

AN OPEN LETTER TO GULF SHAREHOLDERS – 20 February 2015

Dear Gulf Shareholders,

This letter is to update you since my last letter of 10 February 2014.

There is very little to update shareholders on from my last letter to Shareholders.

With regards the “Cease Trade Orders” there has been no movement on this. The negotiations with a Chinese company referred to in my last letter to Shareholders in February 2014 have ceased since the Takij Government has still not yet agreed to dilute its holding from 51% down to 30%. Please see my previous letter for a fuller description. The Chinese company simply got fed-up with waiting and has not replied to any of our emails so we can only assume they no longer have an interest.

The Timeless Precious Metals Fund (TPMF) has once again agreed to extend its loan of Can\$1m for a further year to June 2015 (please see my letter of February 2013 for more details).

The updated current look through value of Gulf shares has been further diminished since Central Asian Minerals and Resources Plc (CAMAR) was removed from the London ISDX market due to its inability to pay the annual fees required to be on this market. It now trades on the JPJ matched bargains exchange. The share price at the time of delisting from ISDX was 36p but currently it is not possible to put a price on the shares since none have traded since then. Therefore I cannot make any form of accurate estimate of value. Gulf has about 126m shares in issue and assets made up of:

- 4,188,087 CAMAR shares currently with limited value
- 4,282,655 Romios shares currently trading at about 5 cents Canadian. (Can\$214,000)

Liabilities of:

- Can\$1.25m approximately, of loan and accumulated interest due to the TPMF

The approximate value of each Gulf share is therefore probably below one cent Canadian. This may help you to work out the theoretical value of your holding

As I said in my last letter to shareholders I wish I had more positive news but I do not. This whole episode has been deeply frustrating for all concerned.

Oliver Vaughan