



gulfindustrials

ASX ANNOUNCEMENT

13 February 2017

Gulf Industrials Raises over \$8 million in Share Placement

Gulf Industrials Limited [ASX: GLF] (“**Gulf**” or the “**Company**”) today announces that, further to its announcement on 25 January 2017:

- the Company has completed the placement of 837,500,000 shares at \$0.008 each to raise approximately \$6.7 million (“**Placement**”) (“**Placement Shares**”);
- as a result of the significant interest in the Placement, the Company has been able to raise an additional \$1.5 million by placing an additional 192,500,000 shares at \$0.008 each (“**Additional Placement Shares**”); and
- following the placement of the Additional Placement Shares, the Company will have in excess of \$10 million in cash reserves.

The Gulf Board is pleased to announce that the Company has completed the placement of the Placement Shares (for the first \$6.7 Million), and will complete the placement of the Additional Placement Shares (for the additional \$1.54 Million) within the next week.

The Placement was strongly supported by existing cornerstone shareholders and sophisticated investors, and was heavily oversubscribed.

The \$0.008 issue price of the Placement was calculated at 85% of the Company’s 20-day Volume-Weighted Average Price (“**VWAP**”) up to and including 20 January 2017, the trading day prior to the Company’s shares being placed in a Trading Halt.

The funds raised in the Placement will be used to:

- implement the Company’s acquisition of its interest in the Gbane Project in Ghana through the project earn-in and development strategy;
- progressing the exploration program at the Company’s Soalara Limestone asset in Madagascar; and
- general working capital purposes.

Wayne Kernaghan, Director of Gulf Industrials said:

“We have been very encouraged by the strong interest received from our cornerstone shareholders and sophisticated investors alike. This capital raising provides us with financing certainty well into the foreseeable future, and provides a solid platform to pursue exploration programs in Ghana and Madagascar.”

About Gulf Industrials Limited

Gulf has entered into a binding term sheet for a project earn-in and joint venture (“Joint Venture”) with Cassius Mining Limited (“Cassius”) into Cassius’ key gold exploration project in Bolgatanga, Ghana (“Gbane Project”).

This Joint Venture and the support demonstrated by major shareholders in the recent capital raising places Gulf in a strong position to participate in the development of a potentially significant gold asset; and progressively increase its strategic and operational footprint in a highly-sought after Upper East Region of Ghana, West Africa.

The Company’s Soalara Limestone Project has been reviewed by independent industry experts, who have provided the Company with an estimated Exploration Target¹ of between 491 and 818 Million tonnes of limestone with a purity of high to very high².

FURTHER INFORMATION:

Wayne Kernaghan

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¹ An Exploration Target is defined as a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grade (or quality), relates to mineralization for which there has been insufficient exploration to estimate a Mineral Resource (JORC, 2012).

² It should also be noted that the potential quality and grade range is conceptual in nature, and that it uncertain if further exploration will result in the estimation of a Minerals Resources.

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 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

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 Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 837,500,000 Ordinary Shares |
| 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) | Fully paid ordinary shares on the exercise of options |

+ See chapter 19 for defined terms.

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New issue announcement

<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>\$0.008</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Exploration expenditure and working capital</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>25 November 2016</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>455,241,967 ordinary share</p>

+ See chapter 19 for defined terms.

6d	Number of +securities issued with security holder approval under rule 7.1A	82,258,033 ordinary shares	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	300,000,000 ordinary shares as approved by shareholders on 25 November 2016.	
6f	Number of securities issued under an exception in rule 7.2	Nil	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	The VWAP as calculated by Shaw and Partners was \$0.009. The issue price was \$0.008 which was a discount of 12%.	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Listing Rule 7.1 – nil Listing Rule 7.1A – 221,236,612	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	13 February 2017	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number 3,572,446,452	+Class Fully paid ordinary shares

+ See chapter 19 for defined terms.

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New issue announcement

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	432,500,000	Exercisable at \$0.002 expiring 8 January 2018
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
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	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	

+ See chapter 19 for defined terms.

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- 31 How do ⁺security holders sell *part* of their entitlements through a broker and accept for the balance?
- 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

+ See chapter 19 for defined terms.

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 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- 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 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

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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: Wayne Kernaghan
(Director/Company secretary)

Date: 13 February 2017

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	2,727,446,452
<p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>7,500,000 (30 September 2016)</p> <p>300,000,000 (13 February 2017 as approved by shareholders on 25 November 2016)</p>
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	Nil
“A”	3,034,946,452

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Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	455,241,967
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	455,241,967 (13 February 2017)
“C”	455,241,967
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	455,241,967
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	455,241,967
Total [“A” x 0.15] – “C”	Nil <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	3,034,946,452
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	303,494,645
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<i>Insert</i> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	82,258,033
“E”	82,258,033

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Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 <i>Note: number must be same as shown in Step 2</i>	303,494,645
Subtract "E" <i>Note: number must be same as shown in Step 3</i>	82,258,033
Total ["A" x 0.10] – "E"	221,236,612 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.



gulfindustrials

13 February 2017

The Listing Manager
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

Notice Given Under Section 708A(5) of the Corporations Act

This notice is given by Gulf Industrials Limited ('Gulf') under section 708A(5)(e) of the Corporations Act in relation to an issue of 837,500,000 fully paid ordinary shares by Gulf without disclosure to investors under Part 6D.2 of the Corporations Act on 13 February 2017.

As at the date of this notice, Gulf has complied with:

- (a) the provision of Chapter 2M of the Corporations Act as they apply to Gulf; and
- (b) section 674 of the Corporations Act.

Gulf confirms that, as at the date of this notice, there is no information that:

- (a) has been excluded from a continuous disclosure notice given to the ASX in accordance with the ASX Listing Rules; and
- (b) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses of Gulf; and
 - (ii) the rights and liabilities attaching to fully paid ordinary shares,

to the extent to which it would be reasonable for investors and their professional advisers to expect to find such information.

Yours faithfully
Gulf Industrials Limited

Wayne Kernaghan
Company Secretary