

Vermiculite Offtake Agreement Signed

The Directors of Gulf Resources Ltd (ASX:GLF; "Gulf") are pleased to announce that the company has signed a Heads of Agreement with a customer in Europe for the long term offtake of 5,000 metric tonnes of vermiculite per annum from the East African Vermiculite operation.

The customer is a substantial end-user of vermiculite, which has agreed to a 10 year offtake. At the customer's behest, the specific terms of the agreement (including the identity of the customer) are confidential and cannot be disclosed at this time.

This long term offtake arrangement accounts for more than 60% of the current forecast output of the East African Vermiculite operation.

About Gulf Resources Limited (Gulf)

Gulf is a resource development company that creates value for shareholders through the identification, acquisition and valorisation of resource focused projects, with a particular emphasis on regions where Gulf maintains relationships that provide a strategic advantage.

With a team of experienced engineering, project management, legal, financial and resource specialists, Gulf fosters and seeks to develop projects of major significance to both the company and the countries in which Gulf operates.

Gulf currently operates in Eastern Africa, Vietnam, and Northern and Eastern Australia.

Further Information

Scott Reid, Executive Chairman

t | 02 8247 5333

Andrew Johnstone, Chief Operating Officer

t | 02 8247 5333

CP Statement

The information in this release that relates to the Exploration Process is based on information compiled by Andrew Johnstone who is a member of the Australian Institute of Geoscientists (AIG). Andrew Johnstone provides exploration management consulting services to Gulf Resources Ltd and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which Andrew Johnstone 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'. Andrew Johnstone consents to the inclusion in the press release of the matters based on his information in the form and context in which it appears.