

6 August 2003

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



via electronic lodgement

Dear Sir/Madam,

JACK FROST #1 COMMENCES DRILLING

The Company is pleased to announce that the Jack Frost #1 well spudded on 5 August 2003 and was drilling ahead at 541 ft.

The Jack Frost Prospect is an up thrown three way fault closure with the main targets being the Marg Frio (at around 7,500 ft) and the Cib Haz (at around 8,600 ft). Total drilling time to 9,500 ft is estimated to be 25 days.

Jack Frost is located 4kms to the northeast of Potrero Loperia Fields which has produced 40.6 BCF, 1.5 MMBO, 1.0 MMBW.

BNP Petroleum Corporation is the Operator of Jack Frost #1.

Golden Gate Petroleum Ltd has a 20% working interest in the Jack Frost Prospect.

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

Mark Freeman
Company Secretary

Golden Gate's Padre Island Project in the Gulf of Mexico

- The principal asset of Golden Gate is a 10% participating interest in the Padre Island Joint Venture ("PI JV"). Padre Island is a large sand barrier, located along the western coastline of Texas on the Gulf of Mexico. The Gulf of Mexico is a proven hydrocarbon area that produces around 24% of the total gas consumed in the United States.
- The joint venture consists of BNP Petroleum (a private Texas corporation), Novus Petroleum (an ASX listed company), Mitsui Oil (a subsidiary of the giant Mitsui Corporation) and Golden Gate (10%), with BP North America farming in to carry an Ultra-Deep drilling programme in the Phase 1 and 2 lease areas covering approximately one half of the total Padre Island project area.
- The Padre Island Project area contains multiple play types including smaller, low risk, shallow prospects and larger, deeper prospects which have seen little drilling attention and the advancement of 3D seismic has allowed the imaging of deeper larger targets analogous to areas of high activity and exploration success in the Eastern Gulf of Mexico.
- Extensive 3D seismic and interpretation work undertaken by the PI JV to date has identified 33 prospects (excluding the Ultra-Deep section) that are now ready for drilling.
- The Joint Venture's neighbours around Padre Island include industry majors Woodside, El Paso, Santos and Spinnaker Oil.

United States Gas Market

- The United States is the biggest gas market in the world, larger than the next eight biggest gas-consuming nations combined.
- The United States consumed 22 trillion cubic feet ("tcf") per annum in 2002 and this is expected to increase to 30 tcf by 2015. By way of comparison in 2002 Western Australia's North West Shelf Venture produced approximately 0.8 tcf.
- Gas producers in the US enjoy high prices (currently around US\$5.80 per mcf compared to approximately US\$1.45 per mcf in Australia), modest corporate tax rates, wide-ranging exploration allowances and comparatively low drilling and other onshore services costs.
- Gas produced in the Padre Island region is connected into the gas grid of Southern Texas through a working gas-gathering pipeline system on Padre Island. The pipeline system, which has significant unused capacity, is a common carrier available to all gas producers and will allow any new discoveries to be commercialised rapidly.

Definitions of Play Types and Operators

- Shallows: Targets to 11,000 to 12,000 feet BNP will pursue as operator.
- Deeps: Targets deeper than 11,000 to 12,000 feet Novus will pursue as operator, except, in the Phase 1 and 2 lease areas where Novus will only pursue targets to 15,000 feet (with the exclusion of 6 defined deeper targets), and thereafter BP will pursue the ultra deep targets.
- Ultra Deeps: Below 15,000 feet in the Phase 1 and 2 lease areas subject to the exclusions. NB: Below 15,000 to 20,000 feet the geology changes and high pressures and temperatures could lead to very high drilling costs. This ultra deep acreage has been farmed out to BP who will be conducting the exploration of these ultra deep prospects as operator and recovering its costs out of the production from any discoveries made.