



Golden Gate Petroleum Ltd (ASX: GGP)



AGM Presentation

22 November 2013



GOLDEN GATE PETROLEUM LTD

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Golden Gate - Overview

- Golden Gate is an **onshore oil and gas explorer, producer and operator**, with a focussed portfolio of onshore conventional and unconventional oil & gas projects in Texas and Louisiana
- The **Company's primary focus** is the development of the Company's unconventional oil project in the Permian Basin, Texas
- Golden Gate was **formed on 1 July 2003** from the merger of the Australian ASX listed company, Valdera Resources Limited and the Canadian TSXV listed, Golden Gate Resources Limited. With a name change to Golden Gate, the Company commenced trading on the ASX (Code: GGP) on this date
- The Company's **initial oil & gas portfolio** consisted principally of a 10% interest in the Padre Island Joint Venture in South Texas Gulf coast. This investment was followed up with GGP becoming operator at Padre Island, new projects at Jumonville and Napoleonville in South Louisiana plus an interest in the Eagle Ford shale play in South Texas
- Golden Gate's **market capitalisation** is approximately \$4.7 million⁽¹⁾. The Company had Net Assets of approximately \$22.4 million⁽²⁾ and Debt of \$1.9 million⁽²⁾
- The Company's head (corporate) office is in Melbourne, Australia and its operations office is in Houston, Texas.

Notes: (1) Date as at close of the ASX on 19th November 2013 when GGP's share price was A\$0.001 per share; and (2) Net Asset and Debt figures as at 30 June 2013. The Debt figure relates to: Convertible Notes and a Convertible Security on issue.

Golden Gate – Directors and Management Team

Non-Executive Director Chris Porter	Non-Executive Director Rob Oliver	Director, CFO & Company Secretary Chris Ritchie	Other Senior Management in Houston
<p>Mr Porter has extensive senior management and consulting geological experience on the oil & gas industry. He has worked internationally with Phillips Petroleum, Western Mining Corporation (WMC) and Santos Limited. Mr Porter was a Non-Executive Director of the ASX listed oil & gas company, Cooper Energy Limited from 2002 to 2011.</p>	<p>Mr Oliver has extensive experience in the oil & gas industry. He has worked on drilling and completion work internationally for: BHP Billiton Petroleum Exxon USA; Esso Exploration and Production UK Limited; and Esso Australia Ltd in Australia. Mr Oliver has worked in operational management roles for Upstream Petroleum, AGR Asia Pacific and Australian Drilling Associates in Australia and New Zealand.</p>	<p>Mr Ritchie is a FCPA and FCIS with financial management experience of construction and engineering companies involved in major energy & resources projects as well as CFO / Co Sec experience with several small to medium size ASX listed companies.</p>	<ul style="list-style-type: none"> • Jim Sloan Land/Legal/Admin • George Placke Operations • Other Staff & Geo Science Consultants

Golden Gate – Market Metrics and Shareholders

Key Market Metrics	
Ordinary Shares ⁽¹⁾	4,662,345,704
Other Securities ⁽¹⁾ ("m" - million)	936.8m Options and 28.7m Convertible Notes 1 Convertible Security
Market Capitalization (undiluted) ⁽¹⁾	\$4.66 million
Share Turnover (12 month period)	213 million per month
Cash (as at 30 Sep't 2013)	\$380,000
Production (2012/13 F/Yr)	Oil: 29,977 bbls; Gas: 89 mmcf; Cond: 266,703 gal
Closing Share Price ⁽¹⁾	\$0.001 per Share
12 month High	\$0.007 per Share
12 month Low	\$0.001 per Share

Golden Gate's Top Five (5) Shareholders ⁽¹⁾	
1. Mrs P J Bligh	3.53%
2. HSBC Custody Nominees (Australia) Limited	3.21%
3. Alimold Pty Ltd	3.07%
4. Supafaha Pty Ltd (Supafaha Super Fund)	3.03%
5. Elba Investments Pty Ltd	2.51%

