

**COMPANY ACQUIRES 100% INTEREST IN
LARGE-SCALE LICENCE ALONG NAMDINI TREND**

HIGHLIGHTS

- The Company has agreed to terms to acquire the whole Large-Scale Licence covering an area of 13.79km², encompassing the balance of the Gbane Project Area as well as the option areas in the Joint Venture (the “**Licence Area**”).
- The acquired Licence Area is located on the same regional shear zone as, and directly adjacent to, the Cardinal Resources Namdini deposit.
- The acquisition of the whole Licence Area effectively removes any further ‘earn-in’ expenditure requirements.

The Board of Gulf Industrials Limited (to be renamed *Cassius Mining Limited* with new **ASX Code: CMD**) (the “**Company**”) is pleased to announce the acquisition of the whole Large-Scale Licence Area encompassing the balance of the Gbane Project area and all the option areas included in the Company’s Joint Venture agreement¹. This acquisition, which is conditional on shareholder approval, will conclude the Joint Venture by effectively transferring the balance of the Licence Area to the Company, who will then own 100% of the Licence Area.

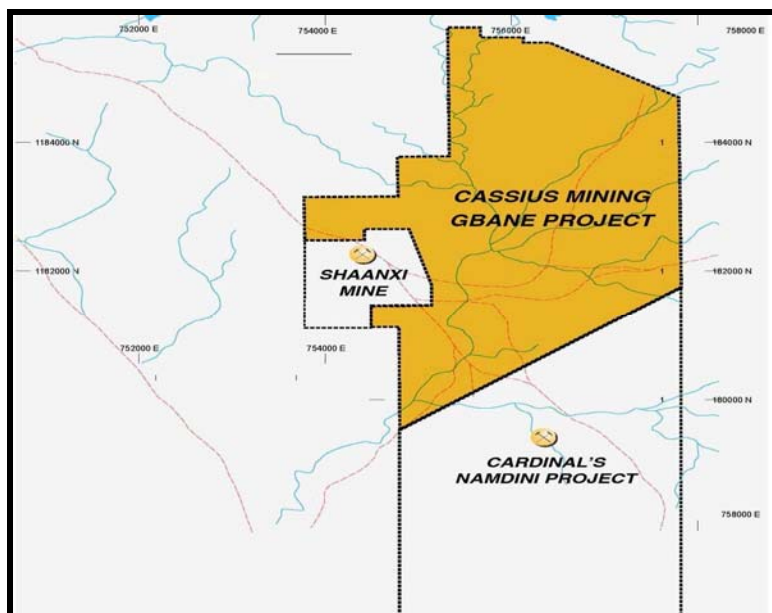


Fig 1: The Cassius Mining Large Scale Licence Area covering 13.79km²

¹ The Parties entered into a Joint Venture Agreement (the **Joint Venture**) following shareholder approval which was granted at a meeting of Company members on 26 May 2017 (**Shareholder Approval**).

Prior to the Proposed Acquisition

The Gbane Joint Venture area covered 4.37km² (area within the blue boundary – Fig. 2)).

As at 30 September 2017 the Company had earned a majority 55% interest in the Gbane Joint Venture (represented by the yellow shaded area within the blue).

The yellow shaded area effectively represented a 17% interest in the whole Cassius Licence Area.

Under the terms of the current Joint Venture, to increase its interest to 70% in the Gbane Project (blue area), the Company had to spend additional funds on exploration.

Following the Proposed Acquisition

The Company's interest in the Licence Area will expand to include the balance of the Gbane Project Area as well as the balance of the Licence Area that were covered by the options in the Company's favour in the Joint Venture.

The proposed acquisition will increase the Company's interest in the Licence Area:

- from 17% (2.34km² /Fig. 2)
- to 100% (13.79km² /Fig. 3)

