

3 December 2007

The Manager
Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

Loyalty Options – Notification of Under Subscriptions

The Company wishes to advise that, of the 73,991,268 Options which were available to be taken up under the Offer, a total of 70,785,614 were accepted by shareholders.

The 3,205,654 Options remaining will be taken up by Findlay Securities Pty Ltd, pursuant to an Underwriting Agreement dated 19 October 2007.

Yours faithfully,
GULF MINES LIMITED

DARREN THAMM
COMPANY SECRETARY