



# GULF MINES LIMITED

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## ASX ANNOUNCEMENT

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### Gold Drilling results at Ebagoola point to Kidston-Style alteration



Gulf Mines Limited (ASX:GLM) announces the assay results for the first two diamond drill holes in last years' drilling campaign which totalled seven completed drill holes, for a total of 669.7 metres. The drilling is part of a 3000 m programme which was interrupted by the wet season. Drilling on these prospects will continue immediately the area becomes accessible after the "wet"

The two holes were drilled into the Queenslander North prospect on EPM 12119, which has a strike length of at least 400 m and along strike from Queenslander. The intersections were

#### Drill Hole EBD07001

- Intersection is **27.1 m @ 1.08 g/t Au** (from 41.0 m down the hole)
- The intersection includes 1.5 m @ 4.54 g/t (from 46.1 down the hole) and 4.1 m @ 3.0 g/t (from 52.9 m down the hole)

#### Drill Hole EBD07002

- Intersection is **20.1 m @ 0.55 g/t Au** (from 54.0 m down the hole)
- The intersection includes 6.0 m @ 0.78 g/t Au (from 54.0 m down the hole)

In both diamond drill holes, the entire length of the hole was split and assayed in approximately 1 m intervals. The grade of each intersection above is calculated by the sum of sample length of drill core times the assay grade for that interval divided by the total length of the selected intersection. These down-hole intersections have not been adjusted for true width.

The above intersections are open in both directions, and at depth, where the grade is expected to increase.

The exploration model being used at Ebagoola (as disclosed in the Prospectus 5 June 2007) is the occurrence of large halos of disseminated mineralisation around the central shear zone, which is usually occupied by massive quartz veins. The halos are very extensive laterally away from the quartz filled shears, and are the product of very intense hydrothermal (epithermal) alteration. IP surveys conducted over eight prospects within EPM 12119 all displayed chargeability zones adjacent to the central shear, which at Queenslander North, is mapping disseminated sulphides, as seen in the drill core. All IP anomalies indicate a depth extent of 50 m to more than 200 m.



“The alteration mineral suite encountered in the drilling is similar to that which was observed at surface at the Kidston mine, in North Queensland” said Managing Director, Graham Reveleigh. “These results, from first pass drilling, are extremely encouraging. We observed the same intense alteration in all the drill holes completed, and eagerly await the rest of the assay information from the assay lab.”

The other five holes were drilled into the following prospects, for which assays will be received in the coming weeks.

- 2 holes completed at Queenslander (strike length 350 m)
- 1 hole completed at True Blue (strike length 50 m and on strike with Queenslander)
- 1 hole completed at Random (strike length 1000 m)
- 1 hole at Mark’s Reef (strike length 1200 m)

For more information contact Graham Reveleigh 07 4033 1805

“The information in this Announcement that relates to Exploration Results is based on information compiled by Graham Reveleigh, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Reveleigh is the Managing Director of Gulf Mines Limited, and 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 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Reveleigh consents to the inclusion in the report of the matters based on his information in the form and context in which it appears”.