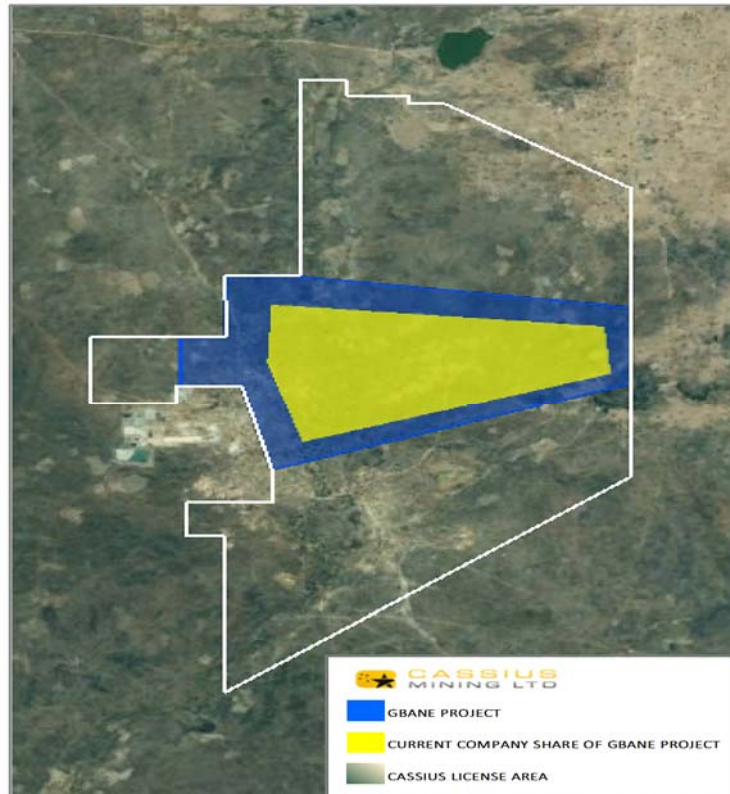


Fig 2: The interest in the Gbane Project and Licence area prior to the proposed acquisition.

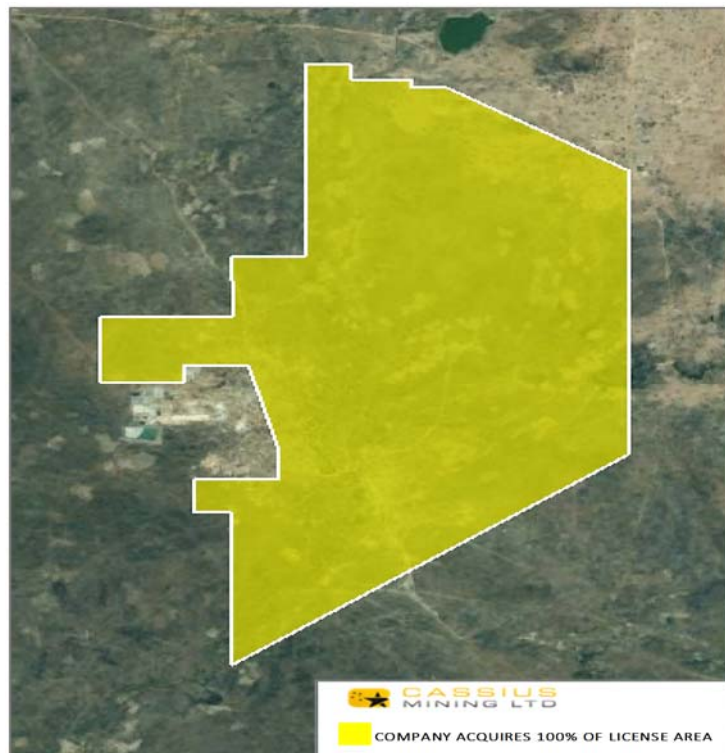


Fig 3: The shaded area represents the 100% interest in the Licence Area after the acquisition.

The Company's acquisition of the whole Licence Area includes the area right up to the southern boundary of the Cassius Licence which joins (shares) the northern boundary of Cardinal Resources' Namdini Licence. The Cassius Licence sits on the Namdini shear zone that extends in a northerly direction from Namdini (see **Fig. 4**)