Notes:
(1) As at 19th Nov 2013

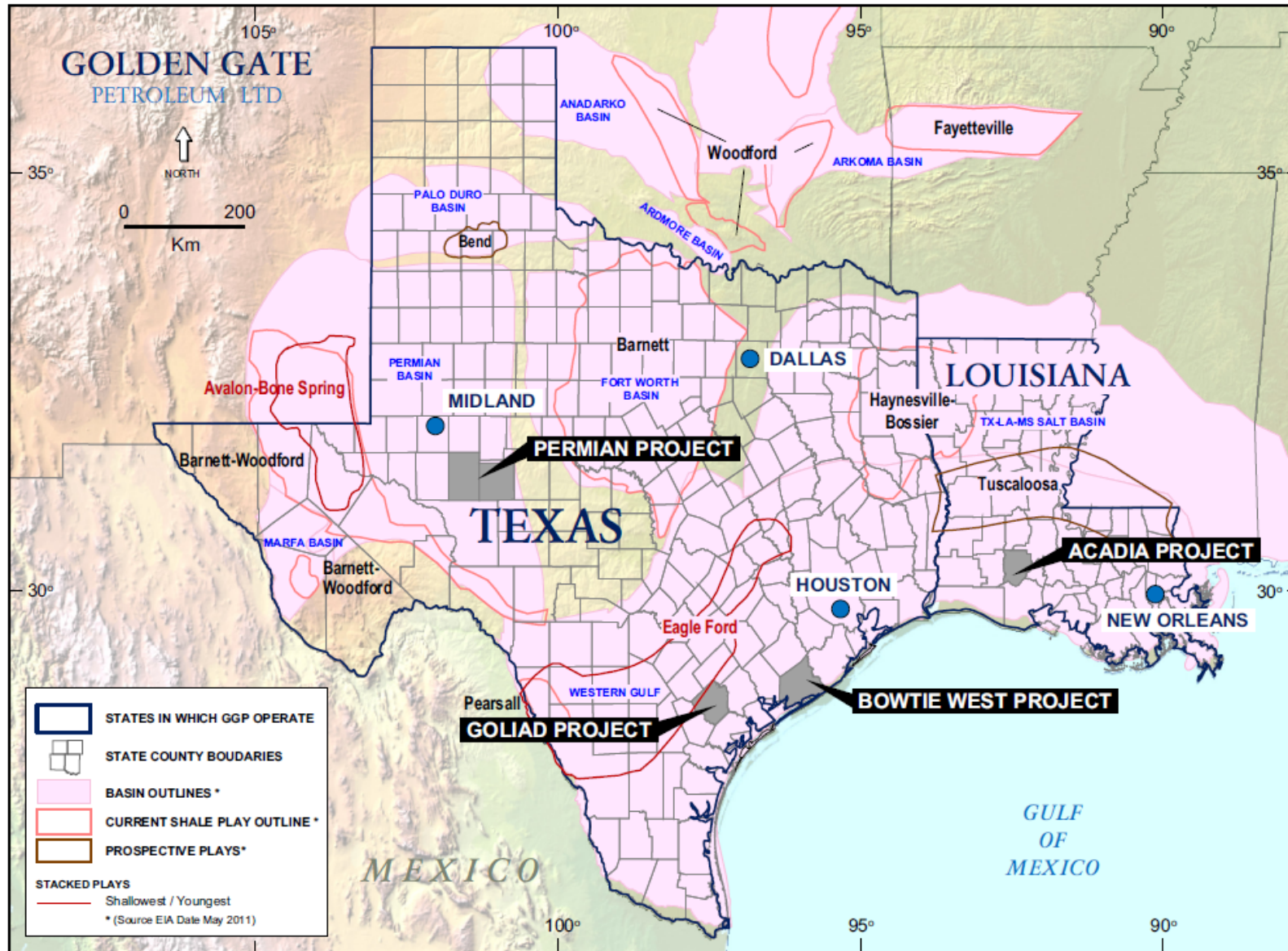
- The Top 20 shareholders in Golden Gate own approximately 33% of the total issued shares

Golden Gate - Project Summary

- Three (3) new discovery wells over two (2) projects in the last 12 months
- Sold Jumonville, North Edna and Eagleford to focus capital on the Permian Project
- Subject to financing, focus on fracing SRH #1, #2 and #6, and drilling and fracing a new vertical well, SRH #7
- Project Summary:

Prospect	Status	WI %	Wells	
Permian Project	Producing and New Well	100.00%	<ul style="list-style-type: none"> • SRH #1 – Vertical • SRH #2 – Vertical • SRH #3 – Vertical 	<ul style="list-style-type: none"> • SRH #4 – Vertical • SRH #5H – Horizontal • SRH #6 - Vertical
Bowtie West	Producing	12.00%	<ul style="list-style-type: none"> • Sugar Valley #1 – Discovery 	
Napoleonville	Producing and Drilling	15.30%	<ul style="list-style-type: none"> • Dugas & Leblanc #3 – Discovery • Hensarling #1 Well – Discovery 	
Acadia Project	New Project	34.00%	<ul style="list-style-type: none"> • Well planned for 1st Half 2014 	
Goliad Project	New Project	25.00%	<ul style="list-style-type: none"> • First Well planned for 2014 	

