

GOLDEN GATE PETROLEUM LTD

(ABN 34 090 074 785)

NOTICE OF ANNUAL GENERAL MEETING

AND

PROXY FORM

Date of Meeting

30 November 2006

Time of Meeting

2.30pm

Place of Meeting

Ground Floor
8 Colin Street
West Perth WA

GOLDEN GATE PETROLEUM LTD
ABN 34 090 074 785

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of Golden Gate Petroleum Ltd ABN 34 090 074 785 ("**Company**") will be held at Ground Floor, 8 Colin St, West Perth, WA on Thursday the 30th November 2006, at 2.30pm WST for the purpose of transacting the following business.

AGENDA
BUSINESS

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies this Notice of Annual General Meeting.

ORDINARY BUSINESS

2006 ACCOUNTS

To receive, consider and adopt the financial report of the Company for the year ended 30 June 2006, and the reports by the Directors and Independent Auditors.

RESOLUTION 1 - RE-ELECTION OF FRANK PETRUZZELLI

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

"That, for all purposes, Mr Frank Petruzzelli who retires and offers himself for re-election, is re-elected as a director."

RESOLUTION 2 - ELECTION OF DIRECTOR

That shareholders consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution.

"That, for all purposes, Mr Michael Bell who retires and offers himself for re-election, is re-elected as a director."

RESOLUTION 3 - ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass with or without amendment, the following in accordance with section 250R(2) of the Corporations Act:

"That the Remuneration Report in the 2006 Annual Report of the Company be adopted."

RESOLUTION 4 - RATIFYING THE ISSUE OF 11,716,999 SHARES

That shareholders consider and, if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That pursuant to Listing Rule 7.4 of the Listing Rules of the Australian Stock Exchange Limited, the Company approves and ratifies the allotment and issue of 11,716,999 Shares in the capital of the Company at a price of 35 cents per Share to the parties specified in, and on such terms and conditions referred to in the Explanatory Memorandum."

Voting Exclusion - For the purposes of ASX Listing Rule 7.4, the Company will disregard any votes cast on this resolution by a person who participated in the issue and any associate of such a person. However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 5 - RATIFICATION OF THE ISSUE OF OPTIONS TO EXECUTIVES

That shareholders consider and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That pursuant to Listing Rule 7.4 of the Listing Rules of the Australian Stock Exchange Limited, the Company approves and ratifies the grant of 1,000,000 unlisted options to executive consultants as set out in the Explanatory Memorandum exercisable at 54 cents expiring on or before 31 December 2009 and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion - For the purposes of ASX Listing Rule 7.4, the Company will disregard any votes cast on this Resolution by any person who has participated in the issue of options and any person associated with those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

RESOLUTION 6 – ISSUE OF OPTIONS TO FRANK PETRUZZELLI

To consider and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 of the Listing Rules of the Australian Stock Exchange Limited, Sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue of 500,000 unlisted options to Mr Frank Petruzzelli (or his nominee), in each case exercisable at 54 cents expiring on or before 31 December 2009 and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion - For the purposes of ASX Listing Rule 10.13 and section 224 of the Corporations Act, Frank Petruzzelli and any person associated with Mr Petruzzelli must not cast a vote on this Resolution. Mr Petruzzelli and any person associated with them may however, cast a vote if:

- (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of Mr Petruzzelli and any person associated with them.

RESOLUTION 7 – ISSUE OF OPTIONS TO SAM RUSSOTTI

To consider and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 of the Listing Rules of the Australian Stock Exchange Limited, Sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue of 1,000,000 unlisted options to Mr Sam Russotti (or his nominee), in each case exercisable at 54 cents expiring on or before 31 December 2009 and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice."

Voting Exclusion - For the purposes of ASX Listing Rule 10.13 and section 224 of the Corporations Act, Sam Russotti and any person associated with Mr Russotti must not cast a vote on this Resolution. Mr Russotti and any person associated with them may however, cast a vote if:

- (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of Mr Russotti and any person associated with them.