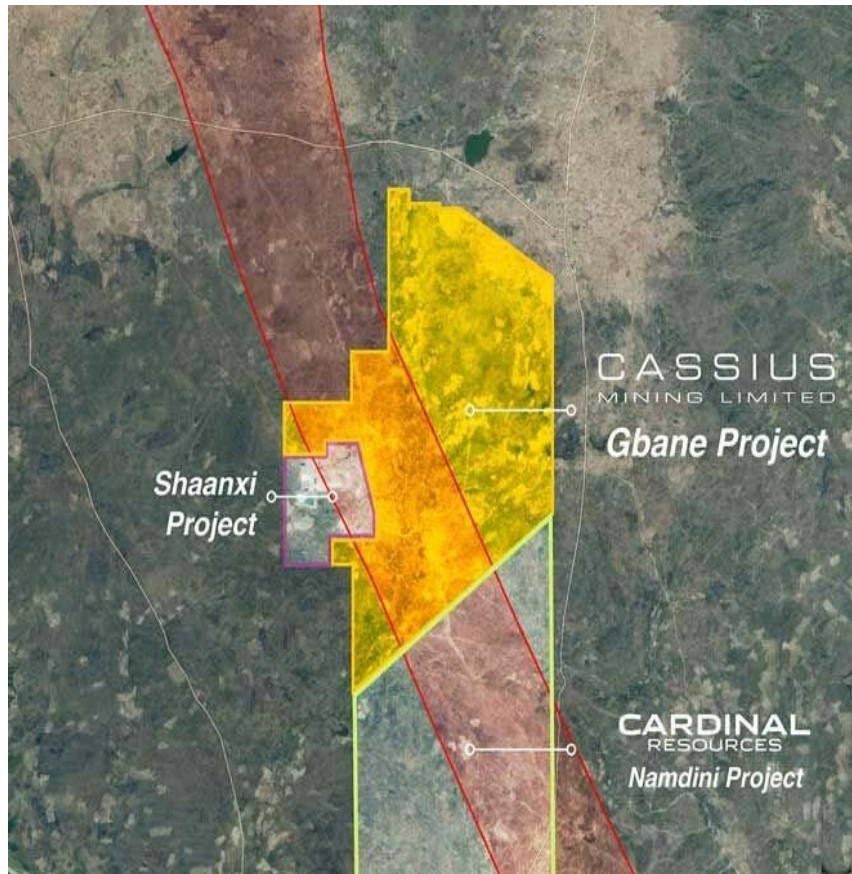


Fig 4: The Licence Area shares a licence boundary with Cardinal's Namdini Project highlighting the Namdini shear zone.

ACQUISITION TERMS

The existing Joint Venture Agreement provided the Company with options to firstly acquire the balance of the Gbane Project Area; and further, to acquire the balance of the areas making up the whole Large-Scale Licence Area.

Upon securing a majority interest in the initial Gbane Project area, the Company then looked to the mechanisms within the Joint Venture to expand its interest whereby the Company will effectively acquire the balance of the Gbane Project as well as the balance of the whole Licence Area.

The agreed terms set out below will achieve that objective, effectively bringing the Joint Venture to an end as the Company will have secured a 100% interest in the entire Licence Area.

The consideration to be received by the Cassius Mining (Gh) (*the vendor of the Licence*) in accordance with the Joint Venture, and subject to Company shareholder ratification shall consist of:

- (a) **Payment** of \$1,200,000²; and
- (b) **Issue of ordinary securities** to Licence vendors or their nominees in the aggregate amount of 56,250,000 shares (post consolidation); and
- (c) Issue of 500 **Performance Shares** linked directly to increases in the Company's Market Capitalisation as set out in **Annexure A**.

Settlement of the acquisition by the Company of the balance of the Licence and any payments, including the issue of securities (**Proposed Transaction**) are subject to conditions precedent including:

- (a) where applicable, receipt of all necessary approvals and consents from third parties for the transaction; and
- (b) where applicable, Company shareholder approvals under the ASX Listing Rules³;
- (c) the preparation, negotiation and execution of formal documentation for either:
 - (i) the transfer of all of the shares in the Ghanaian registered Licence Holder to the Company or its nominee; or
 - (ii) the transfer of the Licence to the Company or its nominee.

together, the above are referred to as the **Conditions**.

Capital Structure / Interest in Licence Area		
Security	Post-Consolidation	Post Vend
Fully Paid Ordinary Shares	234,215,140	290,465,140
Unlisted options expiring 8 January 2018	27,031,248	27,031,248
Unlisted options expiring on 5 June 2019	9,375,000	9,375,000
Unlisted options expiring on 5 June 2020	9,374,999	9,374,999
Performance Shares	-	500
Interest in Gbane Project	55%	100%
Interest in whole Licence Area	17%	100%

² To be treated as a reimbursement of funds expended by the Licence vendor in relation to the Cassius Licence. The Payment is due on or about 4 January 2018

³ To the extent it is required, the Company will seek approval from the Non-Associated Shareholders for the Proposed Transaction under ASX Listing Rules 10.1 and 10.12

PROPERTY / LICENSE

On 28 December 2016 the Large-Scale Prospecting Licence was granted by the Ghana Minerals Commission to Cassius Mining (Gh) (the vendor). The whole licence area is 13.79km².

Cassius Mining (Gh) has secured the requisite permits from the Ghanaian Environmental Protection Agency.

