



GOLDEN GATE PETROLEUM LTD

ABN 34 090 074 785

NOTICE OF GENERAL MEETING AND EXPLANATORY MEMORANDUM TO SHAREHOLDERS

Date of Meeting

30 January 2012

Time of Meeting

10.00am (AEST)

Place of Meeting

566 Elizabeth Street
Melbourne 3000

A Proxy Form is enclosed

Please read this Notice and Explanatory Memorandum carefully.

If you are unable to attend the General Meeting please complete and return the enclosed Proxy Form in accordance with the specified directions.

**GOLDEN GATE PETROLEUM LTD
ABN 34 090 074 785**

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a General Meeting of Shareholders of Golden Gate Petroleum Ltd ABN 34 090 074 785 ('**Company**') will be held at 566 Elizabeth Street, Melbourne Vic 3000 on Monday 30 January 2012 at 10.00am (AEDT).

The Explanatory Memorandum which accompanies this Notice of Meeting forms part of the Notice.

AGENDA

ORDINARY BUSINESS

Resolution 1 – Ratification of the issue of 124,979,332 Shares and 137,763,999 Options to sophisticated, professional and other investors

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

“That for the purposes of Listing Rule 7.4 and for all other purposes, the Company ratifies the allotment and issue of 124,979,332 Shares (at various prices) and 137,763,999 Options between 4 November 2011 and 16 December 2011 to sophisticated and professional investors on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 1 by any person who has participated in the issue the subject of Resolution 1 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 2 – Approval of proposed issue of Shares to sophisticated and professional investors

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

“That for the purposes of Listing Rule 7.1 and for all other purposes, the Company approves the allotment and issue of 58,823,530 Shares, at an issue price of \$0.017 (1.7 cents) each to sophisticated and professional investors on the terms and conditions referred to in the Explanatory Memorandum.”

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2 by any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed, as 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.

By order of the Board,



Chris Bowyer
Company Secretary
19 December 2011

INFORMATION FOR SHAREHOLDERS

Attendance at the Meeting

If you are planning to attend the meeting, please arrive at least 15 minutes before the Meeting time to facilitate registration.

Voting

A member of the Company can vote by attending the Meeting and voting in person, by proxy or by authorised representative.

VOTING ENTITLEMENTS

In accordance with regulation 7.11.37 of the Corporations Regulations 2001, all Shares will be taken, for the purposes of this General Meeting, to be held by the persons who are the registered holders at 7.00pm (AEDT) on Saturday 28 January 2012. Accordingly, Share transfers registered after this time will be disregarded in determining entitlements to attend and vote at the Meeting.

VOTING BY PROXY

- Completion of a proxy form will not prevent individual Shareholders from attending the General Meeting in person if they wish. Where a Shareholder completes and lodges a valid proxy form and attends the General Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the General Meeting.
- A member entitled to attend and vote at the General Meeting is entitled to appoint not more than two proxies.
- Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.
- A proxy need not be a member of the Company.
- A proxy appointed to attend and vote instead of a member has the same right as the member to speak and vote at the meeting on a show of hands and on a poll.
- Where a proxy is appointed by a member's attorney, the power of attorney together with the evidence of non-revocation must be lodged with the proxy form.
- A proxy form appointing for a corporation must be executed in accordance with Section 127 of the Corporations Act 2001.
- To be effective, proxy forms (and the power of attorney (if any) under which they are signed or proof thereof to the satisfaction of the directors) must be lodged at 566 Elizabeth Street, Melbourne, Victoria 3000 by 10.00am (AEDT) by Saturday 28 January 2012 (not less than 48 hours before the scheduled time of the Meeting). Alternatively, and if received or recorded by the same time, proxy forms (and the power of attorney (if any) under which they are signed or proof thereof to the satisfaction of the Directors) may be lodged by facsimile (+61 3) 9349 1186.
- Members of the Company who return their proxy forms but do not nominate the identity of their proxy will be taken to have appointed the Chairman of the Meeting as their proxy to vote on their behalf. If a proxy form is returned but the nominated proxy does not attend the meeting, the Chairman of the Meeting will act in place of the nominated proxy and vote in accordance with any instructions. A form of proxy is enclosed with the Notice of General Meeting. An additional form will be supplied by the Company on request.

