



GULF MINES LIMITED

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West Timor Copper Prospect – Sample Results

Gulf Mines Limited (ASX: GLM) wishes to announce further sampling results from the West Timor copper prospect. The sampling was carried out by geologists of Asia Minerals Corporation on behalf of Gulf Copper Pty Ltd, a subsidiary of Gulf Mines Limited (Gulf).

The tenement, on which the copper occurrences sit, expired on 30 August 2013. An application has been submitted to regional government to have the license agreement renewed. Gulf Copper has commenced with an environmental impact analysis (AMDAL) as part of the process. Once the license application is granted, Gulf has an option to acquire 70% of the project for US \$500,000 paid in two tranches, as announced on the 25th of November 2013.

The area of interest is located 8 km south east of Atapupu. Two reconnaissance trips were completed to the area late 2013 by geologists of Asia Minerals Corporation. During which 10 surface samples were collected. The results of these sampling programs are summarized in table 1.

UTM_EAST	UTM_NORTH	Sample_ID	Sample_Type	Cu_NITON ₁	Cu_INTERTEK ₂
710945	9001099	1106	GRAB	12.19%	
710934	9001094	1107	GRAB	7.90%	
710938	9001096	1125 C	CHANNEL	8.03%	6.43%
710938	9001096	1125 G	GRAB	8.76%	7.21%
710912	9001067	1126 C	CHANNEL	7.92%	6.67%
710912	9001067	1126 G	GRAB	6.77%	4.88%
710912	9001067	1127 C	CHANNEL	10.05%	8.71%
710912	9001067	1127 G	GRAB	12.43%	
710926	9001051	1128 C	CHANNEL	9.32%	
710926	9001051	1128 G	GRAB	10.44%	

NOTES:

1: Sample analyzed by PT CIPTAKARSA PUTRA PASUNDAN (in-house laboratory) using handheld NITON XRF gun for determinations.

2: Sample analyzed by PT. INTERTEK UTAMA SERVICES of Jakarta using schema XR50 whole rock analysis and XRF determination on fused pellet.

*Handheld NITON™ XRF analysis is only indicative of the copper grades in the sample and precedence should be given to the grades given by XRF fusion from the INTERTEK repeat analysis.

Table 1: Sample results from the reconnaissance sampling program.



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The mineralization is hosted in ultramafic rocks that are interbedded with calcarenite and volcanoclastic sediments (Figure 1). Mineralization appears to be structurally controlled. Iron oxides and malachite (Figure 2) outcrop at three tightly clustered locations on the tenement. The largest of these outcrops is approximately 2 x 5 meters (Figure 3) in size.

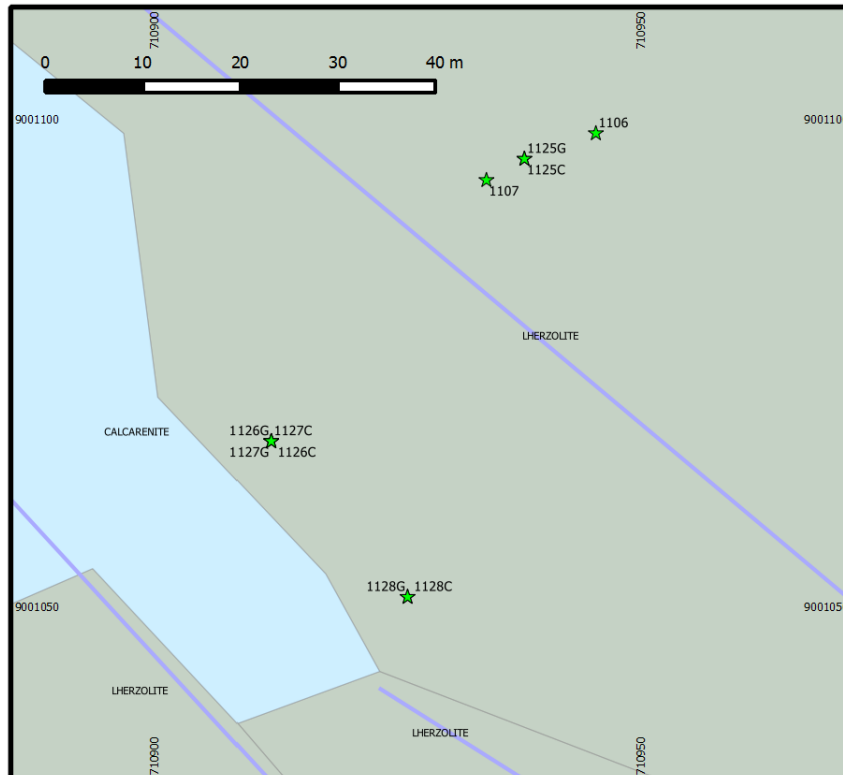


Figure 1: Simplified geology map showing sample locations. Samples 1106 and 1128 are approximately 50 metres apart.



Figure 2- Malachite and iron oxides in outcrop



Figure 3: Largest of the mineralized outcrops sampled.



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Gulf's subsidiary, Gulf Copper Pty Ltd, is currently putting together an exploration program to test the potential of the tenement. Field mapping will commence as soon as the wet season is over. Should the field mapping deliver positive results additional work will be required. It is envisaged that ground geophysics surveys will be conducted during 2014.

For more detail on the sampling techniques, data, tenement particulars and exploration results see appendices 1 and 2.

Gulf Chairman Peter Remta commented:

"Work is proceeding now the wet season is drawing to a close which will enable planned field work to be undertaken. Gulf is hopeful the tenement may replicate other regional copper projects".

