

Quarterly

Report for the three months ended 31 March 2009

Share Price 7 cents

Shares on Issue 272,867,197

Market Cap \$A19 m

Directors & Management

Mr Sam Russotti | Chairman

Mr Steve Graves | Managing Director

Mr Frank Petruzzelli | Director

Mr Chris Bowyer | Company Secretary

Gas Price (Henry Hub) US\$3.43 MMBTU

Oil Price US\$50.97 BBL

Highlights

Production

- Golden Gate's current average gross share of production is presently 1.4 mmcf/d gas and ~130 bbls oil per day.
- Total gross share of production for the quarter was 142 million cubic feet of gas and 15,608 barrels of oil.

Louisiana

- Jumonville #2 reached target depth and an initial petrophysical analysis was able to report net oil pay at the Miogyp and Cib Haz intervals. Testing to be undertaken over the next several weeks.
- Acosta # 1 well tested the Miogyp formation with no oil. Testing of the Camerina along with alternates being evaluated for final determination in the 4th Quarter.
- Jumonville #1 has produced over 80,000 bbl of oil and 21,000 mcf of gas since production began in late September 2008.

Padre Island

- The La Playa #2 well failed in testing the MT45 and MT35 sands within the Upper Frio section of the La Playa Structure. Additional potential gas intervals are to be tested.

Corporate

- The Company sold an 8% working interest position in the Bullseye Prospect to IB Daiwa for US\$1.5m
- Issue of 10,418,750 shares under a Share Purchase Plan raising \$833,500.
- Issue of 38,888,888 convertible notes with a face value of 9 cents each raising \$3.5m before expenses.



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Louisiana Wells

Jumonville #2 Bullseye Prospect, Iberville Parish, Louisiana, Operator 33.25% WI

The Jumonville # 2 well was successfully drilled and completed to a TD of 14,100ft. This complex well reached all of its targets and appears to have made hydrocarbon discoveries in each of the primary objectives.

The well plan was designed to enable the Company to test the three main objectives, Camerina, Miogyp and Cib Haz. Fortunately whilst drilling the well also intersected a fourth potential secondary reservoir, the Marg Vag.

An initial petrophysical log analysis by Schlumberger of the Jumonville #2 log interval 12,400-14,100 feet indicates that the Miogyp, upper Cib Haz, and lower Cib Haz sandstone units are hydrocarbon bearing with a combined net pay for all three intervals of 97 feet.

The Miogyp sandstone is about 20 feet thick, and the log analysis interpreted about 18 feet of hydrocarbon pay in this interval, with a calculated average porosity of 25.7% which is in line with pre-drill expectations and confirms the extension of the currently producing field. This success will add to the current production and proven reserves base.

In the deeper exploration target, the Cib Haz interval has two potential reservoir units consisting of very thin-bedded to laminated sandstones, siltstones and shales. The upper Cib Haz zone is 130 feet thick and the lower sandstone zone is about 60 feet thick. The log analysis by Schlumberger estimated a total of approximately 79 feet of net hydrocarbon pay in the combined upper and Lower Cib Haz sandstone intervals, with a calculated average porosity of 18.9%. This estimated net pay thickness is less than the total interval thickness because the petrophysical log analysis identifies only the individual sandstones with reservoir quality (for example, porosity greater than 15%) that appear to be hydrocarbon-bearing; the remainder of the section in this case generally has porosity and permeability but not of full reservoir quality. When considering log interpretations, it is important to keep in mind that the estimates of net pay from this sort of petrophysical log analysis are approximations, based on assumptions about reservoir quality and contents.

The log analysis does not indicate the type of hydrocarbon in the reservoir, oil versus gas, but as reported earlier, data from the sidewall cores suggest that the lower Cib Haz interval is oil-bearing, while the upper Cib Haz may be gas-bearing. The Miogyp sandstone appears to be oil-bearing, judging from the mudlog shows and sidewall-core information.

The Jumonville #2 well is on the same drill site as the Jumonville #1 well with the current surface facilities available to put any new production into the established sales lines in a timely manner. While these results are very encouraging, further analysis and production testing over the next several weeks will determine the commercial significance and reserve potential of the Cib Haz discoveries.

The successful appraisal of the Miogyp and the potential discoveries in the deeper Cib Haz represent an exciting period for the Bullseye project.

Partners in the Jumonville #2 well are:

Golden Gate Petroleum Ltd (ASX code: GGP)	33.25% WI
Modena Resources Limited (ASX code: MDA)	9.00% WI
Quest Petroleum NL (ASX code: QPN)	5.00% WI
Pantheon Resources PLC	11.25% WI
Eastern Advisors	12.00% WI
IB Daiwa Corporation	8.00% WI
Other partners	21.50% WI

Jumonville #1 Bullseye Prospect, Iberville Parish, Louisiana, Operator 33.25% WI

The well produced 38,687 bbl of oil and 19,495 mcf of gas for the quarter and total overall production since initial production has been 81,639 bbl of oil and 21,423 mcf of gas.

Acosta #1 Well, Bullseye Prospect, Iberville Parish, Louisiana, Operator 33.25% WI

On 2 February 2009 it was announced that the Acosta #1 well had completed the first phase of testing operations. Perforations of the Miogyp reservoir experienced apparent formation damage limiting well bore entry which is most likely caused by the close-by original well bore. An acid treatment program was successfully completed and the well flowed formation fluid which contained no oil.

A program was being prepared to test the Camerina formation which was not expected to have been impacted by formation damage to the same degree as the Miogyp formation. Earlier sidewall cores of the Camerina indicated better oil saturations than the Miogyp. A treatment and testing program continues to be evaluated in conjunction with other alternatives in maximising the value of the well. The Joint Venture anticipates being able to evaluate and make final determination during the 4th Quarter.

