the Company.

In addition to the current rules regarding the convening of general meetings, the proposed new Constitution provides that while the Company is listed, a Director may convene a general meeting.

Rule 5.2(c) of the proposed new Constitution provides that it is not necessary for the notice of annual general meeting to state that certain business will be transacted at the meeting (such as tabling of the financial reports), this amendment reflects the Corporations Act.

The proposed new Constitution does not contain a rule on similar terms to the current rule 49 ("Resolutions proposed by members") as the law on this matter is governed by the Corporations Act.

The proposed new Constitution specifies the powers of the chairperson of a general meeting that may be exercised to ensure the proper and orderly conduct of a general meeting.

The current Constitution provides that the chairperson of a general meeting may with the consent of the meeting, adjourn that meeting. The proposed new Constitution the chairperson may make this decision without the consent of the meeting.

The proposed new Constitution reflects the Corporations Act allowing member(s) present at a meeting and representing at the least 5% of the votes that may be cast on a resolution to demand a poll in relation to that resolution. The current Constitution notes the threshold at 10%.

- *Proxies*

Rule 5.9(d) of the proposed new Constitution sets out the authorities that are conferred on proxies, attorneys or corporate representatives.

- *Directors*

Rule 6.1(f)(ii) requires that if no Director is required to retire in accordance with the rotation rules, at least one Director will be required to retire from office.

The proposed new Constitution does not provide a right for the Company to fix a share qualification for Directors (i.e.: require that the Directors must hold shares in the Company).

Rule 6.1(p) of the proposed new Constitution provides that where a member is intending to nominate a person for election at a general meeting, they must give the Company notice of that intention at least 35 business days before the general meeting, unless the general meeting is requisitioned by members, in which case the period is 30 days, or in either case where the Directors approve a shorter period. The current Constitution provides a notice period of 30 business days in all cases.

In addition to the powers already contained in the current Constitution, Rule 6.2 of the proposed Constitution provides that the office of a Director will become vacant where a Director is convicted on an indictable offence and the directors do not within one month confirm that Director's appointment or where a Director fails to attend meetings of Directors for more than three consecutive months without a leave of absence.

The proposed new Constitution does not contain provisions that the office of a Director will become vacant where a Director is absent for three consecutive meetings (as opposed to three consecutive months of absence as noted above) or where a Director fails to pay a call within 1 month (or such longer period the Directors may determine) of the call being made or where the Director, being an executive ceases to be employed full time by the Company or related body corporate (in which case under the proposed new Constitution, removal is automatic) – such rights are permitted in the current Constitution.

- *Directors' Remuneration*

The rules in the proposed new Constitution relating to Directors' remuneration are broadly in line with the rules in the current Constitution. As with the existing Constitution, under the proposed Constitution, the total annual fees of Directors must not exceed the aggregate fixed by the Company in general meeting. At the date of this notice of meeting, this amount is \$200,000 per annum, which was approved by shareholders on 21 November 2008.

- *Director's meetings*

The rules in the proposed new Constitution relating to Directors' meetings are broadly in line with the rules in the current Constitution. The proposed new Constitution provides that a quorum for the Directors' meeting is the number fixed by the Directors and in any other case two Directors. The current Constitution provides that a quorum at a Directors' meeting is three Directors unless a different number (of not less than two Directors') is specified by the Directors.

The proposed new Constitution does not prevent a Director from voting in respect of a contract or arrangement or proposed contract unless such vote was contrary to the Corporations Act or the Listing Rules.

- *Dividends and distributions*

Following recent amendments to the Corporations Act, companies are no longer restricted to paying dividends out of profits. Rule 9.1 of the proposed new Constitution will give the Directors the flexibility to resolve to pay a dividend out of any available source permitted by law.

The proposed new Constitution provides that where a dividend is paid by the issue of securities in a different corporation, a member agrees to become a member of that corporation.

The proposed new Constitution does not include a rule similar to rule 132.4 of the current Constitution which provides that the holder of a partly paid Share must not be entitled to a greater proportion of the dividend than the proportion paid (not credited) is of the total amounts paid and payable (excluding amounts credited).