About Gulf Mines Limited

Gulf Mines Limited is an Australian registered company (ACN 059 954 317), listed on the Australian Securities Exchange (ASX: GLM) with its head office in Perth, Western Australia.

The Company has a major holding in Asia Minerals Corporation, an Indonesian based manganese producer, copper tenements in the Northern Territory of Australia with two operating joint ventures and two prospective gold tenements in the gold producing area of Leonora, north of the prolific gold producing Kalgoorlie region of Western Australia.

Driven by the substantial urbanisation and industrialisation of the Chinese economy, Gulf will focus on coal and copper projects in Indonesia and copper in Australia in joint venture with Redbank Copper Limited (www.redbankcopper.com.au) and a joint operating agreement for copper and uranium prospects with Laramide Resources Limited (www.laramide.com).

Strategy

Gulf's strategy is straight forward being:

- Focus on project development in Indonesia
- Utilise the significant experience of the groups executives operating in Indonesia
- Operate as a project incubator and developer, ultimately spinning off and retaining a major holding and commodity marketing rights
- Distribute 50% of profits to Shareholders (fully franked) and re-invest 50% into new projects



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Competent Persons Statement

The information in this report and appendices that relates to Exploration Potential and Results is based on information compiled by Mr Allen Lyons, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy. The information in this report relating to exploration targets should not be misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature since there has been insufficient work completed to define the prospects as anything beyond an exploration target. It is uncertain if further exploration will result in the determination of a Mineral Resource.

Mr Lyons is a consultant geologists employed by Lyons Consulting.

Mr Lyons has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Lyons consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

On behalf of the board of directors,

Peter Remta
Chairman

For further information please contact Michael Kiernan on +61 418 904 165.



Appendix 1: Sampling Techniques and Data

Criteria	Explanation
<i>Sampling techniques.</i>	* 10 surface samples were collected by geologists from Asia Minerals Corporation. Multiple samples taken at most localities. Sample size ~1 kg. Six random grab samples collected from outcrop or tallus at artisanal mining sites. Four channel samples, each ~1m in length, taken on outcrop.
<i>Drilling techniques.</i>	* N/A
<i>Drill sample recovery.</i>	* N/A
<i>Logging.</i>	* All samples were logged by geologists from Asia Minerals Corporation with respect to lithology and mineralization. Logs are stored in a relational MS Access database.
<i>Sub-sampling techniques and sample preparation.</i>	* Sample preparation done by PT CIPTAKARSA PUTRA PASUNDAN, which is Asia Minerals Corporation in-house laboratory based in Wini, West Timor. * Whole samples are crushed by jaw crusher then pulverized and split to produce a representative pulp sample. Determination is done by handheld NITON™ XRF analysis.
<i>Quality of assay data and laboratory tests.</i>	* Whole samples a crushed, pulverized, and split to produce a representative pulp sample * All 10 samples analyzed PT CIPTAKARSA PUTRA PASUNDAN. Determination is done by handheld NITON™ XRF. Analysis sufficiently accurate to confirm the presence of significant copper grades.
Verification of sampling and assaying	* 6 pulp samples were submitted to PT INTERTEK UTAMA SERVICES. * PT INTERTEK UTAMA SERVICES is an accredited laboratory. * Replicate analysis on pulp using industry standard XRF determination on fused pellet (XR50). * Internal laboratory standards and duplicates were analyzed and reported.
Location of data points.	* UTM 51 South co-ordinate system. * Sample points located using hand a held GPS, accuracy within 5 m. * Sample points all fall within approximately 50 metres of each other.
<i>Data spacing and distribution.</i>	* Rock chip channel samples were collected randomly on mineralized outcrop.
<i>Orientation of data in relation to geological structure.</i>	* The structural orientation of mineralization is not clear.
<i>Sample security</i>	* N/A
<i>Audits or reviews.</i>	* N/A



Appendix 2: Reporting of Exploration Results

Criteria	Explanation
<i>Mineral tenement and land tenure status.</i>	<ul style="list-style-type: none"> * IUP (Ijin Usaha Pertambangan) Exploration License. * Issued to PT PRANATA BUMI PERMAI on 31 August 2010. * Copper the only commodity stipulated in license agreement * IUP Exploration License expired on 30 August 2013. * No Clean and Clear (CnC) certificate issued for this tenement.
<i>Exploration done by other parties.</i>	* Discovered during Dutch colonial times. No records of any historical exploration work.
<i>Geology.</i>	<ul style="list-style-type: none"> * The geology of Timor Island is complicated and subject to much academic debate. Formations are overthrust, folded, and subject to significant strike-slip faulting. * According to Government 1:250,000 geology maps the tenement is underlain by Atapupu Ultramafics. * Limited work has been conducted over the tenement. The geology of the tenement is as yet not well understood.
<i>Drill hole Information</i>	* N/A
<i>Data aggregation methods.</i>	* N/A
<i>Relationship between mineralization widths and intercept lengths.</i>	* N/A
<i>Diagrams.</i>	* Figure 4: Simplified geology map showing sample locations.
<i>Balanced reporting.</i>	* The work done thus far was of a reconnaissance nature. These preliminary results do not suggest or imply that the tenement hosts any economic deposit(s).
<i>Other substantive exploration data.</i>	* N/A
<i>Further work.</i>	<ul style="list-style-type: none"> * Field mapping will commence as soon as the wet season is over. * Should the field mapping deliver positive results, additional work will be required. * It is envisaged that ground geophysics surveys will be conducted during 2014.