

30 July 2004

Manager Announcements
Companies Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000



via electronic lodgement

Dear Sir/Madam,

QUARTERLY REPORT FOR PERIOD ENDED 30 JUNE 2004

HIGHLIGHTS

- La Playa Deep
- Home Run
- Bethany
- Future Drilling Programmes
- Corporate

LA PLAYA DEEP #1

La Playa Deep #1 was the first of a six well drilling programme planned for Golden Gate for 2004. The well was drilled to a depth of 15,040 ft. Analysis of electric logs and sidewall core data identified five zones between 10,973 (the bottom of the 7 inch liner) and 15,040 feet that warranted further investigation.

The Company has tested the first three deepest zones, which failed to flow any significant hydrocarbons, with testing of zone four still in progress. Fracture stimulation of this zone was attempted, however, due to as yet unknown factors the stimulation may not have been effective. The well has been shut in to allow reservoir pressure to build up while the JV has the post frac data analysed by third party frac specialists. The analysis is expected to be completed by August 15. Once the analysis is received the JV will consider appropriate remedial actions which may include repeating the frac.

Prior to fracture stimulation zone four of the well had flowed gas with no water. This represents a pleasing result as it confirmed movable gas in this anticipated tight reservoir sequence. More importantly this confirmed the deep gas geological model that is the focus of exploration on Padre Island. Testing of the fifth zone will commence once these issues with zone four are resolved.

HOMERUN #1

Homerun #1 well is the second well of the Padre Island Joint Venture's renewed exploration drilling campaign looking for deep shelf gas beneath Padre Island, Texas.

The well was drilled to a depth of 16,446 feet (measured depth). Evaluation of the logs and sidewall cores identified three zones totalling approximately 138 net feet that exhibit the potential to produce hydrocarbons which warrant testing. The Operator is conducting a detailed analysis of the electric logs and wireline core data. This analysis will be intergrated with the results of the LaPlaya frac analysis and will be used to design a testing programme for Homerun.

The timing of the commencement of testing will depend on the completion of the analysis and the availability of the completion rig.

The probabilistically-derived, pre-drill estimate of potential gas from all three target horizons in this well is 191 bcf at the P50 (median) level.

BETHANY UPDATE

The Bethany Project is expecting to spud its first well, Syd-1A, is programmed to a total depth of 3,990 feet and is expected to start in August and take approximately 10 days to drill.

To date the Company has built the rig site and access road. A water well to service drilling operations has also been drilled. The infrastructure already present in the area will enable any success to be quickly tied in and produced, in particular an existing low pressure gas pipe line has been located close by.

Bethany entitles Golden Gate to oil and gas rights to 2,336 acres in Panola County east Texas from surface to approximately 3,990 feet. Wells drilled on adjacent leases show the presence of up to four gas zones and three oil zones within that interval. All of the existing seventeen wells within the leases were drilled for the purpose of producing from the oil zones and therefore have not had any significant impact on potential reserves within the gas zones.

Documents filed with the US Securities commission indicate that there remain proven undeveloped reserves of 4.5 bcf of gas and 744,888 barrels of oil (net to Golden Gate) within the leases.

FUTURE DRILLING PROGRAMMES

Prospect Name	Current Planned Start Date
Bethany (Syd 1A)	August
Manzano	November/December
Murdock South	TBA
Plum Deep	TBA
Lemonseed	TBA

CORPORATE

The Company wishes to advise shareholders that its registered office address has changed during the quarter to:

Ground Floor
8 Colin Street
West Perth WA 6005

*On behalf of the Board of
Golden Gate Petroleum Ltd*

The hydrocarbon information in the release is compiled by Mr Sam Russotti, BSc (Geol) who has 31 years relevant experience in the Oil and Gas Industry.

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")

30 June 2004

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	144	728
1.2 Payments for		
(a) exploration and evaluation	(961)	(2,417)
(b) development	(169)	(169)
(c) production		(57)
(d) administration	(93)	(358)
(e) cash advance to JV Operator	(256)	(256)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	11	62
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net Operating Cash Flows	(1,324)	(2,467)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(f) prospects		(459)
(g) equity investments		(134)
(h) other fixed assets	(4)	(63)
1.9 Proceeds from sale of:		
(i) prospects	50	200
(j) equity investments	6	58
(k) other fixed assets		
1.10 Loans from other entities		
1.11 Loans repaid to other entities		(1,283)
1.12 Cash recognised from acquisitions of subsidiaries		199
Net investing cash flows	52	(1,482)
1.13 Total operating and investing cash flows	(1,272)	(3,949)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (carried forward)	(1,272)	(3,949)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.		4,100
1.15	Costs of the Issue	(11)	(369)
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	(11)	3,731
Net increase (decrease) in cash held			
1.20	Cash at beginning of quarter/year to date	(1,283)	(217)
1.21	Exchange rate adjustments to item 1.20	2,722	1,785
		88	(42)
1.22	Cash at end of quarter	1,526	1,526

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	47
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Director's and employee services provided by Mr S Russotti for the period aggregated \$40,000.

Director services were provided by MDB Coralton Pty Ltd, a company in which Mr F Petruzzelli is a director, under normal commercial terms and conditions for the period aggregated \$6,600.

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

Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		

+ See chapter 19 for defined terms.

3.2 Credit standby arrangements		
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Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	200
4.2	Development	
Total		200

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	Previous quarter \$A
5.1 Cash on hand and at bank	1,526	2,722
5.2 Deposits at call	0	0
5.3 Bank overdraft	0	0
5.4 Other (provide details)	0	0
Total: cash at end of quarter (item 1.22)	1,526	2,722

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	131,749,885	131,749,885		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 *Convertible debt securities (description)	Number	⁺ Class		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	41,246,629	28,461,629	Exercise price 65 cents (28M) 30 cents (11M) 20 cents (0.96M) 44 cents (0.8M) 32 cents (25k)	Expiry date 31 Dec 06 31 Dec 06 31 May 06 18 Feb 07 2 March 07
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.

