



GOLDEN GATE PETROLEUM LTD

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19 January 2011

Dear Shareholder

ENTITLEMENT ISSUE OF SHARES (and free attaching Options)

As you may be aware, Golden Gate Petroleum Limited ("Company") is currently undertaking a fully underwritten Entitlement Issue ("Offer") pursuant to a Prospectus dated 19 January 2011 ("Prospectus"). The Company expects that the Offer will close on 17 February 2011.

The Offer will be on the basis of 1 New Share for every 5 Shares held and is open to existing Shareholders in Australia and New Zealand. The Offer will result in the issue of up to 216,031,991 new shares ("Shares") and 216,031,991 new listed options ("Options") in the Company and will raise an estimated \$2,592,384 if all entitlements are taken up (based on the Company's undiluted share capital as at the date of this letter, and before costs). The Prospectus is available to view on the ASX website or the Company's website.

The Company has determined, pursuant to Listing Rule 7.7.1 (a) of the Listing Rules of ASX Limited, that it would be unreasonable to make the Offer to shareholders outside of Australia and New Zealand ("Overseas Eligible Shareholders"). **Accordingly, in compliance with ASX Listing Rule 7.7.1(b), the Company wishes to advise you that it will not be extending the Offer to you.**

For further information please contact me on 61 3 9349 1488.

Yours faithfully,

Chris Bowyer
Company Secretary