

30 July 2003

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



via electronic lodgement

Dear Sir/Madam,

QUARTERLY ACTIVITIES AND CASH FLOW REPORT FOR PERIOD ENDED 30 JUNE 2003

- Capital Raising and ASX Requotation
- Jack Frost
- Indicative Drilling Program
- Joint Venture Restructure
- Production Update
- Change of Name
- Changes to Capital Structure
- Appointment and Resignation of Directors
- Quarterly Cash Flow Report

CAPITAL RAISING AND ASX REQUOTATION

The merger with US gas explorer and producer Golden Gate Resources Ltd ("GGRL") was completed on 30 June 2003. Background information on the Padre Island project acquired through this merger is attached to this report.

The Company has issued a Prospectus to raise \$1.5 million at a price of 20 cents per post consolidation share, each with a free attaching option exercisable at 65c on or before 31 December 2006. This raising is currently oversubscribed and will be closed shortly. The Company's securities are expected to be quoted on the ASX in about 3 weeks.

JACK FROST

The Company recently announced that it has entered into an agreement with BNP Oil and Gas Properties Ltd whereby the Company has increased its participation in the Jack Frost prospect from a 10% to a 20% working interest.

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). Pre drill estimates of the likely in ground gas reserves are 5 to 15 bcf.

The operator expects to commence drilling on August 1, 2003 and to take 25 days to drill to a depth of 9,500 ft. The Company's share of drilling costs for its 20% working interest is 26.7% of the total costs, which share is estimated to be US\$190,000.

INDICATIVE DRILLING PROGRAMME

As previously announced Golden Gate intends to participate in all new wells planned for drilling by its partner operators in the Shallow, Deep and Ultra-Deep plays. As a result of restructuring of joint venture arrangements (see below), the Company will have exposure to drilling at all depths with less onerous funding commitments than originally negotiated.

In addition to the Jack Frost prospect, the Company expects to participate in a further two, possibly three, wells in the remainder of 2003 with a further eight wells planned in 2004. Jack Frost is likely to be followed by another shallow play 'Dancer' with similar estimated reserves.

In its 2 June 2003 announcement, Novus Petroleum (ASX: NVS) states that it has identified 15-20 prospects and leads in the Deep section of Padre Island. Pre-drilling estimates across this portfolio are typically in the range of 100 to 600 billion cubic feet with upside (if all factors are favourable) in excess of 1 trillion cubic feet. Novus says it has set a target to drill and evaluate six wells by the end of 2004 and to test two by the end of 2003.

Also, by the end of 2003, BP will complete its technical work over phases 1 and 2 of the Padre Island leasehold areas, and may well start the drilling of Ultra-Deep prospects on these leases.

JOINT VENTURE RESTRUCTURE

Since GGP first commenced negotiations to acquire the Padre Island interests there has been significant restructuring of the Joint Venture, including BP North America securing an option to farm into what is now known as the Ultra-Deeps. This has resulted in the original joint venture effectively splitting into three separate joint ventures based upon the operational play types, Shallows, Deeps and Ultra-Deeps.

The restructure of the Joint Venture has led to the appointment of different operators at each depth to more effectively take advantage of each joint venture partner's expertise and capabilities. BNP Petroleum will focus on the drilling of the Shallows, Novus Petroleum will operate the Deeps and BP Petroleum the Ultra-Deeps. Golden Gate is the only party that will participate in all three joint ventures.

The final result of the restructure is that Golden Gate retains its 10% working interest across the Shallow (except for the Jack Frost prospect as detailed above) and Deep zone plays and has an effective 2.25% free carry interest in all future wells to be drilled in the Ultra-Deeps by BP. BP's farm in agreement is to carry all its technical, drilling and completion costs through to recovery from initial production, which means Golden Gate will not risk any of its own capital in exploring these high cost but potentially high reward (1 to 3 tcf) prospects.

See Table 1 below for a more detailed explanation of joint venture arrangements.

PRODUCTION UPDATE

To date three wells have been drilled in the Padre Island Project with all three wells being discoveries. Two of the discoveries, LaPlaya and West Bird are currently in production. LaPlaya commenced commercial production in April 2002 within three months of discovery and West Bird in April 2003 within six months of discovery. Initial gross production to the Joint Venture from these wells was approximately 4.8 million cubic feet per day. On the basis of a gas price of US\$6.00 per mcf (thousand cubic feet) and an exchange rate of A\$1.00 = US\$0.65, the Company's share of monthly proceeds is approximately A\$95,000.

West Bird continues to produce at 1.8 million cubic feet per day while La Playa has been shut in and is in the process of being re-completed having depleted its most recent productive zone. A further five zones remain in La Playa that warrant completion and testing. As each successive zone is depleted the next zone up will be completed.

CHANGE OF NAME

Effective from 1 July 2003 the Company changed its name from Valdera Resources Ltd (VLR) to Golden Gate Petroleum Ltd (GGP).

CHANGES TO CAPITAL STRUCTURE

On 18 June 2003 the consolidation of the existing securities on offer was completed. The primary ASX code was changed from VLR to GGP.

The reorganisation was by way of consolidating every 2.6 paid ordinary shares in the capital of the Company into one fully paid share. Existing options were reconstructed on the same basis of 2.6 options into one, exercisable at 65 cents. The expiry of these options have been extended to 31 December 2006.

The issue of the 96,007,944 merger shares and 9,760,000 options to GGRL security holders and the transfer of all GGRL securities to GGP will be effected shortly.