Golden Gate - Project Locations

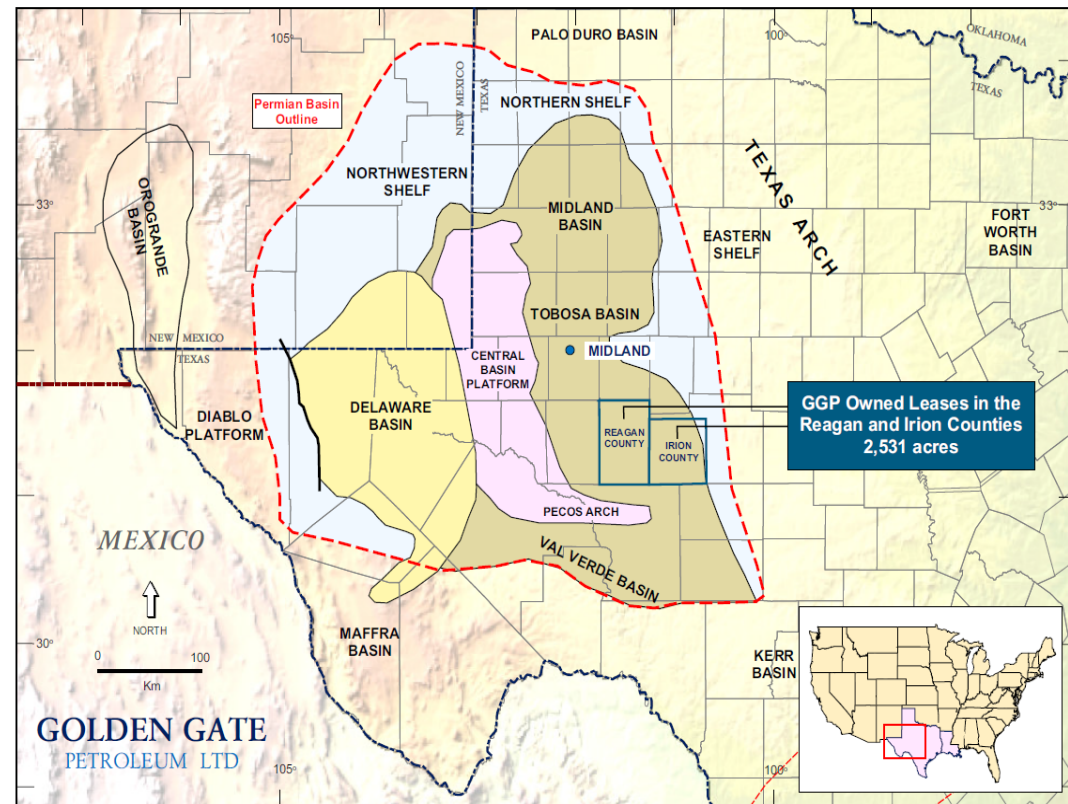


Capital Requirements (Permian Project)

- **Available funding limited due to focusing on reducing outstanding payables**
 - Continue to explore numerous funding options including production financing, joint ventures, asset sale, legal restructuring, merger, etc
 - Legal actions against Permian Project have so far prevented new funding to be put in place and has caused a serious cash flow situation without new funding
 - Current cash flow used to repay vendors who are on payment plans/property liens
 - Focus on maintaining existing production at highest levels
- **New Capital Requirements - US\$3.2 million**
 - Complete fracs on existing wells (2 partial fracs - SRH #1 and #2, and 1 full frac – SRH #6)
 - Drill, complete & frac one new vertical well (approx. US\$1.7 million)
 - Objective is to increase total production
 - Without new capital, primary lease “not” held by production will be lost

Permian Project Description

- One lease covering 2,531 acres in the Reagan and Irion Counties, held by continuous drilling clause
 - Located on the Rocker “B” Ranch owned by the Texas Scottish Rite Hospital for Children
- Second lease covering another 2,500 acres in the Reagan County is also available
- 100% working interest
 - 72% net revenue interest
- Six (6) wells have been drilled, five (5) Verticals and one (1) horizontal



- Cumulative Production to 30 September 2013 from the first five (5) wells has been 53,452 BOE
- Golden Gate booked 5.0 million BOE from P1 and P2 reserves on the primary lease for the Spraberry Dean intervals based on a study completed by MHA Petroleum Consultants LLC of Denver, Colorado

