gulfresources LIMITED

ASX ANNOUNCEMENT **14 December 2009**

DISPATCH OF PRO RATA NON RENOUNCEABLE OPTION PROSPECTUS

Gulf Resources Limited ("Gulf") (ASX Code: GLF) wishes to advise of the dispatch on 11 December 2009 of the Prospectus for the pro rata non renounceable offer of up to 42,629,028 new 2013 options at an issue price of $0.005 per option for every 2009 option held by eligible option holders as announced on 26 November 2009.

The closing date for the pro rata non renounceable option entitlement is 5pm WST on 29 December 2009.

ABOUT GULF

Gulf is a resource development company that creates value for shareholders through the identification, acquisition and valorisation of resource focused projects, with a particular emphasis on regions where Gulf maintains relationships that provide a strategic advantage.

With a team of experienced engineering, project management, legal, financial and resource specialists, Gulf fosters and seeks to develop projects of major significance to both the company and the countries in which Gulf operates.

Gulf's current operations are focused in Eastern Africa.

FURTHER INFORMATION

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