



WOLLOGORANG JOINT VENTURE

Gulf Mines Limited ("the company") has been informed that Redbank Copper Limited (ASX Code: RCP) ("Redbank") has undertaken and completed a full aeromagnetic survey over that part of the Wollogorang tenement being exploration licence 10335 in the Northern Territory which is the subject of its joint venture with the company.

The total survey was for almost 42,000 line kilometres flown at a spacing of 50 metres and a large part of it covered the Wollogorang joint venture area which is held by the company through its wholly owned subsidiary of Hartz Range Mines Pty Ltd.

Redbank is now waiting for the raw data from this survey which will be interpreted in order to highlight and give priority to targets for its next exploration program as well as identifying the areas needing more specific target techniques.

It is expected that the interpretation will be completed in the first quarter of 2013 in time to assist with the planning for the 2013 field season.

As a result of the completion of the aeromagnetic survey, Redbank has fulfilled its commitment of an expenditure of at least \$500,000 by 14 August 2012 in order to enable Redbank to earn an interest of 49% in the Wollogorang joint venture.

However the company was prepared to extend the time for the expenditure since by that date Redbank had committed to and begun the survey at a substantial cost but was delayed in completing it on time due to aircraft and other technical issues.

Joint Venture Terms

The original joint venture agreement was entered into on 26 July 2011 and was announced by both this company and Redbank on 28 July 2011.

That agreement was revived and varied by a further agreement between the parties dated 8 June 2012 and announced by the company on 12 June 2012.

The terms of the new agreement varying the original agreement are:

1. Redbank will spend a minimum of \$500,000 (which includes an agreed amount of \$117,833 spent up to 31 December 2011) on the joint venture area by 14 August 2012 to earn an interest of 49% in the joint venture.
2. In addition Redbank will spend a further \$850,000 (being an aggregate expenditure of \$1,350,000) by 14 August 2013 to increase its interest in the joint venture to 80%.
3. At its discretion Redbank may increase its interest in the joint venture to 85% by increasing its expenditure by 14 August 2013 to an aggregate of \$1,500,000.
4. Redbank would also pay Hartz Range Mines Pty Ltd \$200,000 (inclusive of GST) by a first payment of \$100,000 against the signing of the new agreement and a further payment of \$100,000 by 30 June 2012, both of which have been made.

The company and Redbank are now completing the documents to give effect to Redbank having acquired through the prescribed expenditure the interest of 49% in the joint venture.

P J A Remta
Chairman

9 November 2012