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 General Meeting of Golden Gate Petroleum Limited ("**Golden Gate**" or the "**Company**").

Certain abbreviations and other defined terms are used throughout this Explanatory Memorandum and in the Notice. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations are set out in the Glossary to the Explanatory Memorandum.

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

RESOLUTION 1 – RATIFICATION OF THE ISSUE OF 124,979,332 SHARES AND 137,763,999 OPTIONS TO SOPHISTICATED, PROFESSIONAL AND OTHER INVESTORS

On 4 November 2011 the Company announced a \$3.1 million capital raising to be completed through the issue of 206,645,999 Shares to sophisticated, professional and other investors. Further, 137,763,999 free attaching Options were issued, exercisable at \$0.08 each on or before 31 August 2012. The issue of 166,666,667 Shares was approved by Shareholders at a general meeting of the Company on 13 September 2011, with the balance of 39,979,332 Shares and 137,763,999 Options issued under the Company's 15% placing capacity.

Further, on 14 December 2011, the Company announced a \$7 million capital raising, part of which was to be raised through the issue of 143,823,530 Shares to sophisticated, professional and other investors to raise \$2.45 million. The issue of 58,823,530 Shares is subject to Shareholder approval pursuant to Resolution 2. The balance of 85,000,000 Shares was issued under the Company's 15% placement capacity, for which ratification by Shareholders is being sought pursuant to Resolution 1.

The Company now seeks to ratify the issue of the Shares and Options issued pursuant to the capital raisings referred to above.

Under Listing Rule 7.1, the Company is permitted to issue securities which represent up to 15% of the Company's equity securities on issue within any 12 month period without needing to obtain Shareholder approval. Whilst Shareholder approval for the issue of the Shares and Options was not required at the time of the issue, the effect of the issue is to reduce the Company's capacity to issue additional equity securities in the future without Shareholder approval.

Listing Rule 7.4 permits an issue made by the Company without Shareholder approval under Listing Rule 7.1 to be treated as having been made with approval for the purposes of Listing Rule 7.1 if it is subsequently ratified by Shareholders and it did not breach Listing Rule 7.1 at the time of issue.

The Company wishes to seek Shareholder ratification of the issue of the Shares and Options, the subject of Resolution 1 for the purposes of Listing Rule 7.4 in order to renew the Company's capacity to issue up to 15% of the equity securities of the Company on issue in the next 12 month period without requiring Shareholder approval.

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

- (a) The total number of Shares issued was 124,979,332.
- (b) The total number of Options issued was 137,763,999.

- (c) 39,979,332 Shares were issued at an issue price of \$0.015 (1.5 cents) each and 85,000,000 Shares were issued at an issue price of \$0.017 (1.7 cents) each.
- (d) The Options were issued for nil consideration and each have an exercise price of \$0.08 (8 cents) each and an expiry date of 31 August 2012. The full terms and conditions of the Options issued are set out in Appendix A to the Explanatory Memorandum.
- (e) The Shares issued were fully paid ordinary shares in the Company.
- (f) The purpose of the issue of the Shares and Options was to fund the ongoing exploration and development activities of the Company in the USA.
- (g) 39,979,332 Shares and 137,763,999 Options were issued to sophisticated, professional and other investors who were exempt from the disclosure provisions under section 708 of the Corporations Act as part of a \$3.1 million placement. Shareholders had previously approved the issue of Shares up to a value of \$2.5 million. None of the allottees were related parties of the Company.
- (h) 85,000,000 Shares were issued to sophisticated, professional and other investors who were exempt from disclosure provisions under section 708 of the Corporations Act. None of the allottees were related parties of the Company.