The proposed new Constitution does not include a rule similar to rule 134 of the current Constitution (“Unclaimed Dividends”) as the Corporations Act has specific provisions relating to unclaimed property.

- *Proportional takeover provision*

Rule 15 of the proposed new Constitution contains proportional takeover approval provisions. The resolution to adopt the new Constitution does not include the approval of the proposed new rule 14. Instead, new rule 15 will require a separate approval which is contained in Resolution 4. The explanatory notes associated with that resolution are set out below.

- *Definitions and interpretation*

The proposed new Constitution updates the definitions to reflect current terminology and where possible relies on terms defined in the Corporations Act, ASX Listing Rules and ASX Settlement Operating Rules.

- *Redundant provisions*

A number of provisions in the Company’s current Constitution duplicate existing general law, Corporations Act or ASX Listing Rule requirements and, if the proposed new Constitution is not adopted, will require amendment to the Constitution in the event of legislative or regulatory change. Accordingly, such rules have been omitted from the proposed new Constitution. Such rules in the current Constitution include:

- rule 9 (Notification of ownership to ASX);
- rule 11 (Registers to be kept);
- rule 52.5 (Voting rights of preference shareholders);
- rule 53.1.3 – 53.1.5 (Voting disqualification on the basis of law or Court order);
- rule 70 – (Insufficient Directors);
- rule 71 - (Resignation of a Director);
- rule 84 – (Temporary appointment of Managing Director or Executive Director);
- rule 91 – (Increases in Director remuneration);
- rule 116 – (Notification of material contracts to ASX);
- rule 124 – (Execution of documents);
- rule 125 – (Rights of inspection); and
- rule 142.3 – (Employee incentive plans).

The Company’s Directors unanimously recommend that shareholders vote in favour of the adoption of the proposed new Constitution. Each Director intends to vote all the Company’s shares controlled by him or her in favour of the Resolution.

If this Resolution is approved, the proposed new Constitution will be adopted from the close of the meeting.

RESOLUTION 4 – APPROVAL OF PROPORTIONAL TAKEOVER PROVISIONS

Resolution 4 is required to amend the Company's Constitution to include a requirement for shareholder approval of any partial takeover bids, as permitted under the Corporations Act.

- *Background*

The Corporations Act permits a company to include in its constitution provisions (called "takeover approval provisions") requiring that a proportional or partial takeover offer (i.e. an offer for less than 100% of the shares but for the same proportion of each shareholder's shares) be approved by a majority of shareholders, before it may proceed.

The following information is provided under section 648G of the Corporations Act.

- *Operation of the takeover approval provisions*

By inserting the proposed rule 15 into the Company's Constitution the registration of a transfer of Shares acquired under a proportional takeover offer will be prohibited unless an approving resolution is passed by shareholders in the Company in the manner provided in rule 15 of the Constitution.

The takeover approval provisions do not apply to a full takeover bid for all of the Shares in the Company.

If the proposed takeover approval provisions are adopted and a proportional takeover offer is subsequently made for ordinary Shares in the Company, the Directors must seek shareholder approval by a majority vote to register transfers under the proportional takeover bid. The shareholder approval can be obtained at a general meeting of shareholders.

In either case those shareholders who are entitled to vote at the general meeting are the shareholders (other than the bidder and its associates) who are recorded on the register of members at the end of the day on which the first of the takeover offers under the proportional takeover bid is made.

The resolution must be voted on at least 14 days before the last day of the offer period under the proportional takeover bid. If no such resolution has been voted on at least 14 days before the last day of the bid period then a resolution to approve the registration of transfers under the bid is taken to have been passed.

If the resolution is not passed by a majority of the Shares voted, then the offer will be deemed to be withdrawn and registration of any transfer of Shares resulting from the offer will be prohibited. Acceptances will be returned and any contracts formed by acceptance will be rescinded. If the resolution is approved, transfers of Shares to the bidder will be registered provided they comply with the other provisions of the Constitution.

The proposed rule 15 will expire three years after the date of its adoption, unless renewed by shareholders by special resolution.

