



EXTRAORDINARY GENERAL MEETING

Friday 4 January 2013 at 11am (AEDST)

Dear Shareholder,

On behalf of the Board of Gulf Industrials Limited, we invite you to the Extraordinary General Meeting of shareholders.

The Extraordinary General Meeting is to be held on Friday, 4 January 2013 at Regus, Level 34, AMP Centre, 50 Bridge Street, Sydney at 11am.

This meeting is to approve certain matters associated with the recent transactions with Richmond Partners Master Limited ("**Richmond**") and Jonah Capital (BVI) Limited ("**Jonah**") which was announced on 15 November 2012. The background to these transactions is provided in the Explanatory Memorandum and also provided is an Independent Expert's Report which relates to the assignment of security to Richmond and Jonah and the granting of a pledge over the shares in Gulf Resources Uganda Limited ("**GRUL**") in favour of Richmond and Jonah.

The Independent Expert has opined that the assignment of the security and the grant of the pledge over the shares in GRUL in favour of Richmond and Jonah is fair and reasonable to non-associated shareholders.

A copy of the Independent Expert's Report is included as Annexure A to this Notice of Meeting and can be found on the Company's website www.gulfindustrials.com.au or will be provided in hard copy form at no cost to shareholders if requested.

Please find enclosed the following documents in relation to the Extraordinary General Meeting:

- Notice of Extraordinary General Meeting together with the Explanatory Memorandum and Independent Expert's Report; and
- Proxy Form for the Extraordinary General Meeting together with instructions.

If you are not able to attend the Extraordinary General Meeting in person, you are urged to complete and lodge the enclosed Appointment of Proxy. The Proxy Form must be received by the Company no later than 48 hours before the meeting.

Your Directors hope that you will be able to attend the Extraordinary General Meeting and recommend that you vote in favour of the resolutions.

Yours sincerely,

Jonathan Best
Interim Chairman



NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is given that the Extraordinary General Meeting of Gulf Industrials Limited ("the Company") will be held at Regus, Level 34, AMP Centre, 50 Bridge Street, Sydney at 11am (AEDST) on Friday, 4 January 2013. The attached Explanatory Memorandum should be read in conjunction with the Notice of Extraordinary General Meeting.

ORDINARY BUSINESS

Resolution 1 | Approval under ASX Listing Rule 10.1 for the assignment of security over the assets of Gulf Resources Uganda Limited and grant of a pledge over the shares of Gulf Resources Uganda Limited in favour of Jonah Capital (BVI) Limited

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.1, and for all other purposes, the members approve the assignment of security over the assets of Gulf Resources Uganda Limited and grant of a pledge over the shares of Gulf Resources Uganda Limited in favour of Jonah Capital (BVI) Limited or a trustee to hold for and on behalf of Jonah Capital (BVI) Limited as contemplated by the terms of the Bridge Loan and otherwise on the terms described in the Explanatory Memorandum which accompanies this Notice of Extraordinary General Meeting".

Voting Restriction

The Company will disregard any votes cast on Resolution 1 by Jonah Capital (BVI) Limited and any associate of Jonah Capital (BVI) Limited. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 2 | Approval under ASX Listing Rule 10.1 for the assignment of security over the assets of Gulf Resources Uganda Limited and grant of a pledge over the shares of Gulf Resources Uganda Limited in favour of Richmond Partners Master Limited

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of ASX Listing Rule 10.1, and for all other purposes, the members approve the assignment of security over the assets of Gulf Resources Uganda Limited and grant of a pledge over the shares of Gulf Resources Uganda Limited in favour of Richmond Partners Master Limited or a trustee to hold for and on behalf of Richmond Partners Master Limited as contemplated by the terms of the Bridge Loan and otherwise on the terms described in the Explanatory Memorandum which accompanies this Notice of Extraordinary General Meeting".