Sale of Working Interest – Bullseye Prospect

On 17 March 2009 the Company advised that it had sold an 8% working interest position in the Bullseye Prospect to IB Daiwa Corporation for US\$1.5 million and if the Jumonville #2 well was a commercial discovery in the Cib Haz formation the company would receive an additional US\$0.5 million.

Padre Island

Production & Operations

Gross gas production for the quarter was 492,934 mcf from Dunn Peach, Dunn Deep #1, Dunn Deep #2 and Dunn McCampbell 11A. The Company advises that Dunn Deep #2 went off production in February 2009 and the Company is assessing options for recommencement of production.

The Company advises that the current operator of these wells is under financial constraints which could have a possible impact on future operations. We are monitoring situation and will take whatever actions necessary to continue operations.

La Playa #2 & #1 (La Playa Prospect), Padre Island, Tx, Non-Operator 20% WI

The La Playa #2 well was spudded on 21 September 2007 (Texas, USA) and has been producing since June 2008 quarter. During the quarter both the La Playa #1 and #2 wells ceased production and the joint venture moved up the well to test the MT45 and MT35 sands within the Upper Frio section of the La Playa Structure in the La Playa #2 well. Unfortunately the well did not flow gas in commercial quantities and the Joint venture is presently reviewing alternative options with respect to both wells which includes testing alternate intervals where there is expected to be additional production.

Production

for the quarter ended 31 March 2009

During the quarter Golden Gate's estimated gross share of production from its USA operations was 15,608 barrels of oil and 142 million cubic feet of gas. At current oil and gas prices net revenue to GGP is estimated at \$330,000 per month.

Corporate

Share Purchase Plan

On 10 February 2009 the Company announced a share purchase plan that would allow shareholders on the register on 13 February to participate. The plan had a closing date of 27 February and the subscription price was 8 cents per share. On 5 March the Company issued 10,418,750 shares raising \$833,500 in total.

Convertible Note

On 5 March 2009 the Company announced the placement of 38,888,888 convertible notes with a face value of 9 cents each to raise \$3.5m before expenses and on the following terms:

- (i) The coupon rate is 1.25% per month, payable quarterly in arrears. The coupon rate may be increased with a capped rate in the event of an increase in the oil price or an increase in oil production from the Bullseye project.
- (ii) the principal is repayable 5 years from drawdown and may be redeemed by the Company at any time for the face value plus a discounted value of future interest payment over the remaining life of the notes.
- (iii) the notes convert on a 1:1 basis (ie 38.9m ordinary shares).

In addition and contingent on commercial success in the Cib Haz Interval of the Jumonville #2 well a further facility of \$3.5m on the same terms will be available to be drawn down subject to shareholder approval.

For further information contact:

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The information in this report has been reviewed and signed off by Mr Steve Barrett, Geologist (MSc. Geophysics), with over 30 years relevant experience within oil and gas sector.

Forward Looking Statements

This announcement contains forward looking statements that are subject to risk factors associated with oil and gas businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to: price fluctuations, actual demand, currency fluctuations, drilling and production results, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

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")

31 March 2009

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	2,615	10,978
1.2 Payments for		
(a) exploration and evaluation	(7,104)	(11,034)
(b) development	(3,178)	(6,717)
(c) production	(694)	(2,659)
(d) administration	(273)	(790)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	5	22
1.5 Interest and other costs of finance paid	(75)	(232)
1.6 Income taxes paid		
1.7 Unapplied Cash Advance to Operator	(1,811)	-
Net Operating Cash Flows	(10,515)	(10,432)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(e) prospects		
(f) equity investments (net of receivables and cash)		
(g) other fixed assets		
1.9 Proceeds from sale of:		
(h) prospects	753	753
(i) equity investments		
(j) other fixed assets		
1.10 Loans from other entities		
1.11 Refunds/(Payments) of Security Deposits	-	(28)
Net investing cash flows	753	725
1.13 Total operating and investing cash flows	(9,762)	(9,707)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (carried forward)	(9,762)	(9,707)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	834	6,154
1.15	Costs of the Issue	-	(213)
1.16	Proceeds from borrowings	3,500	4,105
1.17	Repayment of borrowings	-	(605)
1.18	Dividends paid		
1.19	Other (provide details if material)		
Net financing cash flows		4,334	9,441
Net increase (decrease) in cash held		(5,428)	(266)
1.20	Cash at beginning of quarter/year to date	8,682	2,745
1.21	Exchange rate adjustments to item 1.20	76	851
1.22	Cash at end of quarter	3,330	3,330

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	187
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Payments include consulting fees, directors fees and provision of a fully serviced office which includes accounting staff.

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

Nil

+ See chapter 19 for defined terms.

Financing facilities available

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	6,500	6,500
3.2 Credit standby arrangements	8,318	0

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	3,000
4.2 Development	750
Total	3,750

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,330	8,682
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	3,330	8,682

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			
6.2	Interests in mining tenements acquired or increased			

+ 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				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	272,867,197	272,867,197		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	10,418,750	10,418,750	8 cents	8 cents
7.5 *Convertible debt securities (description)	Number	⁺ Class	Conversion \$	Maturity
	11,320,754		26.5 cents	15/5/2009
	38,888,888		9 cents	02/3/2014
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	23,450,000		Exercise price 54 cents (3.25m) 25 cents (2m) 35 cents (17.60m) 40 cents (0.6m)	Expiry date 31 Dec 09 30 June 10 30 Oct 10 31 Aug 11
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures (totals only)	0			
7.12 Unsecured notes (totals only)	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.

Chris Bowyer

Company Secretary

Date: 30 April 2009

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.