RESOLUTION 8 – ISSUE OF OPTIONS TO MARK FREEMAN

To consider and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 of the Listing Rules of the Australian Stock Exchange Limited, Sections 195(4) and 208 of the Corporations Act and for all other purposes,

approval is given for the Company to allot and issue of 750,000 unlisted options to Mr Mark Freeman (or his nominee), in each case exercisable at 54 cents expiring on or before 31 December 2009 and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion - For the purposes of ASX Listing Rule 10.13 and section 224 of the Corporations Act, Mark Freeman and any person associated with Mr Freeman must not cast a vote on this Resolution. Mr Freeman and any person associated with them may however, cast a vote if:

- (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of Mr Freeman and any person associated with them.

RESOLUTION 9 – ISSUE OF OPTIONS TO MICHAEL BELL

To consider and if thought fit, to pass, with or without amendment, the following resolution as an ordinary resolution:

“That, for the purposes of Listing Rule 10.11 of the Listing Rules of the Australian Stock Exchange Limited, Sections 195(4) and 208 of the Corporations Act and for all other purposes, approval is given for the Company to allot and issue of 1,000,000 unlisted options to Mr Michael Bell (or his nominee), in each case exercisable at 54 cents expiring on or before 31 December 2009 and otherwise on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice.”

Voting Exclusion - For the purposes of ASX Listing Rule 10.13 and section 224 of the Corporations Act, Michael Bell and any person associated with Mr Bell must not cast a vote on this Resolution. Mr Bell and any person associated with them may however, cast a vote if:

- (a) it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution; and
- (b) it is not cast on behalf of Mr Bell and any person associated with them.

By order of the Board



Mr Mark Freeman
Director & Company Secretary
Dated: 25 October 2006

PROXIES - A shareholder entitled to attend and vote at the above meeting may appoint not more than two proxies to attend and vote at this meeting. Where more than one proxy is appointed, each proxy may be appointed to represent a specified proportion of the shareholder's voting rights. If two proxies are appointed and the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes. A proxy may, but need not be, a shareholder of the Company. Proxy forms must reach the Company at least 48 hours prior to the meeting. For the convenience of shareholders, a proxy form is attached.

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 the Company.

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

RESOLUTIONS 1 AND 2 - ELECTION OF DIRECTORS

Resolution 1 and 2 relate to the election of directors. In accordance with the clause with ASX Listing Rule 14.4 and the Company's Constitution and, Mr Petruzzelli will retire at the Annual General Meeting and being eligible offer himself for re-election. Mr Bell is proposed to be appointed on 1 November 2006, in accordance with the clause 69.2 of the Company's Constitution, he retires and offers himself for re-election. A summary of Mr Petruzzelli and Mr Bell's qualifications and experience is provided below:

Frank Petruzzelli (Chairman, Non-Executive)

Mr Petruzzelli is a principal of MDB & Co, an Australian accounting firm and has been a director of Golden Gate Resources Limited (GGR) since May 2001. He is an accounting and management services specialist and advises many ASX listed companies and large private organisations. Mr Petruzzelli has been a director of the Company since the merger with GGR on 30 June 2003. Mr Petruzzelli is currently a director for Orchard Petroleum Ltd (appointed December 2001).

Michael Bell (Executive Director)

Mr Bell was appointed as the Company's Chief Operative Officer – USA on 21 November 2005 and has agreed to Board position effective 1 November 2006. Mr Bell is a petroleum professional with over twenty-five years experience in the Oil and Gas industry and has an impressive set of credentials and achievements, with a particular focus in the development of deepwater fields in the Gulf of Mexico with BP, Mobil and Unocal.

His most recent position was Vice President, Deepwater Gulf of Mexico, Unocal Corp for 7 years where he established Unocal as a leader in deepwater exploration and was instrumental in the discoveries at Mad Dog, K2, Puma, Knotty Head, Trident, St. Malo, and Tobago. Mr Bell is a graduate of Dartmouth College with an AB in Earth Sciences. He also holds an MSc degree from Cornell University. In 2001, he completed the Advance Management Program at Harvard Business School.

RESOLUTION 3 – ADOPTION OF REMUNERATION REPORT

The Remuneration Report is in the Directors Report section of the Company's 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 2006.

