gulfresources LIMITED

ASX ANNOUNCEMENT 14 AUGUST 2006

APPOINTMENT OF NON-EXECUTIVE DIRECTOR

The directors of Gulf Resources Limited are pleased to announce the appointment of Philip Treisman as Director of Strategy and Counsel.

Chairman, Scott Reid, commenting on the appointment said "We are delighted to have someone of Philip's experience and knowledge join the company in the role of Director of Strategy and Counsel. His legal background and experience in the international finance and mining industries will greatly assist the company."

Philip Treisman B.A., LL.B. (Wits); Director of Strategy and Counsel

Philip Treisman has over 10 years experience in the international finance and mining and resource industries. As CEO and founder of a bespoke multi-jurisdictional strategic business management consultancy, and as head of the Strategic Finance Division at one of South Africa's first tier law firms, Philip Treisman has been the principal advisor for strategic business development in international finance, mining and resource projects and various government sponsored infrastructure development projects throughout Africa, the Caribbean, Asia, Oceania and Australia. During his career he has served as independent counsel to Fleming Family & Partners and the Highland Star Group.

His close relationship with London's finance community and role in the valorisation of projects in emerging economies through public listings of securities on the Johannesburg Stock Exchange, Botswana Stock Exchange and London's Alternative Investment Market has provided him with extensive experience in corporate activities relating to junior mining companies expanding their activities and increasing their shareholder value as they move into the multinational arena.

Further Information

Scott Reid, Chairman or Wayne Kernaghan,
Director/Company Secretary t 02 8247 5333

Attribution

The information in this report which relates to exploration results at the Crystalbrook Project has been approved for release by Mr Greg Duncan (B.Sc., MAusIMM), who is an exploration geologist and has sufficient experience in relation to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined by the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code 2004 Edition). Mr Duncan has consented to inclusion of this information in the form and context in which it appears.

About Gulf Resources

The Company holds highly prospective exploration projects in the North Queensland and Tanami gold provinces. These provinces host several world class gold deposits with recognised exploration potential for more discoveries. The Company also holds an advanced exploration resource delineation project in Northern New South Wales which contains a JORC inferred resource of 309,000 tonnes at 3.12 grams per tonne gold for 31,000 ounces.

The company's key aim is focussed on low cost- high return exploration and corporate strategies to capture significant value for investors during this current resource cycle by offering investors a balanced exposure to brownfield resource expansion, advanced greenfield exploration and development potential through a gold project acquisition strategy