- *Current acquisition proposals*

As at the day on which this explanatory statement is prepared, none of the Directors of the Company is aware of a proposal by a person to acquire, or to increase the extent of, a substantial interest in the Company.

- *Advantages of the proposed provisions to shareholders*

Potential advantages of the inclusion of the takeover approval provisions are:

- The takeover approval provisions may enable shareholders to act together and so avoid the coercion of shareholders that might otherwise arise where they believe a partial offer is inadequate, but nevertheless accept through concern that a significant number of other shareholders will accept.
- The takeover approval provisions may provide shareholders with protection against being coerced into accepting a partial bid at a high premium where the bidder indicates its intention to mount a subsequent bid for the remaining Shares at a much reduced price. This puts pressure on shareholders to accept the initial bid in order to maximise their returns.
- If a partial bid is made, the takeover approval provisions may make it more probable that a bidder will set its offer price at a level that will be attractive to shareholders.
- The body of shareholders may more effectively advise and guide the Directors' response to a partial bid.
- The takeover approval provisions may make it more probable that any takeover offer will be a full bid for the whole shareholding of each shareholder, so that shareholders may have the opportunity of disposing of all their Shares rather than only a proportion.

- *Disadvantages of the proposed provisions to shareholders*

Potential disadvantages of including the takeover approval provisions are:

- By placing obstacles in the way of partial offers, the proposal may tend to discourage partial offers, thus reducing the opportunity for shareholders to sell a portion of their holding.
- It is possible that the existence of the takeover approval provisions might have an adverse effect on the market value of the Company's shares by making a partial offer less likely thus reducing any takeover speculation element in the Share price.
- An individual shareholder who wishes to accept a partial offer will be unable to sell to the offeror unless a majority of shareholders favour the partial takeover scheme.
- If a partial takeover offer is made, the Company will incur the cost of either calling a general meeting.

- *Advantages and disadvantages of the proposed provisions for the Directors*

- If the Directors consider that a partial bid should be opposed, they will be assisted in preventing the bidder from securing control of the Company as the bidder will need a majority of votes to be cast in its favour by the independent shareholders, before the bidder can succeed.
- On the other hand, under the takeover approval provisions, if a partial takeover offer is received, the Directors must call a general meeting to seek the shareholders' views. They must do so even if the Directors believe that the offer should be accepted.
- At present, it is only the Directors who express any formal view on the adequacy or otherwise of a takeover bid, on behalf of the Company. Under the takeover approval provisions the most effective view on a partial bid will become the view expressed by the vote of the shareholders themselves, at the general meeting.
- The takeover approval provisions may make it easier for the Directors to discharge their fiduciary and statutory duties as Directors in the event of a partial takeover bid.

- *Reasons for proposing the Resolution*

Having considered the advantages and disadvantages to shareholders and the Directors, the Directors have decided to put this resolution to shareholders, to give shareholders an opportunity to take advantage of the protections which the takeover approval provisions offer, if a proportional takeover offer is made.

If this Resolution is approved, the proportional takeovers provisions will be inserted in the new Constitution adopted under Resolution 4 and will take effect from the date of the Meeting.

Enquiries – Shareholders are invited to contact Mr Chris Ritchie, Financial Controller, on (+61 3) 9349 1488 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

"Accounting Standards" has the meaning given to that term in the Corporations Act;

"AEDT" means Australian Eastern Daylight Savings Time;

"ASX Settlement Operating Rules" means the operating rules of ASX Settlement Pty Ltd;

"Annual General Meeting" or **"Meeting"** means the annual general meeting the subject of the Notice;

"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"Board" means the Board of Directors;

"Closely Related Party" has the meaning given to that term in the Corporations Act;

"Company" or **"Golden Gate"** means Golden Gate Petroleum Limited ABN 34 090 074 785;

"Constitution" means the constitution of the Company;

"Corporations Act" means the Corporations Act 2001 (Cth);

"Director" means a Director of the Company;

"Explanatory Memorandum" means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice;

"Key Management Personnel" has the meaning given to that term in the Accounting Standards.