The Directors recommend that Shareholders vote in favour of Resolution 3. Section 250R(2) of the Corporations Act requires companies to put a resolution to their members that the Remuneration Report be adopted. The vote on this resolution is advisory only, however, and does not bind the Board or the Company. The Chairman will give Shareholders a reasonable opportunity to ask questions about or to make comments on the Remuneration Report.

RESOLUTION 4 – RATIFYING THE ISSUE OF 11,716,999 SHARES

The Company previously announced on 30 January 2006 the placement of 11,716,999 Shares at an issue price of 35 cents to various equity holders to raise \$4.1 million.

Approvals Required

Under Chapter 7 of the ASX Listing Rules, there are limitations on the capacity of the Company to enlarge its capital by the issue of equity securities.

ASX Listing Rule 7.1 provides generally that a company may not issue shares or options to subscribe for shares equal to more than 15% of the company's issued share capital in any 12 months without obtaining shareholder approval.

Listing Rule 7.4 enables shareholders to ratify previous issues by the Company in order to refresh the Company's ability to issue 15% of its issued capital under Listing Rule 7.1. This will leave the Company with the flexibility to issue equity securities in the future up to the 15% threshold.

Under this resolution, the Company seeks from Shareholders approval for, and ratification of, the issues of securities set out below so as to limit the restrictive effect of ASX Listing Rule 7.1 on any further issues of securities in the next 12 months.

All Shares were issued on 30 January 2006 at an issue price of 35 cents each. ASX Listing Rule 7.5 requires the following information to be given to Shareholders:

The allottees were:

Allottee	Shares
Plasma WA Pty Ltd	85,000
David Chapman	29,000
Brett Mitchell	29,000
Mega Capital Pty Ltd	29,000
Pisaurus Investments Pty Ltd	29,000
Steven Freeman	86,000
APR Nominees Pty Ltd	428,500
Moore Street Developments Pty Ltd	57,000
Lateana Pty Ltd	29,000
Rosa Trovato	57,000
Aeneas Portfolio Company LP	286,000
Tiedemann Global Emerging Markets	5,715,000
Oasis Capital Markets	1,430,000
Four P Investment Company Pty Ltd	400,000
Diskfin Pty Ltd	200,000
Alimold Pty Ltd	325,571
Mr Andrew Lennox	142,857
Troy Holmes Pty Ltd	150,000
Jupic Pty Ltd	95,000
Mohammad Reza Samuat	400,000
Rose Point Capital Pty Ltd	428,571
Tets Pty Ltd	230,000
Peter Barrett Capp	55,700
Fal-Bar Cellers Pty Ltd	142,800
Dantill Pty Ltd	857,000

The issued Shares are fully paid ordinary shares in the Company and rank equally with the existing Shares in the Company. The Company has used the funds raised for the purposes of providing working capital for drilling programs on its Padre Island interests. The Board believes that the ratification of this issue is beneficial for the Company.

The Board recommends Shareholders vote in favour of this resolution as it allows the Company to ratify the above issue of Shares and retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital during the next 12 months.

RESOLUTION 5 – RATIFICATION OF THE ISSUE OF OPTIONS TO EXECUTIVES

On 17 October 2006 the Board issued incentive options to the following consultants in accordance with services agreements:

Mr Don Boyd	500,000
Mr Burce Veralli	300,000
Ms Shirley Rooney	200,000

The options are exercisable at 54 cents on or before 31 December 2009 and otherwise on the terms set out in Appendix A to this Explanatory Memorandum. Each option entitles the holder to subscribe for one Share on payment of the exercise price.

Approvals Required

Under this resolution, the Company seeks from Shareholders approval for, and ratification of, the issues of securities set out below so as to limit the restrictive effect of ASX Listing Rule 7.1 on any further issues of securities in the next 12 months.

For the purposes of Listing Rule 7.5, the following information is provided to shareholders:

1. The total number of options granted was 1,000,000;
2. The options were granted as part remuneration pursuant to services agreements;
3. The terms and conditions of the options granted are set out in Appendix A to this Explanatory Memorandum;
4. The allottee were Mr Don Boyd (500,000), Mr Bruce Veralli (300,000) and Ms Shirley Rooney (200,000); and
5. No funds were raised by the grant of options.