The Board recommends Shareholders vote in favour of the Resolution as it will permit the ratification of the issue of the Shares and Options which will allow the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's issued capital during the next 12 months.

RESOLUTION 2 – PROPOSED ISSUE OF SHARES TO SOPHISTICATED AND PROFESSIONAL INVESTORS

The Company has previously announced that it was intending to undertake a placement to sophisticated, professional other investors to the approximate value of \$2.45 million. In this regard, 85,000,000 Shares to the value of 1.45 million were issued under the Company's 15% placing capacity. Shares to the value of \$1.0 million are proposed to be issued subject to Shareholder approval sought pursuant to this Resolution 2. All shares in regard to this placement are to be issued at \$0.017 (1.7 cents) each.

Listing Rule 7.1 requires Shareholder approval to the proposed issue of securities in the Company.

Listing Rule 7.1 broadly provides, subject to certain exceptions, that shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's securities then on issue. If Resolution 2 is passed, it will provide the Company the flexibility to issue further equity securities in the future up to the 15% threshold without the requirement to obtain Shareholder approval.

For the purposes of Listing Rule 7.3, the following information is provided to Shareholders:

- (a) The maximum number of Shares to be issued is 58,823,530. The issue price will be \$0.017 (1.7 cents).
- (b) The Shares issued will be fully paid ordinary shares in the capital of the Company and will rank equally in all respects with the existing Shares on issue.
- (c) The Shares will be allotted and issued no later than 3 months after the date of this general meeting, unless otherwise extended by way of ASX granting a waiver to the Listing Rules.
- (d) The shares will be allotted on the same date.

- (e) At the date of this Explanatory Memorandum, the names of the proposed allottees are not known and the quantity of the Shares to be issued to each allottee is not known. The Company intends (but without limitation) to issue Shares to professional, sophisticated and other investors who are exempt from the disclosure requirements of Chapter 6D of the Corporations Act so that any offer of Shares will not require a disclosure document. The Shares will not be issued to Directors or other related parties of the Company. Any Shareholder who votes on this Resolution will not be able to participate in the proposed issue of Shares.

- (f) The purpose of the raising is to fund the exploration and development activities of the Company's operations in the Permian Basin, Texas, USA. The proposed use of funds is subject to ongoing review and evaluation by the Company and the actual use of funds may change depending on the outcome of the Company's ongoing development programs in Texas and Louisiana as they proceed.

The Board recommends Shareholders vote in favour of Resolution 2 as this will allow the Company to retain the flexibility to issue further equity securities representing up to 15% of the Company's issued share capital during the next 12 months.

Enquiries – Shareholders are invited to contact Mr Chris Bowyer, Company Secretary, on (+61 3) 9349 1488 if they have any queries in respect of the matters set out in these documents.

GLOSSARY

"AEST" means Australian Eastern Standard Time;

"ASX" means ASX Limited ABN 98 008 624 691 and, where the context permits, the Australian Securities Exchange operated by ASX Limited;

"Board" means the Board of Directors;

"Business Day" means every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day;

"Closely Related Party" has the meaning given in the Corporations Act;

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

"Constitution" means the constitution of the Company;

"Corporations Act" means the *Corporations Act 2001* (Cth);

"Director" means a Director of the Company;

"Explanatory Memorandum" means this information attached to the Notice, which provides information to Shareholders about the Resolutions contained in the Notice;

"General Meeting" or **"Meeting"** means the general meeting the subject of the Notice;

"Key Management Personnel" has the meaning given in the accounting standards;

"Listing Rules" means the Listing Rules of the ASX;

"Notice" or **"Notice of Meeting"** means the Notice of General Meeting accompanying this Explanatory Memorandum;

"Option" means an Option to acquire a Share on the terms and conditions outlined in Appendix A;

"Resolution" means a resolution the subject of the Notice;

"Shareholder" means the holder of a Share; and

"Share" means an ordinary fully paid share in the capital of the Company.

