

Golden Gate Petroleum Limited

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Gulf of Mexico – a proven hydrocarbon zone with a high exploratory success rate in new geological play types

- One quarter of gas consumed in the US sourced from the Gulf of Mexico.
- Currently contributing over 5 tcf per annum into the US market.
- Advancement of 3D now allowing imaging of deeper larger targets.



Geological settings on the west coast analogous to play types successfully explored in shallow and deep water on the east coast of the Gulf of Mexico.

Golden Gate

JV Partners:

Golden Gate Petroleum Limited (10% in all prospects)

BNP Petroleum - local manager (90% in shallows)

Novus Petroleum NL (ASX Listed) (70% in intermediate).

Mitsui Exploration – giant energy company (20% in intermediate).

The JV recognised:

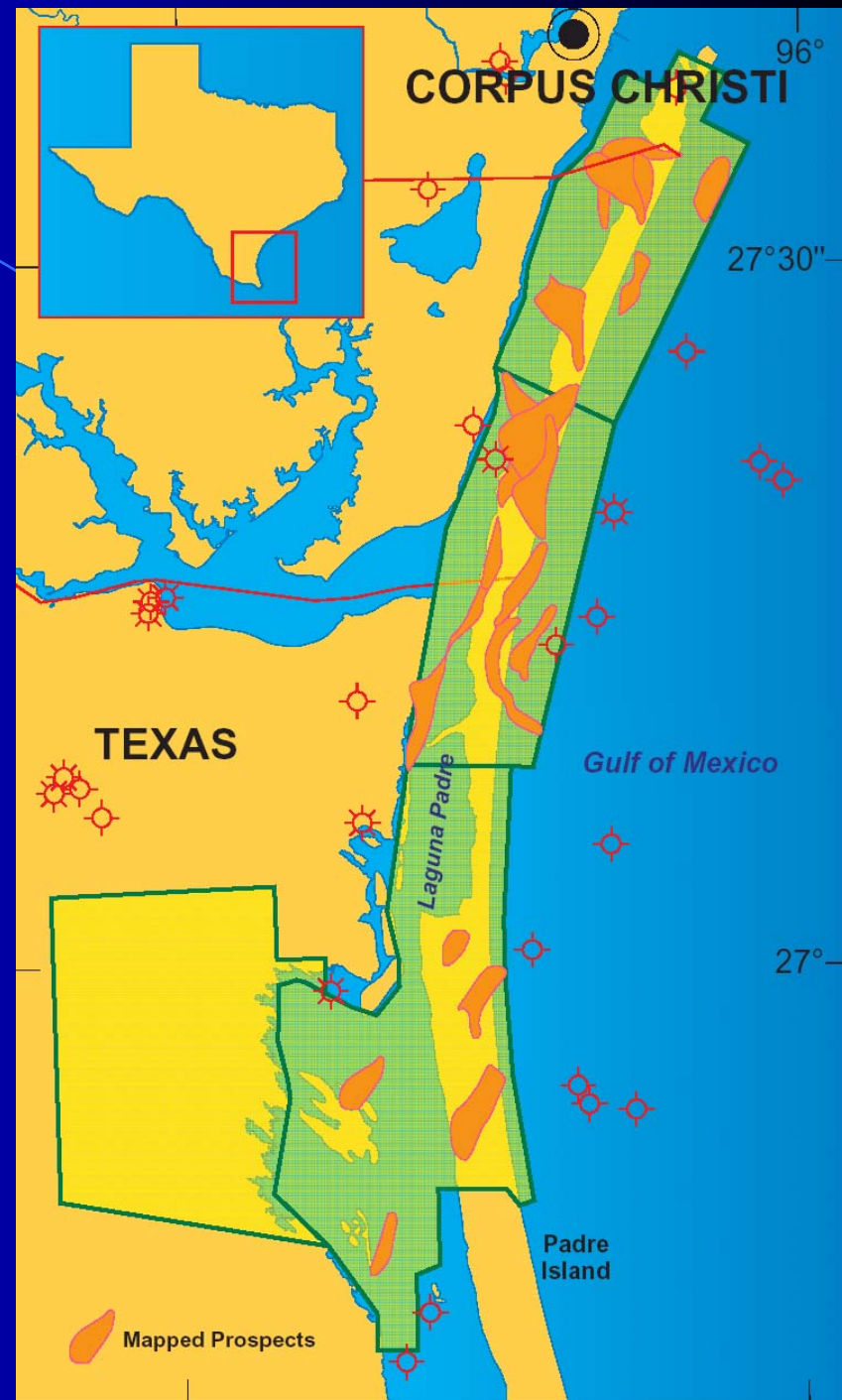
- fresh exploration potential along the western margins of the Gulf of Mexico
- the ability of modern 3D seismic to unlock the new plays (particularly deeper)
- how to handle permitting issues in the Padre Island area.

Working on this strategy since 1998, the JV has acquired 3D seismic coverage and a dominant acreage And seismic position over 4 phases of the area..



Substantial Acreage Position

142 exploration leases
27,300 hectares



Drilling Results To Date

- Three wells were drilled during 2002 with all three finding gas. These were:
 - La Playa-1 The well is currently at producing 2 million cubic feet of gas per day.
 - Dunn Murdock-1 Shallow gas discovered. However the well failed to reach its deeper objective and the prospect remains untested. One thin gas zone was completed and fully produced.
 - West Bird-1 – The well is currently producing at 1 million cubic feet of gas per day.
- One shallow well, Jack Frost-1 was drilled in 2003. The well failed to find commercial quantities of hydrocarbons and has been plugged and abandoned.

Expected Events In February

- LaPlaya Deep should reach primary target
- Commencement of Murdock well

Drilling Programme

Prospect Name	P50 Risked Potential BCF	Current Planned Start Date
LaPlaya Deep	162	Currently Drilling
Murdock South	232	February 2004
Homerun	397	TBA
Manzano	337	TBA
Plum Deep	293	TBA
Lemonseed	123	TBA

Rapid commercialization

- Padre Island contains a network of common carrier pipeline infrastructure with spare system capacity estimated at around 150 mmcf/d.
- Two major pipelines owned by HPL and Duke Energy traverse the island and are connected into the Texas state grid.
- Spare capacity and the pipeline proximity allow new gas discoveries to be connected and brought on stream rapidly.
- The JV's La Playa discovery was commercialized within 3 months of discovery while West Bird was commercialised within 6 months.