The Board believes that the ratification of this issue is beneficial for the Company.

The Board recommends Shareholders vote in favour of this resolution as it allows the Company to ratify the above grant of options and retain the flexibility to issue further equity securities representing up to 15% of the Company's share capital during the next 12 months.

RESOLUTION 6, 7, 8 AND 9 - ISSUE OF OPTIONS TO DIRECTORS

Subject to obtaining shareholder approval, the Board has resolved to issue Mr Frank Petruzzelli 500,000 options, Mr Sam Russotti 1,000,000 options, Mr Mark Freeman 750,000 options and Mr Michael Bell 1,000,000 exercisable at 54 cents and otherwise on the terms set out in Appendix A to this Explanatory Memorandum. Each option entitles the holder to subscribe for one Share on payment of the exercise price. This Resolution seeks shareholder approval for the issue of these options.

The ASX Listing Rules and the Corporations Act set out a number of regulatory requirements which must be satisfied in relation to this Resolution. These are summarised below.

ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities (including an option) to a related party of the Company. If this resolution is

passed, securities will be issued to Messrs Petruzzelli, Russotti, Freeman and Bell (or their nominees), who are related parties of the Company by virtue of their being Directors or proposed Directors of the Company.

Accordingly, approval for the issue of securities to Messrs Petruzzelli, Russotti, Freeman and Bell is required pursuant to ASX Listing Rule 10.11. Approval pursuant to ASX Listing Rule 7.1 is not required in order to issue the options to Messrs Petruzzelli, Russotti, Freeman and Bell as approval is being obtained under ASX Listing Rule 10.11. Shareholders should note that the issue of securities to Messrs Petruzzelli, Russotti, Freeman and Bell will not be included in the 15% calculation for the purposes of ASX Listing Rule 7.1.

ASX Listing Rule 10.13 sets out a number of matters which must be included in a notice of meeting proposing an approval under ASX Listing Rule 10.11. For the purposes of ASX Listing Rule 10.13, the following information is provided in relation to this resolution:

- (a) the number of options to be granted by the Company is 1,000,000 to Mr Russotti and 500,000 to Mr Petruzzelli, 750,000 to Mr Freeman and 1,000,000 to Mr Bell (or their nominees);
- (b) the options will be granted for nil consideration and therefore no funds will be raised from the grant of the options;
- (c) the options will be granted within one month of the date of the meeting;
- (d) the purpose of the issue of the options is to give Messrs Petruzzelli, Russotti, Freeman and Bell an incentive to provide dedicated and ongoing commitment to the Company and to preserve the Company's cash funds;
- (e) Mr Bell is a proposed director and as such is a related party who requires approval under Listing Rule 10.11; and
- (f) the options will be issued on the terms and conditions set out in Appendix A of this Explanatory Memorandum.

Section 208 of the Corporations Act

Under Chapter 2E of the Corporations Act, a public company cannot give a "financial benefit" to a "related party" unless one of the exceptions to the section apply or shareholders have in general meeting approved the giving of that financial benefit to the related party.

As mentioned above, Messrs Petruzzelli, Russotti, Freeman and Bell are related parties of the Company due to the fact that they are directors or proposed directors of the Company.

In the current circumstances, the issue of the options to Messrs Petruzzelli, Russotti, Freeman and Bell constitutes a "financial benefit" as defined in the Corporations Act. Further, Messrs Petruzzelli, Russotti, Freeman and Bell are a related party of the Company as defined under the Corporations Act. Accordingly, the proposed issue of options to Messrs Petruzzelli, Russotti, Freeman and Bell (or their nominees) constitutes the provision of a financial benefit to a related party of the Company.

