

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

NEW ISSUE ANNOUNCEMENT, APPLICATION FOR QUOTATION OF ADDITIONAL SECURITIES AND AGREEMENT

*Information or documents not available now must be given to ASX as soon as available.
Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

GULF INDUSTRIALS LIMITED

ABN

13 115 027 033

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Ordinary fully paid shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Approximate number to be issued 296,162,837 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary fully paid shares.

Issued pursuant to non renounceable rights issue on the basis of 3 new shares for each 5 shares held in the company. |

+ See chapter 19 for defined terms.

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<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>						
<p>5 Issue price or consideration</p>	<p>\$0.04</p>						
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Mine development, exploration activities and working capital purposes outlined in the Offer document to be sent to shareholders.</p>						
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>16 August 2011</p>						
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="721 1392 886 1419">Number</th> <th data-bbox="891 1392 1266 1419">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="721 1425 886 1453">789,767,566</td> <td data-bbox="891 1425 1266 1453">Ordinary Shares</td> </tr> <tr> <td data-bbox="721 1459 886 1486">52,629,028</td> <td data-bbox="891 1459 1266 1486">Options expiring 31 March 2013</td> </tr> </tbody> </table>	Number	⁺ Class	789,767,566	Ordinary Shares	52,629,028	Options expiring 31 March 2013
Number	⁺ Class						
789,767,566	Ordinary Shares						
52,629,028	Options expiring 31 March 2013						

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9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	⁺ Class
		12,000,000	Options expiring 31 May 2012
		6,000,000	Options expiring 11 November 2012
		32,315,000	Options expiring 20 July 2015
		6,000,000	Options expiring 10 March 2016
		2,750,000	Options expiring 10 March 2016
		15,000,000	Options expiring 31 March 2014
20,000,000	Options expiring 31 March 2014		
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non renounceable
13	Ratio in which the ⁺ securities will be offered	3 new shares for each 5 shares held
14	⁺ Class of ⁺ securities to which the offer relates	Ordinary fully paid shares
15	⁺ Record date to determine entitlements	22 July 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Yes
17	Policy for deciding entitlements in relation to fractions	Rounding up to the nearest whole number of shares

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<p>18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents</p> <p>Note: Security holders must be told how their entitlements are to be dealt with.</p> <p>Cross reference: rule 7.7.</p>	<p>The Offer will be made to Shareholders registered at 7.00pm (AEST) on 22 July 2011 (Record Date) as holders of shares with a registered address in Australia or New Zealand and certain Shareholders registered as holders of shares at the Record Date who are resident in other jurisdictions who contact or are contacted by the Company and can demonstrate to the reasonable satisfaction of the Company that their participation in the Offer is not prohibited, not unduly onerous and not unduly impracticable in that jurisdiction.</p> <p>The Offer will not be made to shareholders in any other jurisdictions</p>
<p>19 Closing date for receipt of acceptances or renunciations</p>	<p>9 August 2011</p>

⁺ See chapter 19 for defined terms.

20	Names of any underwriters	Veritas Securities Limited Ocean Equities Limited
21	Amount of any underwriting fee or commission	5% underwriting fee and a 1.5% management fee to each underwriter in respect of the amount underwritten by them
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	25 July 2011
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A

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- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

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Entities that have ticked box 34(b)

38	Number of securities for which ⁺ quotation is sought	-				
39	Class of ⁺ securities for which quotation is sought	-				
40	<p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	-				
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	-				
42	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 38)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="width: 50%;">Number</th> <th style="width: 50%;">⁺Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> </tbody> </table>	Number	⁺ Class	-	-
Number	⁺ Class					
-	-					

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Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 14 July 2011
(Director/Company secretary)

Print name: Wayne Kernaghan

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