The Licence Area sits adjacent to Cardinal Resources' Namdini Licence and directly on the Namdini shear trend that extends all the way through to the Youga Mine in Burkina Faso (see Fig. 5).

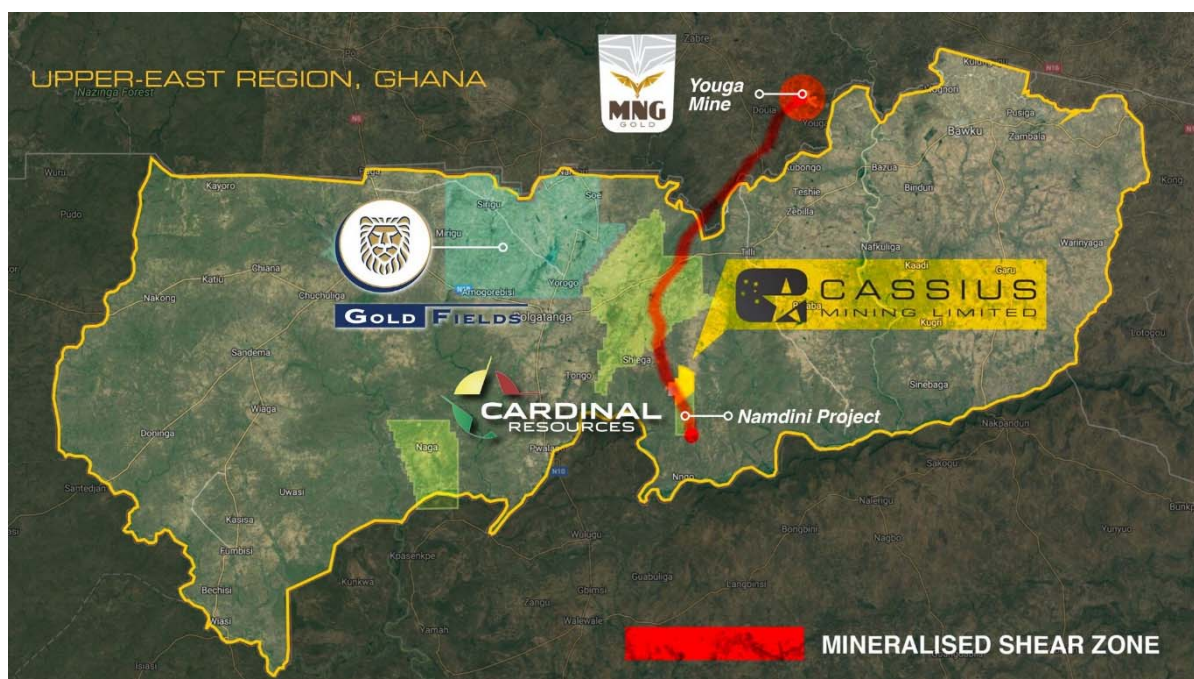


Fig 5: The Licence Area is on the Namdini shear trend extending from Cardinal's Namdini Project through to the Youga Mine.

The Company's CEO, James Arkoudis had this to say about the acquisition:

"The acquisition of the entire Licence Area is strategically important in significantly increasing the potential size, value and economics of a future resource, with highly promising earlier exploration data already secured."

Company Director, Wayne Kernaghan, had this to say:

"The benefit to shareholders, in acquiring the balance of the Gbane Project Area without any further earn-in requirements, and securing terms for acquisition of the balance of the whole Licence Area, is tangible in both the short term and in terms of the Company's position moving forward with further exploration"

CORPORATE

Following the recent Annual General Meeting the Company is undertaking a share consolidation and name change.

The Company's name will officially change to **Cassius Mining Limited**. The Company's new ASX Code will be '**CMD**'. Shareholders will be advised as soon as the new trading code is operative.

The share consolidation has been completed by the Company's Share Registry. Shareholders will receive confirmation of their respective consolidated holdings.

The Notice of Meeting to vote on the Proposed Transaction to acquire the balance of the Licence Area is being drafted and will be dispatched to shareholders in due course.

Further Information:

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Annexure A

Performance Shares (post-consolidation)

Class A Performance Shares are based on the *Market Capitalisation* of the Company meeting the levels noted below prior to 31 December 2021.

Performance Shares	Performance Hurdle** Market Capitalisation (\$AUD)	Conversion to Ordinary Shares
50	50 million	5,000,000
100	75 million	10,000,000
150	100 million	15,000,000
100	150 million	10,000,000
100	200 million	10,000,000

** Performance Shares to be issued upon achievement of each hurdle