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 2 by Richmond Partners Master Limited and any associate of Richmond Partners Master Limited. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 3 | Issue of options to Jonah Capital (BVI) Limited

“That, for the purposes of ASX Listing Rule 10.11, and for all other purposes, the members approve the issue to Jonah Capital (BVI) Limited for no consideration the issue of 172,500,000 options over fully paid ordinary shares in the Company exercisable at \$0.002 and expiring five years from date of issue, and otherwise on the terms described in the Explanatory Memorandum which accompanies this Notice of Extraordinary General Meeting”.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 3 by Jonah Capital (BVI) Limited and any associate of Jonah Capital (BVI) Limited. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 4 | Issue of options to Richmond Partners Master Limited

“That, for the purposes of ASX Listing Rule 7.1, and for all other purposes, the members approve the issue to Richmond Partners Master Limited for no consideration the issue of 287,500,000 options over fully paid ordinary shares in the Company exercisable at \$0.002 and expiring five years from date of issue, and otherwise on the terms described in the Explanatory Memorandum which accompanies this Notice of Meeting”.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by Richmond Partners Master Limited and any associate of Richmond Partners Master Limited and any person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed. However, the Company need not disregard a vote if:

- it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Further Business

To transact any further business that may legally be brought forward.

An Explanatory Memorandum to shareholders follows this Notice.

By Order of the Board

W J Kernaghan
Company Secretary
29 November 2012

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of Gulf Industrials Limited ("Gulf" or "the Company") in connection with the business to be transacted at the Extraordinary General Meeting of shareholders of Gulf to be held at Regus, Level 34, AMP Centre, 50 Bridge Street, Sydney at 11 am (AEDST) on Friday, 4 January 2013.

The Directors recommend shareholders read the accompanying Notice of Extraordinary General Meeting ("Notice") and this Explanatory Memorandum in full before making any decision in relation to the resolutions.

ITEM 1 | Resolutions 1 to 4 inclusive

Background

As announced to ASX on 15 November 2012, Gulf's wholly owned subsidiary, GLF Holdings Limited ("GH") has entered into two bridge loan facilities for an aggregate of \$2 million (the "Bridge Loans") from entities controlled by two of its major shareholders, being Richmond Partners Masters Limited ("Richmond") and Jonah Capital (BVI) Limited ("Jonah"). The funds from the Bridge Loans are to be used for working capital purposes in the ordinary course of business of the Group pending a larger capitalisation of the group, which must be completed by 31 January 2013. Subject to approval of Gulf shareholders at this meeting, the Bridge Loans will be secured over Gulf's Ugandan assets, including the shares in its Ugandan subsidiary, Gulf Resources Uganda Limited ("GRUL"), the mining lease and the exploration licences.

GH has a loan agreement with GRUL to provide loans of up to \$4m at its discretion.

The security for these loans is as follows:

- I. a first ranking charge over GRUL's Mining Lease and property comprised in ML 4651 at Namekara in Manafwa District in the Republic of Uganda;
- II. a first fixed charge over GRUL's exploration licences No. EL 0620, EL 066 and EL 0713 in the Manafwa District
- III. a first floating charge over all other undertaking and assets of GRUL present or future including those for the time being charged by way specific charge to secure the loan.

Currently, GH holds the above security over the assets of GRUL, and if shareholder approval is obtained under resolutions 1 and 2, GH will assign this security, and grant a pledge over the shares that it holds in GRUL, to Richmond and Jonah (or a trustee to hold on their behalf).

If the security is assigned and the pledge is granted to Richmond and Jonah (or a trustee to hold on their behalf), then the Bridge Loans will become limited recourse loans.

Under the Bridge Loan transaction documents, Gulf is also required to seek shareholder approval to issue a total of 460,000,000 unlisted options to Richmond and Jonah. This shareholders' meeting is to approve the assignment of security and grant of the pledge, and issue of options, to Richmond and Jonah. This notice of meeting also contains an Independent Expert's Report in respect to the assignment of security and grant of the pledge in accordance with the terms of the Bridge Loans.

Under the Bridge Loans, Richmond will provide \$1.25 million and Jonah will provide \$0.75 million. There is a provision in the Bridge Loans to provide additional funds by mutual agreement.

Listing Rules

ASX Listing Rule 10.1 requires the approval of shareholders where an entity proposes to acquire a substantial asset from, or dispose of a substantial asset to:

- A related party or an associate of a related party;
- A subsidiary or an associate of a subsidiary; or

- A substantial shareholder or an associate of a substantial shareholder. A substantial shareholder is defined by the ASX Listing Rules as a shareholder with a relevant interest at any time in the six months prior to the Proposed Transaction, in at least 5% of the total votes attached to the voting securities.

An asset is substantial if its value, or the value of the consideration for it, is greater than 5% of the total equity interests of the entity as at the date of the last accounts given to the ASX.