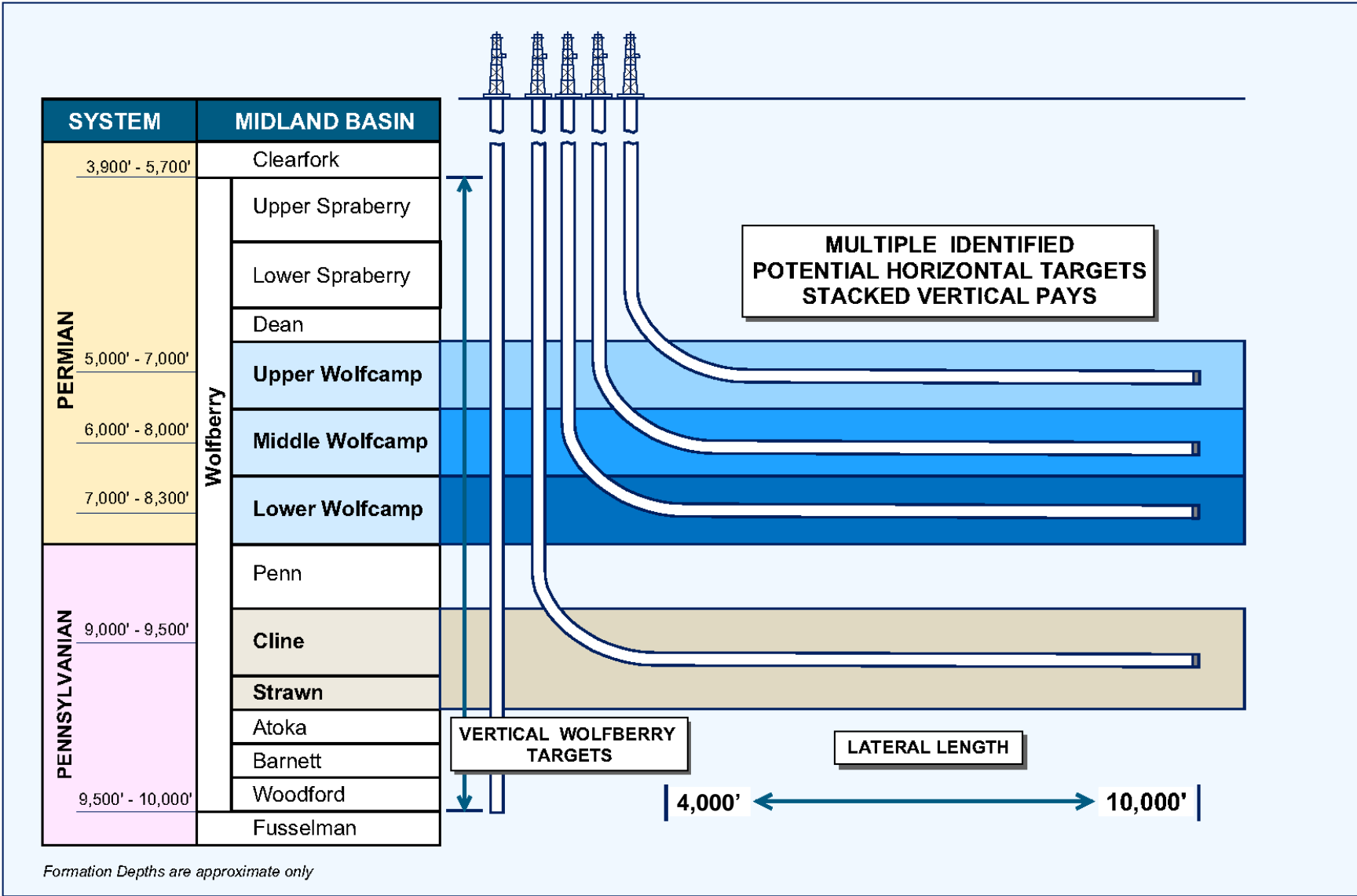
MHA Reserve and Contingent Resources Study - Permian

- An Independent Report prepared by MHA⁽¹⁾ attributed 5.0 million BOE from Proved (P1) and Probable (P2) reserves to Golden Gates Permian leasehold assets in the Reagan and Irion Counties, Texas, associated with the Spraberry-Dean Formation on the 771 Lease. The 772 Lease is depth segregated to the Wolfcamp/Cline/Strawn formations

Golden Gate Petroleum Ltd Reagan and Irion Counties, Texas – Assets of Interest Estimated Reserves and Income Data Prepared by MHA Petroleum Consultants LLC ⁽¹⁾			
Formation and Category	Reserves Net Remaining Reserves (MBOE)	Income Data Discounted Net Cash Flow @10% (US\$ million)	
Spraberry-Dean Formation	Proved Developed	268.4	\$7.18
	Proved Undeveloped	2,999.2	\$38.59
	Total Proved	3,267.6	\$45.77
	Probable	1,771.8	\$23.29
	Total Proved & Probable	5,039.4	\$69.06

