ASX ANNOUNCEMENT **13 OCTOBER 2010**

Jonah Capital to Invest in Gulf Industrials

Gulf Industrials Limited ("Gulf" or "the Company"), the East African focused Industrial mineral developer is pleased to announce that Jonah Capital has agreed, subject to due diligence, shareholder and regulatory approvals, to invest approximately $1.2million in Gulf Industrials Limited and provide a convertible note facility of $0.8million for further development of the Company's African focused industrial minerals strategy.

Jonah Capital is a private equity and investment holding group based in South Africa.

Along with due diligence, the funding package is subject to Jonah Capital board approval, the execution of loan and appropriate legal agreements, and South African foreign exchange approval, if required.

Further details in respect of the terms and conditions of the placement will be included in the notice of Annual General Meeting that will be sent to shareholders shortly.

*****ENDS*****

FURTHER INFORMATION

Scott Reid, Executive Chairman t | 02 8247 5333

Wayne Kernaghan, Finance Director and Company Secretary t | 02 8247 5333

Victoria Thomas, Six Degrees Investor Communication t | 03 9674 0347