The assignment of the security and the grant of the pledge constitutes a disposal of those assets for the purposes of Listing Rule 10.1. As at 30 June 2012 the carrying value of the Asset Security was approximately \$ 6,288,102 this is greater than 5% of the total equity interest in the Company at 30 June 2012.

The Company has engaged BDO Corporate Finance to prepare an Independent Expert's Report in relation to the Proposed Transaction to satisfy the requirement of ASX Listing Rule 10.1.

The Independent Expert's Report is attached to this Notice of Meeting and Explanatory Statement as Appendix A and has concluded it is **fair and reasonable to the non associated shareholders**

Resolution 1 – Approval under Listing Rule 10.1 for the assignment of security and grant of pledge to Jonah

The Company proposes to assign security and grant a pledge over the shares that GH holds in GRUL to Jonah in relation to the Bridge Loan of \$750,000 ("Jonah Bridge Loan") which requires shareholder approval under Listing Rule 10.1.

The key terms of the Jonah Bridge Loan are as follows:

Bridge Loan	\$0.75 million
Arrangement and Commitment Fee	7% of the Jonah Bridge Loan (\$52,500)
Interest rate	15% per annum
Maturity date	31 January 2013 or such later date as agreed between the parties
Use of funds	To fund the operations of Gulf including GRUL including: • payments to creditors of any member of the Gulf Group, including but not limited to landlords, advisors and an independent expert. • payment of salaries of its employees; • working capital expenditure; • exploration and capital expenditures; and • expenditures required in connection with the Bridge Loans.
Security	Subject to approval by Gulf shareholders being obtained, GH will assign the fixed and floating charge which it holds over the assets of GRUL and will grant a pledge over the shares that it holds in GRUL only.
Issue of options	Subject to approval by Gulf shareholders, Gulf must issue of a total of 172,500,000 unlisted options exercisable at \$0.002 with an expiry date of 5 years from the date of issue.
Default	The major events of default include: • Failure to pay Jonah in accordance with its obligations under the transaction documents • Failure to perform any of its material obligations under the transaction documents • Material misrepresentation of any representation or warranty under the transaction documents. • Insolvency event • Failure to assign the security to Jonah following shareholder approval. • Cross default if there a default under GH's loan agreement with GRUL as described above.
Warranties	Warranties given include: • Corporations registered • Power to enter into and perform its obligations under the transaction documents • The transaction documents are valid and binding subject to any stamping and registration • All information provided by GH was true and accurate in all material respects. • There has been no material adverse change in the business or financial condition of GH since the most recent financial information provided to Jonah.

	- It has no material assets other than shares in GRUL and its rights under the transaction documents. - Other than disclosed to Jonah, GH has not incurred any financial indebtedness.
Default Fee	If an event of default occurs then a fee equal to 30% of the amount outstanding under the Jonah Bridge Loan (including accrued interest and outstanding fees) is payable.
Non assignment Fee	If shareholders do not approve the assignment of the security from GH to Jonah, then a fee equal to 30% of the amount outstanding under the Jonah Bridge Loan (including accrued interest and outstanding fees) is payable.
No Option Fee	If shareholders do not approve the issue of options to Jonah then a fee equal to 30% of the amount outstanding under the Jonah Bridge Loan (including accrued interest and outstanding fees) is payable.
Change of Control Fee	If there is a Change of Control Event in Gulf then a fee equal to 30% of the amount outstanding under the Jonah Bridge Loan (including accrued interest and outstanding fees) is payable. Change of Control Event means an event the occurrence of which has the effect that any person (other than the Richmond or Jonah or their associates, affiliates or related entities) acquires a relevant interest in 30% or more of Gulf's issued share capital, other than as the result of a rights issue.
Mandatory Repayment	The net proceeds from any equity financing is to be used to pay down the Bridge Loans and associated costs

As set out above, the Jonah Bridge Loan carries fees which are payable if Resolution 1 is not passed by shareholders; if there is an event of default; or there is a Change of Control of the Company. These fees, which are cumulative, amount to a maximum of 120% of the value of the amount outstanding under the Jonah Bridge Loan (including accrued interest and outstanding fees). A failure to pass Resolution 1 could therefore affect the ability to raise additional funds and could affect the financial viability of the Company.