Sections 219 of the Corporations Act

Pursuant to Section 219 of the Corporations Act, the Company provides the following information to shareholders in respect of the proposed financial benefit to be given Messrs Petruzzelli, Russotti, Freeman and Bell:

- (a) The related parties to whom the financial benefit will be given are the directors (or proposed directors) of the Company, Messrs Petruzzelli, Russotti, Freeman and Bell (or their nominees).
- (b) The nature of the financial benefit to be provided is the grant of options for nil consideration. The number of options to be granted is 1,000,000 to Mr Russotti, 500,000 to Mr Petruzzelli, 750,000 to Mr Freeman and 1,000,000 to Mr Bell. This number of options were agreed upon by the Board following an external review of remuneration paid to directors of oil and gas exploration companies listed on the ASX and of a similar size and market capitalisation to the Company. It was considered that this number of options was appropriate remuneration for them in light of their respective skill and experience and when considered together with their salary and other remuneration detailed below.
- (c) The issue of options to Messrs Petruzzelli, Russotti, Freeman and Bell preserves the cash resources of the Company during its project development phase, and at the same time provides an added incentive to those Directors to create shareholder wealth. The incentive represented to the Directors

by the grant of these options is a cost effective and efficient reward from the point of view of the Company, as opposed to alternative forms of incentive, such as the payment of cash compensation.

All of the Directors were available to consider the proposed resolutions but declined to make a recommendation in relation to the resolution due to the fact that they have a material personal interest in its outcome.

- (d) If shareholders approve the issue of options to Messrs Petruzzelli, Russotti, Freeman and Bell, and all of the options are exercised, the effect will be to dilute the shareholding of existing shareholders by approximately 1.97% on an undiluted basis and based on the number of Shares on issue as at the date of this Notice. Further detail of the effect on the Company's capital structure is set out below under the heading "Potential Effect of Capital Structure".

The exercise of the options will also increase the cash reserves of the Company by \$1,755,000.

- (e) The market price for Shares during the term of the options would normally determine whether or not Messrs Petruzzelli, Russotti, Freeman and Bell exercise the options. If, at the time any of the options are exercised, the Shares are trading on ASX at a price that is higher than the exercise price of the options, there may be a perceived cost to the Company.
- (f) In the 12 months before the date of this notice, the highest, lowest and last trading price of Shares on ASX are as set out below:

	Date	Price (cents)
Highest	27 April 2006	58
Lowest	7 November 2005	17
Last	16 October 2006	50

- (g) The existing holdings of Messrs Russotti, Petruzzelli, Freeman and Bell in the Company are as follows:

	Ordinary Shares	Options over Ordinary Shares		
		Un-Listed	Expiry	Exercise price (\$)
Sam Russotti	272,362 ¹	480,000	18/02/2007	0.44
		400,000	1/12/2008	0.33
		3,000,000	1/12/2008	0.22
Frank Petruzzelli	531,520	300,000	1/12/2008	0.33
		500,000	1/12/2008	0.22
Mark Freeman	31,731	200,000	19/08/2008	0.33
Michael Bell	-	3,000,000	21/11/2009	0.22

- 1: 201,482 of these shares are held by Mr Russotti on behalf of other people and are not beneficially owned by Mr Russotti.

- (h) The value of the options to be granted to Messrs Russotti, Petruzzelli, Freeman and Bell has been calculated using the Binomial option valuation methodology, which is the most widely used and recognised model for pricing options. The details of the valuation is set out below under the heading "Valuation of Options".

Based on the assumptions used for the Binomial model, the options have been valued at 14.90 cents each. The table below sets out the total value of the options along with the existing remuneration currently paid:

	Salary Package	Value of Options	Total remuneration
Frank Petruzzelli	\$35,000	\$74,500	\$109,500
Sam Russotti	\$164,192	\$149,000	\$313,192
Mark Freeman	\$84,000	\$111,750	\$195,750
Michael Bell	\$281,720	\$149,000	\$430,720

- (i) Other than as set out in this Notice and Explanatory Memorandum the Company considers that from an economic and commercial point of view there are not any costs or detriments, including opportunity costs or taxation consequences, for the Company or benefits foregone by the Company resulting from the issue of the options pursuant to this resolution. In accordance with International Financial Reporting Standards, under AASB 2 "Share-based Payments", the Company will be required to recognise an expense in the Statement of Financial Performance in respect of the value of these options.
- (j) Neither the Directors nor the Company are aware of any other information that would be reasonably required by shareholders to make a decision in relation to the financial benefits contemplated by this resolution.