Appendix A – Option Terms

The material terms and conditions of the options referred to in Resolution 1 are as follows:

- (i) Each Option entitles the holder to subscribe for one fully paid ordinary Share in the capital of Golden Gate Petroleum Ltd (“Golden Gate”) at an exercise price of 8 cents.
- (ii) The Options are exercisable at any time on or before 31 August 2012 by completing a notice of exercise and delivering it to Golden Gate’s share registry together with the payment for the number of shares in respect of which the Options are exercised.
- (iii) All Shares issued pursuant to the exercise of Options will be allotted within 15 Business Days after the receipt of a properly executed notice of exercise and the application monies in respect of the exercise will rank pari passu in all respects with the then existing fully paid ordinary Shares. Subject to the ASX Listing Rules, Golden Gate will apply to ASX for official quotation of all the Shares issued upon exercise of the Options within three Business Days after the allotment of the Shares.
- (iv) There are no participating rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, Golden Gate will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 ASX Business Days after the issue is announced. Golden Gate will also notify holders of any proposed issue at least 5 Business Days before the record date. This will give option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.
- (v) If there is a pro-rata issue of Shares for which no consideration is payable by them (bonus issue), the number of Shares over which the Option is exercisable must be increased by the number of Shares which the holder of the Option would have received if the Option had been exercised before the record date for the bonus issue.
- (vi) If there is a pro-rata issue (other than a bonus issue) to the holders of Shares during the currency of, and prior to the exercise of any Options, the exercise price of an Option will be reduced according to the formula provided for in the ASX Listing Rules.
- (vii) In the event of any reconstruction (including a consolidation, sub-division, reduction or return) of the issue capital of Golden Gate, the Options will be recognised in a manner required by the ASX Listing Rules reorganisation of capital at the time of reorganisation.



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 being a member/members of Golden Gate Petroleum Limited and entitled to attend and vote hereby 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 566 Elizabeth Street Melbourne, Monday 30 January 2012, at 10.00 am (AEST) (and at any adjournment thereof).

the Chairman of the meeting

or

(mark with an "X")

Name and address of person you are appointing as your first proxy and/or

Appointing a Second Proxy

Name and address of person you are appointing as your second proxy

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.

Please mark with an "X" to indicate your directions

- 1 Ratification of the Issue of 124,979,332 Shares and 137,763,999 Options to sophisticated, professional and other investors
- 2 Approval of Proposed Issue of Shares

	For	Against	Abstain*
1			
2			

* If you mark the abstain box for a particular item, you are directing your proxy not to vote on that item.

The Chairman intends to vote in favour of each of the Resolutions.

Contact e-mail address

Contact telephone number

Signature(s)

Individual or Securityholder 1

Sole Director and Sole Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Proxies may be lodged either by facsimile on (+61 3) 9349 1186, by mail to PO Box 12883 A'Beckett Street, Melbourne, 8006, Victoria or delivered in person to the registered office of the Company at 566 Elizabeth Street, Melbourne, Victoria 3000. To be valid, a proxy form must be received by the Company no later than 10am (AEST) on 28 January 2012 (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 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 General Meeting.

Appointment of Proxy

A Shareholder entitled to attend and vote at the 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 General Meeting. The proxy has the same right as the Shareholder to speak and vote at the 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 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 percentage or 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. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses.

Appointing a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. 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 e-mail address/telephone number

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

Signature(s)

Each Shareholder must sign this form as follows in the spaces provided:

Individual	Where the holding is in one name, the holder must sign.
Joint Holding	If your shares are held in joint names, all Shareholders must sign in the boxes
Power of Attorney	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.
Companies	Only duly authorised officers can sign on behalf of a company. Please sign in the boxes provided which state the office held by the signatory. Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

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 General Meeting, that is by 10.00 am (AEST) on **28 January 2012**, by post, facsimile or in person to the respective addresses stipulated on the proxy form.

Chairman's Voting Intentions

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