



GULF MINES LIMITED

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ASX ANNOUNCEMENT

29th November 2007

Option to Acquire Iron Ore Project



Gulf Mines Limited (ASX:GLM) announce that the company has entered into an Option Agreement with Queensland Industrial Minerals Ltd (QIM) a public company resident in Queensland, the owner of a significant Iron Ore Project, adjacent to the coast near Bundaberg in Queensland. The project is secured by granted tenements EPM 13278, covering 88 sq kms, and MDL 355. The Option covers acquisition of the project or the company.

The company is finalizing its due diligence process and research on all the exploration data available from QIM's database and public records. The due diligence study, already commenced, is scheduled for completion prior to Christmas 2007.

As pertinent facts about this project become available to GLM further announcements will be made to the market. Consideration details will be confirmed following finalization of due diligence.

The Managing Director Graham Reveleigh said "The acquisition of this Iron Ore project could add a third significant mineral arm to Gulf Mines Ltd existing projects, which are the Copper and Uranium project at Wologorang NT and the Ebagoola Gold project in Far-North Queensland".



for further information contact Graham Reveleigh 07 4033 1805

Gulf Mines Limited is a rapidly developing junior exploration company with significant projects in the Northern Territory and Queensland for uranium, copper and zinc, gold and diamonds.

The Company is focused on bringing the targets in these project areas to development by ground exploration and drilling as quickly as is technically possible.