Gulf has engaged BDO Corporate Finance (East Coast) Pty Ltd ("BDO") as the independent expert report to report on the assignment of the security and the grant of the Pledge and it has concluded that it **is fair and reasonable to non-associated shareholders**.

The Directors recommend Shareholders vote in favour of the assignment of the security over Gulf's Ugandan assets, including the mining lease and the exploration licences, and the grant of the pledge, to Jonah in respect of the Jonah Bridge Loan.

Resolution 2 – Approval under Listing Rule 10.1 for the assignment of security and grant of pledge to Richmond

The Company proposes to assign security and grant a pledge over the shares that GH holds in GRUL to Richmond in relation to the Bridge Loan of \$1,250,000 ("Richmond Bridge Loan") which requires shareholder approval under Listing Rule 10.1.

The key terms of the Richmond Bridge Loan are as follows:

Bridge Loan	\$1.25 million
Arrangement and Commitment Fee	7% of the Richmond Bridge Loan (\$87,500)
Interest rate	15% per annum
Maturity date	31 January 2013 or such later date as agreed between the parties
Use of funds	To fund the operations of Gulf including GRUL including: - payments to creditors of any member of the Gulf Group, including but not limited to landlords, advisors and an independent expert. - payment of salaries of its employees; - working capital expenditure; - exploration and capital expenditures; and - expenditures required in connection with the Bridge Loans.
Security	Subject to approval by Gulf shareholders being obtained, GH will assign the fixed and floating charge which it holds over the assets of GRUL and will grant a pledge over the shares that it holds in GRUL only.
Issue of options	Subject to approval by Gulf shareholders, Gulf must issue of a total of 287,500,000 unlisted options exercisable at \$0.002 with an expiry date of 5 years from the date of issue.
Default	The major events of default include: Failure to pay Richmond in accordance with its obligations under the

	transaction documents • Failure to perform any of its material obligations under the transaction documents • Material misrepresentation of any representation or warranty under the transaction documents. • Insolvency event • Failure to assign the security to Richmond following shareholder approval. • Cross default if there a default under GH's loan agreement with GRUL as described above.
Warranties	Warranties given include: • Corporations registered • Power to enter into and perform its obligations under the transaction documents • The transaction documents are valid and binding subject to any stamping and registration • All information provided by GLF Holdings was true and accurate in all material respects. • There has been no material adverse change in the business or financial condition of GH since the most recent financial information provided to Richmond. • It has no material assets other than shares in GRUL and its rights under the transaction documents. • Other than disclosed to Richmond, GH has not incurred any financial indebtedness.
Default Fee	If a default occurs then a fee equal to 30% of the amount outstanding under the Richmond Bridge Loan (including accrued interest and outstanding fees) is payable.
Non assignment Fee	If shareholders do not approve the assignment of the security from GH to Richmond, then a fee equal to 30% of the amount outstanding under the Richmond Bridge Loan (including accrued interest and outstanding fees) is payable.
No Option Fee	If shareholders do not approve the issue of options to Richmond then a fee equal to 30% of the amount outstanding under the Richmond Bridge Loan (including accrued interest and outstanding fees) is payable.
Change of Control Fee	If there be a Change of Control Event in Gulf then a fee equal to 30% of the amount outstanding under the Richmond Bridge Loan (including accrued interest and outstanding fees) is payable. Change of Control Event means an event the occurrence of which has the effect that any person (other than the Richmond or Jonah or their associates, affiliates or related entities) acquires a relevant interest in 30% or more of Gulf's issued share capital, other than as the result of a rights issue.
Mandatory Repayment	The net proceeds from any equity financing must be used to pay down the Bridge Loans and associated costs.

As set out above, the Richmond Bridge Loan carries fees which are payable if this resolution at this Extraordinary General Meeting is not passed by shareholders; if there is an event of default; or there is a change of control of the company. These fees, which are cumulative, are a maximum of 120% of the value of the amount outstanding on the Richmond Bridge Loan (including accrued interest and outstanding fees). A failure to pass the resolution could therefore affect the ability to raise additional funds and could affect the financial viability of the Company.

Gulf has engaged BDO as the independent expert report to report on the assignment of the security and the grant of the Pledge and it has concluded that it **is fair and reasonable to non-associated shareholders**.

The Directors recommend Shareholders vote in favour of the assignment of the security over Gulf's Ugandan assets, including the mining lease and the exploration licences, and the grant of the pledge, to Richmond in respect of the Richmond Bridge Loan.

