



GULF MINES LIMITED

Quarterly Report

Period ending September 2013

Gulf moves Forward

Gulf is pleased to present its September 2013 Quarterly Report – a quarter with significant activity which positions Gulf for future growth.

HIGHLIGHTS



Shareholders approved the acquisition of a major holding in high grade manganese developer Asia Minerals Corporation

Appointment of two new directors:

Peter Williams
exploration specialist

Michael Walters
marketing specialist

Successful share placements raising \$650,000

Announcement of Indonesian strategy to develop copper and coal projects

Post quarter acquisition of Manganese and Iron Ore Marketing Rights.

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Asia Minerals Corporation Limited

AMC is an unlisted Australian public company developing, through its local Indonesian subsidiary of PT Asia Mangan Grup, a high grade manganese operation based in West Timor achieving grades of up to 56%. This is among the world's highest commercial grades of manganese and is strongly sought after by Chinese, Middle Eastern and Eastern European smelter plants.

Most importantly Asia Mangan has identified highly prospective exploration areas for manganese in West Timor, where it has recently commenced a focused program to test several types of geophysical techniques using the most modern and appropriate exploration methods available.

Manganese is primarily used as a cleansing and strengthening agent in the production of alloys for the steel industry. The supply of high grade manganese has been falling over recent times which will lead to stronger demand for AMC's ultra high grade ore.

Asia Mangan holds an IUPK production operation license issued by the Indonesian Ministry of Energy and Mineral Resources together with an Export License issued by the Indonesian Ministry of Trade. By virtue of these two certifications, Asia Mangan is licensed to purchase local artisanal production of manganese and export it through Wini Port, where the company has a secured two acre shipping stockpile area adjacent to the wharf.

New Directors

Dr Peter Williams



Peter holds a PhD in Structural Geology and has been involved in the exploration industry since 1972. He has a wide range of experience of regional geological interpretation particularly within the Asian region. He was Managing Director of SRK Australasia, one of the countries largest specialist geological consulting groups.

Michael Walters



Michael is an engineer with 30 years experience in the resources industry. Previously he worked with Billiton, Western Mining and Consolidated Minerals where he was part of the team that built Consmin into the world's 4th largest high grade manganese supplier. He is principal of his own mineral ore marketing.



Share Placement

The company placed 108,333,333 shares raising a total of \$650,000 during September.

Approval for this placement was given at the general meeting of the shareholders of the company held on 21 June 2013.

The shares are at an allotted price of \$0.006 and each of the shares will be accompanied by one attaching option exercisable on or before 31 October 2014 at a price of \$0.015 cents.

The shares issued under the placement and all shares issued on the exercise of the options will rank equally in all respects with the presently issued shares of the company and application will be made for their quotation by Australian Securities Exchange.

Indonesian Strategy

The company announced a major initiative in its future development strategy with a focus on developing coking coal and copper projects in the resource rich country of Indonesia.

Gulf advises it is in early stage discussions to develop a coal project in West Kalimantan in joint venture with a local Indonesian group.

As a major shareholder of Asia Minerals Corporation Limited (AMC), which is developing an extremely high grade Indonesian manganese project, Gulf has the benefit of local expertise and experience. Gulf Coal Pty Ltd (Gulfs fully owned subsidiary) will have a ready made off-take market with AMC as they develop their manganese alloy smelter facilities requiring coking coal for furnaces and thermal coal for a power station.

Gulf has also initiated discussions with a local group regarding a prospective high grade copper deposit. Negotiations are a stage where Gulf should be able to announce a completed Memorandum of Understanding shortly.

Marketing Rights

Gulf has finalised negotiations to acquire the exclusive Global Marketing Rights for PT Asia Mangan Grup's (AMG) high grade manganese operations and for PT Asia Besi Grup's (ABG) future high grade iron ore project, both situated in Indonesia. AMG and ABG are 90% subsidiaries of Asia Minerals Corporation Limited.

At full production of 250,000 tonnes of manganese ore and 125,000 tonnes of manganese alloy the agreement will generate \$7.0m in fees annually and at full production of 1,500,000 tonnes of iron ore will generate an additional \$4.5m in fees annually.



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Corporate Profile



GULF MINES LIMITED

ACN 059 954 317

Directors

Peter Remta	-	Executive Chairman
Peter Williams	-	Non Executive Exploration Director
Michael Walters	-	Non Executive marketing Director
Victor Wu	-	Non Executive Chinese Relations Director

Head Office

18 Lyall Street
South Perth 6151
Australia
Telephone +61 8 9368 1211
Facsimile +61 8 9474 1333

Share Registry

Automatic Registry Services
Telephone +61 8 9324 2099
Facsimile +61 8 9324 2337

Auditors

Somes Cooke
Telephone +61 8 9426 4514
Facsimile +61 8 9481 5645

Bankers

Bank of Queensland (Australia)
Bank ANZ Indonesia (Indonesia)

Legal Advisors

Fairweather Corporate(Australia)
Steinepries Paganin (Australia)
Christian Teo Purwono (Indonesia)

Geological Advisors

SRK Geological Consulting

Tenement Managers

M&M Walter Consulting

Corporate Advisors

Greenwich Equities

Tax Advisors

Optima Partners (Australia)
Pricewaterhouse Coopers (Indonesia)

Industry Affiliations

Indonesian Mining Association
Association of Mining and Exploration

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