Note (1): Independent Report prepared by MHA Petroleum Consultants LLC (“MHA”).
For more information refer to Golden Gate’s ASX releases on 9th January and 1st February 2013

Targets of Opportunity – Midland Basin



Permian Project - Well Information

	Well	Depth	Stages Fraced	Notes
Vertical Wells	SRH #1	9,235	5	<ul style="list-style-type: none"> Golden Gate's first well drilled in the Permian project. It continues to serves as our "test hole", along with the SRH #2, as we investigate completion techniques, results from fracture stimulations, and monitors production from the Wolfcamp intervals. Discovered a new productive intermediate and lower Wolfcamp interval (Cline Shale). Will complete 4 additional fracture stimulations in the Spraberry Dean intervals when funding permits
	SRH #2	9,500	5	<ul style="list-style-type: none"> Tested the Wolfcamp and Cline intervals individually. Has been prepared for a 3 stage fracture stimulation program in the Spraberry Dean that will be conducted just after the SRH #1.
	SRH #3	9,400	7	<ul style="list-style-type: none"> A new pumping configuration has been successfully implemented to increase production. Produces approximately 35 bbls of high gravity oil and 100 mcf of gas per day.
	SRH #4	9,452	8	<ul style="list-style-type: none"> Drilled deeper to test the Strawn Interval. Once testing was completed, successfully underwent an 8 stage fracture stimulation program The Strawn and Cline intervals have been isolated for evaluation of further development.
	SRH #6	8,355	-	<ul style="list-style-type: none"> Drilled and completed strictly as a developmental well, awaiting 7 stage frac Did not drill to lower levels for test data
Horizontal Well	SRH #5H	11,350	10-15	<ul style="list-style-type: none"> The Company believes the current leasehold position could contain three intervals that can be horizontally drilled and fracture stimulated. Lateral length: 4,500 feet.

Historical Production – Vertical Wells

Production as at 30 September 2013	
Well	Cumulative Production BOE
- SRH #1	5,572
- SRH #2	8,540
- SRH #3	18,209
- SRH #4	15,521
- SRH #5H	5,610
Total	53,452

Legal Matters

Petro-Raider Legal Synopsis

- Based upon a contract with Golden Gate's predecessor in interest, Petro-Raider claims a 5% NPI, 20% back-in Working Interest after full project payout and an additional 5% back-in after 110% of full project payout. Petro-Raider also claims entitlement to a personal services agreement. Petro-Raider makes no additional claim against the working interest.
- Petro-Raider additionally claims tortious interference, civil conspiracy and fraud. Based upon the law and the depositions taken to date, these additional claims are without merit.
- In a recent hearing via teleconference on other ancillary matters, the judge ordered that the Petro-Raider suit against subsidiaries of Arturus Capital Limited ("Arturus") and GGP be stayed until the impact, if any, of the previously reported liquidation of Arturus on the Reagan County litigation can be determined. The judge has cancelled next month's previously scheduled hearing.
- GGP believes that the stay of the proceedings strengthens our position in the litigation. As the plaintiffs, it is the duty of Petro-Raider to prosecute the lawsuit. Without further action from the court removing the stay, Petro-Raider cannot take any action against GGP, however, the continued lawsuit so far has prevented project financing.
- Rulings either way on any or all of these motions will help define and limit Golden Gate's exposure, if any. In the event of an adverse ruling, Golden Gate believes that the case can be won on appeal based upon legal defences.

Summary

- The **Company's primary focus** is the development of the Company's unconventional oil project in the Permian Basin, Texas, which involves 2,531 acres in the Reagan and Irion Counties. Golden Gate has a 100% working interest (72% Net Revenue Interest)
- Golden Gate also has production from two wells at Napoleonville and one well at Bowtie West
- The Permian Project has drilled six (6) wells, five (5) verticals and one (1) horizontal. Cumulative Production to 30 September 2013 from the first five (5) wells has been 53,452 BOE
- Golden Gate booked 5.0 million BOE from P1 and P2 reserves on the Permian project for the Spraberry Dean intervals based on an independent study completed by MHA
- Golden Gate faces a serious cash flow shortage due to the current legal dispute so far preventing new funding to be put in place.
- Current capital requirements of \$3.2 million to:
 - complete frac's of existing Permian wells (2 partial frac's/1 full frac); and
 - drill and complete, which includes frac of one new vertical Permian well (approx. \$1.7 million)