"Listing Rules" means the Listing Rules of the ASX;

"Notice" or **"Notice of Meeting"** means the notice of annual general meeting accompanying this Explanatory Memorandum;

"Resolution" means a resolution the subject of the Notice;

"Shareholder" means the holder of a Share;

"Share" means an ordinary fully paid share in the capital of the Company; and

ANNEXURE A

PROPOSED PROPORTIONAL TAKEOVER PROVISIONS

14.1 Definitions

In this rule 15:

- (a) **Approving Resolution**, in relation to a Proportional Takeover Bid, means a resolution to approve the Proportional Takeover Bid passed in accordance with rule 15.3 (**Resolution**);
- (b) **Proportional Takeover Bid** means an off-market bid that is made or purports to be made under section 618(1)(b) of the Corporations Act in respect of a specified proportion of shares included in a class of shares in the Company; and
- (c) **Approving Resolution Deadline**, in relation to a Proportional Takeover Bid, means the day that is 14 days before the last day of the bid period in respect of the Proportional Takeover Bid.

14.2 Transfers not to be registered

Despite rules 4.1(g) and 4.2 (**Power to decline registration of transfers**), a transfer giving effect to a takeover contract resulting from the acceptance of an offer made under a Proportional Takeover Bid must not be registered unless and until an Approving Resolution to approve the Proportional Takeover Bid has been passed or is taken to have been passed in accordance with rule 15.3 (**Resolution**).

14.3 Resolution

- (a) Where offers have been made under a Proportional Takeover Bid, the directors must:
 - (i) convene a meeting of the persons entitled to vote on the Approving Resolution for the purpose of considering and, if thought fit, passing an Approving Resolution to approve the Proportional Takeover Bid; and
 - (ii) ensure that such a resolution is voted on in accordance with this rule 15.3,
 - (iii) before the Approving Resolution Deadline in relation to that Proportional Takeover Bid.
- (b) The provisions of this constitution that apply to a general meeting of the Company apply:
 - (i) with any changes that the circumstances require, to a meeting convened under rule 15.3(a); and
 - (ii) as if the meeting convened under rule 15.3(a) were a general meeting of the Company.
- (c) The bidder under a Proportional Takeover Bid and any associates of the bidder are not entitled to vote on the Approving Resolution relating to that Proportional Takeover Bid and, if they do vote, their votes must not be counted.
- (d) Subject to rule 15.3(c), a person who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held bid class shares is

entitled to vote on the Approving Resolution relating to the Proportional Takeover Bid.

- (e) An Approving Resolution is to be taken to have been passed if the proportion that the number of votes in favour of the resolution bears to the total number of votes on the resolution is greater than 50%, and otherwise is to be taken to have been rejected.
- (f) If an Approving Resolution to approve a Proportional Takeover Bid has not been voted on in accordance with this rule 15.3 as at the end of the day before the Approving Resolution Deadline, an Approving Resolution to approve the Proportional Takeover Bid will be taken to have been passed in accordance with this rule 15.3.

14.4 Sunset

Rules 15.1 (**Definitions**), 15.2 (**Transfers not to be registered**) and 15.3 (**Resolution**) cease to have effect at the end of three years beginning:

- (a) on the date this constitution is adopted by the Company; or
- (b) where those rules have been renewed in accordance with the Corporations Act, on the date those rules were last renewed.

**PROXY FORM
GOLDEN GATE PETROLEUM LIMITED
ACN 090 074 785**

Name Address 1
Name Address 2
Name Address 3
Name Address 4

Appointment of Proxy

If appointing a proxy to attend the Annual General Meeting on your behalf, please complete the form and submit it in accordance with the directions on the reverse of the page.

I/We _____ of _____ being a shareholder/shareholders of Golden Gate Petroleum Limited pursuant to my/our right to appoint not more than two proxies, appoint:

The Chairman of the Meeting **OR** (mark with an "X")

Write here the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

Write here the name of the person you are appointing as a second proxy (if any).

or failing him/her, (if no proxy is specified above), the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting to be held at Radisson Blu Hotel Sydney, 27 O'Connell Street, Sydney NSW 2000 on Wednesday 30 November 2011 at 10.00am (AEDT) and at any adjournment of that meeting.