Resolution 3 - Approval of issue of options to Jonah Capital (BVI) Limited

The Company proposes to issue up to 172,500,000 Options to Jonah for the provision of the Jonah Bridge Loan to the Company.

In respect of the Options being issued to Jonah, Gulf will require shareholder approval under ASX Listing Rule 10.11. ASX Listing Rule 10.11 provides that Gulf must not issue options to a related party of the Company without shareholder approval. Jonah is a related party of Gulf by virtue of the fact that Sir Samuel Jonah, a former director of Gulf, controls Jonah. For the purposes of ASX Listing Rule 7.2, Exception 14, if approval is given by the shareholders under ASX Listing Rule 10.11 to the issue of Options to Jonah, the approval of shareholders is not required under ASX Listing Rule 7.1. That approval is sought in resolution 3.

ASX Listing Rule 10.13 requires that the following information be provided to shareholders when seeking approval for the purposes of ASX Listing Rule 10.11:

Table 1: Details of the Options to be issued to Jonah Capital

Name of the allottee	Jonah Capital BVI Limited
The maximum number of options to be issued	172,500,000 Options
The date which the options will be issued	The Options will be issued as soon as practicable after the date of the Extraordinary General Meeting and in any event no later than one month after the date of the Extraordinary General Meeting or such later time as ASX may allow. It is expected that the options will be issued on 9 January 2013.
The price at which the options will be issued	The options will be issued for no consideration.
The terms of the options	The exercise price of the options will be 0.2 cents and have an expiry date of 5 years from the date of issue. All shares issued upon the exercise of the Options will rank equally in all respects with the existing fully paid ordinary shares. See Annexure B for full terms and conditions. The Company will not apply for the quotation of the Options on ASX.
The intended use of the funds raised	No funds will be raised from the grant of the Options. Any funds raised on exercise of the Options will be used for working capital.

If shareholders do not approve the issue of options to Jonah then a fee equal to 30% of the amount outstanding under the Bridge Loan (including accrued interest and outstanding fees) is payable. A failure to pass the resolution could therefore affect the ability to raise additional funds and could affect the financial viability of the Company. As noted above, it is expected that the options will be issued to Jonah on 9 January 2013. This date is important as if the options were issued to Jonah before 31 December 2012, the Company would be in breach of Listing Rule 7.16 which prohibits an entity from issuing options if it would have more options on issue than underlying securities (as a number of existing Gulf options expire on 31 December 2012).

The Directors recommend Shareholders vote in favour of the issue of these options.

Resolution 4 - Approval of issue of options to Richmond

The Company proposes to issue up to 287,500,000 Options to Richmond for the provision of the Richmond Bridge Loan to the Company

In respect of the Options being issued to Richmond, Gulf is seeking shareholder approval under ASX Listing Rule 7.1.

ASX Listing Rule 7.3 requires that the following information be provided to shareholders when seeking approval for the purposes of ASX Listing Rule 7.1

Table 1: Details of the Options to be issued to Richmond

Name of the allottee	Richmond Partners Master Limited
The maximum number of options to be issued	287,500,000 Options
The date which the options will be issued	The Options will be issued as soon as practicable after the date of the Extraordinary General Meeting and in any event no later than one month after the date of the Extraordinary General Meeting or such later time as ASX may allow. It is expected that the options will be issued on 9 January 2013.
The price at which the options will be issued	The options will be issued for no consideration.
The terms of the options	The exercise price of the options will be 0.2 cents and have an expiry date of 5 years from the date of issue. All shares issued upon the exercise of the Options will rank equally in all respects with the existing fully paid ordinary shares. See Annexure B for full terms and conditions. The Company will not apply for the quotation of the Options on ASX.
The intended use of the funds raised	No funds will be raised from the grant of the Options. Any funds raised on exercise of the Options will be used for working capital

If shareholders do not approve the issue of options to Richmond then a fee equal to 30% of the amount outstanding under the Richmond Bridge Loan (including accrued interest and outstanding fees) is payable. A failure to pass the resolution could therefore affect the ability to raise additional funds and could affect the financial viability of the Company. As noted above, it is expected that the options will be issued to Richmond on 9 January 2013. This date is important as if the options were issued to Richmond before 31 December 2012, the Company would be in breach of Listing Rule 7.16 which prohibits an entity from issuing options if it would have more options on issue than underlying securities (as a number of existing Gulf options expire on 31 December 2012).