Valuation of Options

The options have been valued using the Binomial options valuation methodology by the Company's independent external advisers, Stanton Partners, and based upon the following assumptions:

1. Options expire 31 December 2009 and are exercisable at 54 cents;
2. the market trading price of the Shares as at 13 October 2006 was 50 cents;
3. The current Risk free interest rate (Treasury Bond Rate) of 5.80%;
4. Volatility factor of 60%. Taking into account the last three months trades, the closing share price as at 13 October 2005 and general volatilities applying to the small cap oil and gas companies (that can often fall in the 50% to 100% volatility range), we consider a volatility factor of 60% should be used in valuing the Options;
5. The valuations ascribed to the various options may not necessarily represent the market price of the options at the date of the valuation;
6. A discount of 30% has been applied as the options will not be listed. Anecdotal evidence suggests a discount of between 20% and 50% is common;
7. The valuation date is 13 October 2006 although the Options will not be granted until shareholders approval on or around 30 November 2006; and
8. Based on the above assumptions the value of the Options are 14.90 cents each.

Potential Effect on Capital Structure

The potential effect that this resolution could have on the capital structure of the Company is summarised in the table below:

Event	Shares	Options
Current	162,103,950	37,991,369
Post Issue of options to Directors	162,103,950	39,746,369

The 37,991,369 unissued ordinary shares under option are broken down as follows:

Number of Options		Exercise Price	Expiry Date
28,466,369	Listed (GGPO)	\$0.65	31-Dec-06
800,000	Unlisted	\$0.44	18-Feb-07
25,000	Unlisted	\$0.32	2-Mar-07
200,000	Unlisted	\$0.33	19-Aug-08
1,000,000	Unlisted	\$0.33	1-Dec-08
3,500,000	Unlisted	\$0.22	1-Dec-08
1,000,000	Unlisted	\$0.54	31-Dec-09
<u>3,000,000</u>	Unlisted	\$0.22	21-Nov-09
37,991,369			

Enquiries - Shareholders are invited to contact Mr Mark Freeman, Director & Company Secretary, on (08) 9324 1177 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

"**ASX**" means Australian Stock Exchange Limited;

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

"**Directors**" means Directors of the Company;

"**Explanatory Memorandum**" means this information attached to the Notice, which provides information to shareholders about the resolutions contained in the Notice;

"**Notice**" means the notice of meeting which accompanies this Explanatory Memorandum; and

"**Shares**" means fully paid ordinary shares issued in the capital of the Company.

Appendix A - Option Terms

The material terms and conditions of the options are as follows:

- (i) Each option entitles the holder to subscribe for one Share in the Company (“GGP”).
- (ii) Application will not be made to ASX for Official Quotation of the options.
- (iii) The options will be issued for nil consideration and subject to clauses (iv) and (v) are exercisable on or before 31 December 2009 (“Expiry Date”) by completing an option exercise form and delivering it to GGP’s share registry.
- (iv) If the option holder ceases to be either an employee or consultant of the Company for any reason then any unexercised options will automatically lapse on the date that is 21 days after that occurring.
- (v) The option exercise price is \$0.54 per Share.
- (vi) The options are not transferable, without prior approval of the Board.
- (vii) All Shares issued upon exercise of the options will rank equally in all respects with GGP then issued Shares. GGP will apply for quotation by ASX within 3 business days of all Shares issued upon exercise of the options.
- (viii) There are no participating rights or entitlements inherent in the options and holders will not be entitled to participate in new issues of capital offered to shareholders during the currency of the options. However, GGP will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 9 business days after the issue is announced. This will give option holders the opportunity to exercise their options prior to the date for determining entitlements to participate in any such issue.
- (ix) There will be no change to the exercise price of the options or the number of Shares over which the options are exercisable in the event of GGP making a pro rate issue of Shares or other securities to the holders of Shares in GGP (other than a Bonus Issue as defined in paragraph (x) below).
- (x) If there is a bonus issue (“Bonus Issue”) to the holders of Shares in GGP, the number of Shares over which the options are exercisable will be increased by the number of Shares which the holder would have received if the options had been exercised before the record date for the Bonus Issue (“Bonus Shares”). The Bonus Shares must be paid up by GGP out of profits or reserves (as the case may be) in the same manner as was applied in the Bonus Issue and upon issue rank equally in all respects with the other shares of the class on issue as at the date of issue of the Bonus Shares.
- (xi) In the event of a reconstruction (including consolidation, subdivision, return, reduction or pro rata cancellation) of the issued capital of GGP prior to the Expiry Date, the number of options to which each holder is entitled or the exercise price of the options or both shall be reconstructed (as appropriate) in accordance with the requirements of the Listing Rules which apply at that time.
- (xii) The Company will at least 20 Business Day before the Expiry Date of the options send notices to the option holders stating the name of the option holder, the number of options held and the number of Shares to be issued on exercise of the options, the exercise price, the due date for payment and the consequences of non-payment.