This proxy is to be used in respect of _____% of the ordinary shares I/we hold.

Important for Resolution 1- If the Chair of the Meeting is your proxy or is appointed as your proxy by default

By marking this box, you are directing the Chair of the Meeting to vote in accordance with the Chair's voting intentions on Resolution 1 as set out in the Notice of Meeting. If you do not mark this box, and you have not directed your proxy how to vote on Resolution 1, the Chair of the Meeting will not cast your votes on Resolution 1 and your votes will not be counted in computing the required majority if a poll is called on these items. If you appoint the Chair of the Meeting as your proxy you can direct the Chair how to vote by either marking the boxes below (for example if you wish to vote against or abstain from voting) or by marking this box (in which case the Chair of the Meeting will vote in favour of Resolution 1).

The Chair of the Meeting intends to vote all available proxies in favour of Resolution 1.

I/We direct the Chair of the Meeting to vote in accordance with the Chair's voting intentions on Resolution 1 (except where I/we have indicated a different voting intention below) and acknowledge that the Chairman of the Meeting may exercise my proxy even though Resolution 1 are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

RESOLUTION	For	Against	Abstain *
1. Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-Election of Frank Petruzzelli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Adoption of new Constitution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Approval of Proportional Takeover Provisions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Executed in accordance with section 127 of the Corporations Act:

Individual or Shareholder 1

Sole Director & Sole Company Secretary
Secretary

Joint Shareholder 2

Director

Joint Shareholder 3

Director/ Company

Dated this _____ day of _____ 2011

Contact Name

Contact Business Telephone / Mobile

Proxies may be lodged either by facsimile on (+61 3) 9349 1488, by mail to PO Box 12883 A'Beckett Street, Melbourne, 8006, Victoria or delivered in person to the registered office of the Company at 566 Elizabeth Street, Melbourne, Victoria 3000. To be valid, a proxy form must be received by the Company no later than 10am (AEDT) on 28 November 2011 (48 hours before the time appointed for the Annual General Meeting). For assistance in completing this form, please refer to the rear of this form.

INSTRUCTIONS FOR COMPLETION OF THE PROXY FORM

Shareholders Name

This is the name of the shareholder as it appears on the Company's share register. For the purposes of this Annual General Meeting, shares will be taken to be held by those persons who are the registered holders thereof 48 hours before the time appointed for the commencement of this Annual General Meeting.

Appointment of Proxy

A shareholder entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two other persons (whether shareholders or not) as proxy or proxies to attend in the shareholder's place at the Annual General Meeting. The proxy has the same right as the shareholder to speak and vote at the Annual General Meeting. If you leave this section blank, the Chairman of the meeting will be your proxy to vote your shares even if you attend the Annual General Meeting (unless you revoke your proxy before the meeting).

Vote on Resolutions

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the resolution/s you wish to direct your proxy to vote on. If you do so, all your shares will be voted in accordance with your direction. You can split your vote on any resolution/s by inserting the percentage or number/s of shares you wish to vote in the appropriate box/es. Please ensure you clearly mark the box in black or blue ink by placing a mark or the number of shares you are voting. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses.

Appointing a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If a shareholder appoints two proxies, each proxy may be appointed to represent a specific proportion of the shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the shareholder's voting rights. Fractions shall be disregarded.

Contact e-mail address/telephone number

These will help us if there are any problems with your proxy form.

Signature(s)

Each shareholder must sign this form as follows in the spaces provided:

Individual	Where the holding is in one name, the holder must sign.
Joint Holding	If your shares are held in joint names, all shareholders must sign in the boxes
Power of Attorney	If you are signing as an Attorney, then the Power of Attorney must have been noted by the Company or be duly stamped and accompany this form.
Companies	Only duly authorised officers can sign on behalf of a company. Please sign in the boxes provided which state the office held by the signatory. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

Delivery of Proxy

To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting, that is by **10.00 am (AEDT) on 28 November 2011**, by post, facsimile or in person to the respective addresses stipulated on the proxy form.