The Directors recommend Shareholders vote in favour of the issue of these options.

GLOSSARY

In this Notice and Explanatory Memorandum:

ASX means the financial market operated by the Australian Securities Exchange;

ASX Listing Rules means the listing rules of the ASX;

Board means the board of Directors;

Bridge Loans means the Richmond Bridge Loan and the Jonah Bridge Loan collectively;

Corporations Act means the *Corporations Act* 2001 (Cth);

Directors means the directors of the Company from time to time;

Explanatory Memorandum means the explanatory memorandum which accompanies, and is incorporated as part of, the Notice;

ANNEXURE A - Independent Expert's Report

Annexure B– Terms of Options

1. The Options entitle the holder to subscribe for Shares on the following terms and conditions:
2. Each Option entitles the holder of an option (**Holder**) to subscribe for and be allotted 1 fully paid ordinary share in the capital of Gulf Industrials Limited (**Company**) (**Share**).
3. Shares allotted to the Holder on exercise of Options shall be issued at a price of \$0.002 (**Exercise Price**).
4. The Options expire at 5.00 pm (Sydney time) on the date that is 5 years from the date of allotment (**Expiry Date**). Any Option which has not been exercised by the Expiry Date will lapse.
5. The Holder may exercise Options in whole or in part (or in several parts) at any time (or times) prior to the Expiry Date by giving a notice (**Exercise Notice**) to the Company requiring the Company to issue Shares on the exercise of the Options.
6. An Exercise Notice must be in writing and must be delivered to the registered office of the Company (or such other place as the Company may notify the Holder in writing) together with payment of the Exercise Price for each of the Options exercised. The Company will, on request, notify the Holder of a bank account into which payment for the Options can be made.
7. On exercise of any Options, the Company must allot to the Holder the number of Shares for which the Options are exercised at the Exercise Price. The Company must allot the Shares within 7 business days (being a day on which banks are ordinarily open for business in Sydney, Australia) of receipt of the Exercise Notice. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price for the Options exercised in cash or cleared funds.
8. The Options are transferable, subject to compliance with the *Corporations Act 2001* (Cth).
9. The Options do not entitle the Holder to vote on any general resolutions of the shareholders of the company or entitle the Holder to any dividends.
10. Shares allotted upon exercise of Options will rank equally in all respects with all other issued Shares from the date of allotment and will be held subject to the constitution of the Company.
11. If Shares in the Company are quoted on ASX at the time of exercise of the Options, the Company will make application to ASX for quotation for the number of Shares issued upon exercise of Options within 7 business days of the allotment of those Shares.
12. The Holder cannot participate in a new issue of securities in the Company offered to existing shareholders by way of rights without first exercising the Options.
13. If the Holder exercises their Options before the applicable record date for the new issue offered to existing shareholders by way of rights, they will be entitled to participate in that new issue.
14. Except as expressly set out in these conditions, the Holder does not have any right to change the Exercise Price of an Option or the number of Shares over which an Option can be exercised.
15. If there is a Bonus Issue (as defined in Chapter 19 of the ASX Listing Rules) to the holders of Shares in the Company then the number of Shares over which each Option is exercisable will be increased by the number of Shares which the Holder would have received under the Bonus Issue if the Option had been exercised before the record date for the Bonus Issue.
16. If the Company makes a pro rata issue of shares (except a bonus issue) to existing shareholders (except an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment) and no share has been issued in respect of the Option before the record date for determining entitlements to the issue, the exercise price of each Option is reduced in accordance with the ASX Listing Rules.
17. In the event of any reorganisation including subdivision, consolidation, reduction, return or cancellation of the issued capital of the Company on or prior to the Expiry Date, if the Company is admitted to the official list of ASX, the rights of the Holder will be changed to the extent necessary to comply with the applicable ASX Listing Rules governing reorganisations in force at the time of the reorganisation. If the Company is not admitted to the official list of ASX, the rights of the Holder will be changed to the extent necessary to comply with the ASX Listing Rules

governing reorganisations in force at the time of the reorganisation, as if the ASX Listing Rules applied to the Company.