GOLDEN GATE PETROLEUM LTD
ABN 34 090 074 785
PROXY FORM

Shareholder's Name and Address

Please write your name(s) above

Please write your address above

Appointment of Proxy

I/We appoint as proxy to vote in accordance with the following directions (or if no directions have been given, as the proxy or Chairman see fit) at the General Meeting of the Company to be held at Ground Floor, 8 Colin Street, West Perth, WA on 30th November 2006, at 2.30 pm (and at any adjournment thereof).

or the Chairman of the meeting

Name and address of person you are appointing as your first proxy (if not the meeting Chairman) and/or failing him

Appointing a Second Proxy

Name and address of person you are appointing as your second proxy (if not the meeting Chairman)

Proxy 1 is appointed to represent _____% of my voting right, or if 2 proxies are appointed, Proxy 1 represents _____% and Proxy 2 represents _____% of my total votes. My total voting right is _____ shares.

Note: If the appointment does not specify the proportion or number of votes that the proxy may exercise, each proxy may exercise half the votes.

Ordinary Business

	For	Against	Abstain*
1 Re-election of Frank Petruzzelli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Election of Michael Bell	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Ratifying the issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Ratifying the issue of Executive Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Issue of Options to Mr Russotti	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 Issue of Options to Mr Petruzzelli	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 Issue of Options to Mr Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 Issue of Options to Mr Bell	<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 that item.

If the chair of the meeting is appointed as your proxy, or may be appointed by default and you do not wish to direct your proxy how to vote as your proxy in respect of a resolution, please place a mark in the box. By marking this box, you acknowledge that the Chair of the meeting may exercise your proxy even if he has an interest in the outcome of the resolutions and that the votes cast by the Chair of the meeting for those resolutions other than as proxy holder will be disregarded because of that interest. **The Chair intends to vote any such undirected proxies in favour of all resolutions.** If you do not mark this box, and you have not directed your proxy how to vote, the Chair will not cast your votes on the resolution and your votes will not be counted in calculating the required majority if a poll is called on the resolution.

Contact Email address

Contact Telephone Number

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Signature(s)

Shareholder 1

Director

Shareholder 2

Director/Secretary

Shareholder 3

Sole Director and Secretary

Proxies may be lodged either by facsimile on (08) 9324 2171, by mail to PO Box 453, West Perth, 6872, Western Australia or delivery to the registered office of the Company at Ground Floor, 8 Colin Street, West Perth, Western Australia. To be valid, a proxy form must be received by the Company no later than 48 hours before the time appointed for the 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 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.

Appointing a Second Proxy

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 Telephone

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

Signature(s)

Each shareholder must sign this form. If your shares are held in joint names, all shareholders must sign in the boxes. 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. Only duly authorised officer(s) can sign on behalf of a Company. Please sign in the boxes provided which state the office held by the signatory.

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 2.30 pm on the **28 November 2006** by post or facsimile to the respective addresses stipulated in this proxy form.

Chairman's Voting Intentions

The Chairman intends to vote in favour of the resolutions set out in the Notice.