

AN OPEN LETTER TO GULF SHAREHOLDERS – 1 February 2013

Dear Gulf Shareholders,

This letter is to update you since my last letter of 16 April 2012.

Our attempts to get the “Cease Trade Orders” lifted have been frustrating to say the least. We have now been informed by the Regulator that Gulf will require three years of “clean” audits before lifting the Orders will be considered. Consequently the timeframe will move out to sometime in mid 2014 before we can apply for the “Cease Trade Orders” to be lifted.

As referred to in my previous letter Gulf has an outstanding loan to The Timeless Precious Metals Fund (TPMF) of Can\$1m plus interest which is secured against the shares that Gulf owns in Central Asian Minerals & Resources Plc (CAMAR) and in Romios Gold Resources Inc so Gulf is not in a position to sell either of these holdings to fund the accountancy requirements to get three years of historically unqualified audits. However the agreement with The TPMF expires in June 2013 although I am hopeful that the TPMF will agree to a further twelve month extension. The conversion price was fixed at the last extension as to the closing prices of both CAMAR and Romios Gold as at 31 December 2012

Once the “Cease Trade Orders” have been lifted which I hope will be sometime in 2014 then the forward looking plan has changed from my last letter and the board would look, following the repayment of the TPMF loan, to distribute the remaining holdings in CAMAR and Romios Gold to all shareholders on a pro-rata basis and then liquidate Gulf.

The current look through value of Gulf shares is approximately 1.5 pence per share. This is based on Gulf having about 126m shares in issue, assets made up of:

- 4,188,087 CAMAR shares currently trading at about 65 pence and
- 4,282,655 Romios shares currently trading at about 10 cents Canadian.

Liabilities of:

- Can\$1m and accumulated interest from the TPMF

the approximate value of each Gulf share is about 2.4 cents Canadian. This may help you to work out the theoretical value of your holding

I wish I had more positive news for shareholders but I do not. This whole episode has been deeply frustrating for all concerned.

Oliver Vaughan