



GOLDEN GATE PETROLEUM LTD

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Market Release (*via electronic lodgement*)

PRIVATE PLACEMENT AND CONVERSION OF CONVERTIBLE NOTES

Golden Gate Petroleum Ltd (ASX:GGP) is pleased to inform the market that it has agreed to place 14,300,000 million shares to sophisticated investors, through a private placement raising the sum of \$500,000. The shares will be issued at a price of 3.5c each together with a 1 for 2 free attaching option exercisable at 8 cents on or before 31 August 2012. The securities will be issued to clients of Novus Capital Ltd.

In addition the Company has entered into agreements with certain convertible note holders to convert a further \$363,727 which was due to be repaid following the recent Rights Issue. In order to satisfy this debt the Company will issue 10,392,188 shares together with 5,196,094 free attaching options.

All shares will be issued under the Company's 15% capacity whilst the options are subject to shareholder approval at the upcoming AGM.

The proceeds from the Placement are to be used for general obligations as it continues exploration and development of the Company's United States oil and gas projects.

On behalf of the Board of Directors

For further information contact:

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Golden Gate is an independent oil and gas exploration and production company listed on the Australian Stock Exchange. Its focus of operations is onshore Texas and Louisiana Gulf Coast region of the USA.