18. The Holder is bound by these conditions and the constitution of the Company insofar as the constitution relates to or governs the Options and the Shares issued upon exercise of the Options.
19. The Company must within a reasonable period give to the Holder notice of any change under clauses 11, 12, 14 and 15 to the exercise price of any options held by the Holder or the number of shares which the Holder is entitled to subscribe for on exercise of an option.

EXTRAORDINARY GENERAL MEETING

STEP 1 APPOINTMENT OF PROXY

I/We

of

being a member/members of Gulf Industrials Limited hereby appoint

☐

The Chairman of the meeting (mark with an 'X')

Write the name of the person you are appointing if this person is someone other than the Chairman of the Meeting.

Or failing the person named attending the meeting, or if no person is named, the Chairman of the meeting as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Extraordinary General Meeting of the Company to be held on Friday 4 January 2013 at 11:00am (AEDST) and at any adjournment of that meeting.

IMPORTANT: If you appoint a proxy, we encourage you to direct your proxy how to vote on each item of business.

Important - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you do not mark any of the boxes in step 2 below you will be deemed to have directed the Chairman of the Meeting to vote in accordance with the Chairman's voting intentions as set out below and in the Notice of Meeting. Please note you can direct the Chairman of the Meeting to vote for, against or abstain from voting on any Resolution by marking the appropriate box in step 2 below. **The Chairman of the Meeting intends to vote in favour of each item of business.**

STEP 2 VOTING DIRECTIONS TO YOUR PROXY – PLEASE MARK AN 'X' TO INDICATE YOUR DIRECTIONS.

Resolution	For	Against	Abstain
1. Assignment of security and grant of pledge to Jonah Capital (BVI) Limited	☐	☐	☐
2. Assignment of security and grant of pledge to Richmond Partners Master Limited	☐	☐	☐
3. Issue of options to Jonah Capital (BVI) Limited	☐	☐	☐
4. Issue of options to Richmond Partners Master Limited	☐	☐	☐

Signed this day of2012

Individual Securityholder 1

Individual/Sole Director

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

This form must be signed by the securityholder. If a joint holding, either securityholder may sign. If signed by the securityholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the securityholder's constitution and the Corporations Act 2001 (Cth).

INSTRUCTIONS FOR COMPLETION OF PROXY FORM

Appointing a proxy

A shareholder who is entitled to attend and vote can appoint a proxy to attend and vote at the Extraordinary General Meeting on their behalf. A proxy need not be a shareholder of the Company.

A shareholder entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If proportions or numbers are not specified, each proxy may exercise half the available votes.

You may complete and return the Appointment of Proxy included with this Notice. If you require a second proxy form, please contact the Company Secretary or you may copy the Proxy Form.

If you do not provide proxy instructions electronically, proxy forms may be lodged by mail, by hand or by facsimile in accordance with the instructions on the Proxy form.

For an appointment of a proxy to be effective, the Proxy form must be received at its registered office, Level 10, Gold Fields House, 1 Alfred Street, Sydney NSW 2000, or received by facsimile on +61 2 9247 7722 by not later than 11.00am (AEDST) on Wednesday, 2 January 2013.

Corporate Shareholders

Corporate shareholders wishing to appoint a representative to attend the meeting on their behalf must provide that person with a properly executed letter confirming that they are authorised to act as the company's representative. The authorisation may be effective either for this meeting only or for all meetings of the Company.

Eligibility to vote at the meeting

For the purpose of regulation 7.11.37 of the *Corporations Regulations* 2001, the Company has determined, for the purposes of voting entitlements at the meeting, that Gulf shares are taken to be held by those shareholders registered at 7:00pm (AEDST) on Wednesday, 2 January 2013. Accordingly, only those persons will be entitled to attend and vote at the meeting.

How undirected proxies held by the Chairman of the meeting will be voted

If you appoint the Chair of the Meeting as your proxy and you do not specify in the proxy form the manner in which you wish the Chair to vote on the resolutions to be considered at the meeting, **you will be deemed to have directed the Chair to vote in accordance with the voting intentions of the Chair to vote in favour of all resolutions.**

If you appoint the Chair of the Meeting as your proxy and wish to direct the Chair how to vote on some or all of the resolutions to be considered at the Meeting, you must complete the directed proxy part of the proxy form (Step 2 on the proxy form).

The Directors encourage all shareholders who submit proxies to direct their proxy how to vote on each resolution.