Below is a summary of the Company's capital structure:

Shares

Current Issued Shares	18,741,952
Shares to be issued pursuant to the Golden Gate Merger	96,007,944
Shares to be issued pursuant to current Prospectus	5,000,000
Plus oversubscriptions (if issued)	2,500,000
Total Share Capital	122,249,896

Options

Existing Options exercisable at 65 cents on or before 31 December 2006	18,461,369
Merger Options exercisable at 30 cents within 3 years of issue	11,000,000
Merger Options exercisable at 20 cents on or before 31 May 2006	960,000
Merger Options exercisable at 44 cents on or before 18 February 2007	800,000
New Options to be issued pursuant to the current Prospectus exercisable at 65 cents on or before 31 December 2006	5,000,000
Plus oversubscriptions of 2,500,000 New Options (if issued)	2,500,000
Total Options	38,721,538

CHANGE OF DIRECTORS

Following the merger with GGRL the Company is pleased to announce the appointment of Mr Sam Russotti and Mr Frank Petruzzelli to the Board. The Board wishes to thank outgoing board members Messrs Morgan, Windrim and Wise for their considerable efforts.

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



Mark Freeman
Company Secretary

Table 1 – Padre Island Background Information

About Padre Island Joint Venture

- 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 North America.
- 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 the 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 JV has multiple play types including smaller, low risk, shallow prospects and larger, deeper prospects which have seen little drilling attention.
- 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 Padre Island 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.

RESTRUCTURED PADRE ISLAND JOINT VENTURE PARTICIPATING INTERESTS					
	GOLDEN GATE	NOVUS	MITSUMI	BNP	BP
La Playa field (local private company KCS has a 20% interest)	10%	30%	15%	25%	
West Bird field	10%	40%	20%	30%	
Shallow leases over 6 specific areas (Jack Frost, Hook, Fault/County Line, El Mar, Peach/Manzano, Shallow and Lemon)	10-20%			80-90%	
Lemon Seed prospect (deep)	10%	40%	20%	30%	
Ultra deep sections	10%	40%	20%	30%	
Ultra deep discovery developed by BP in the Phase 1 & 2 lease areas	2.25%	Variable	Variable	7.75%	76-80%
All other leases (including all identified Deep prospects excluding Lemon Seed; the balance of the Shallow leases excluding those noted above; the Tomato gas field; and the Ultra-Deep section outside the BP farm in AMI which coincides with seismic phases 1 & 2.	10%	70%	20%		

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.

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 2003

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		0
1.2 Payments for		
(a) exploration and evaluation	(37)	(968)
(b) development	0	0
(c) production	0	0
(d) administration	(41)	(304)
1.3 Dividends received	0	0
1.4 Interest and other items of a similar nature received	90	125
1.5 Interest and other costs of finance paid	0	0
1.6 Income taxes paid	0	0
1.7 Other (provide details if material)	0	0
	13	(1,147)
Net Operating Cash Flows		
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	0	0
(b) equity investments	(70)	(93)
(c) other fixed assets	0	(3)
1.9 Proceeds from sale of:		
(a) prospects	0	0
(b) equity investments	0	0
(c) other fixed assets	0	0
1.10 Loans to other entities	0	0
1.11 Loans repaid by other entities	0	0
1.12 Cash recognised from acquisitions of subsidiaries	0	0
	(70)	(96)
Net investing cash flows		
1.13 Total operating and investing cash flows	(57)	(1,162)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (carried forward)	(57)	(1,162)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	(15)	(42)
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other (provide details if material)	0	0
Net financing cash flows		(15)	(42)
Net increase (decrease) in cash held		(71)	(1,284)
1.20	Cash at beginning of quarter/year to date	1,856	3,069
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	Cash at end of quarter	1,785	1,785

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	20
1.24	Aggregate amount of loans to the parties included in item 1.10	0

1.25 Explanation necessary for an understanding of the transactions

Director services were provided by Finind Pty Ltd ATF Wise Family Trust, a company in which Mr T Wise is a director, under normal commercial terms and conditions for the period aggregated \$209.

A bonafide reimbursement of expenses of \$2,634 was paid to Sequentes Pty Ltd, a company in which Mr Craig Burton is a director.

Consulting services were provided by Target Concepts Pty Ltd, a company in which Mr Donal Windrim is a director, under normal commercial terms and conditions for the period aggregated \$8,250.

Administrative services were provided by Mitchell River Group Pty Ltd, a company in which Mr Donal Windrim and Mr Craig Burton are directors, under normal commercial terms and conditions for the period aggregated \$8,789.

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

+ See chapter 19 for defined terms.

Nil

Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	0	0
3.2 Credit standby arrangements	0	0

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	550
4.2 Development	0
Total	550

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	1,785	357
5.2 Deposits at call	0	1,500
5.3 Bank overdraft	0	0
5.4 Other (provide details)	0	0
Total: cash at end of quarter (item 1.22)	1,785	1,857

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	E80/2360	Direct through Subsidiary	100%	85%
	E80/2759	Direct through Subsidiary	100%	0%
	E80/2760	Direct through Subsidiary	100%	0%
	E80/2761	Direct through Subsidiary	100%	0%
	E80/2762	Direct through Subsidiary	100%	0%
	E80/2763	Direct through Subsidiary	100%	0%
	E80/2880	Direct	100%	0%
6.2 Interests in mining tenements acquired or increased	E80/2879	Direct	0%	100%

+ 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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	48,731,291	34,718,765		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 *Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	48,000,000	48,000,000	<i>Exercise price 25 cents</i>	<i>Expiry date 1/06/2005</i>
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>	0			
7.12 Unsecured notes <i>(totals only)</i>	0			

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Company secretary

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Date: ..30/7/2003

Print name: Mark Freeman

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.