

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

GULF MINERALS CORPORATION LIMITED

ABN

73059954317

Quarter ended ("current quarter")

31 March 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(118) - - (312)	(124) - - (989)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (professional fees for DD)	(183)	(183)
Net Operating Cash Flows	(613)	(1,296)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	25 - -	150 - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	25	150
1.13 Total operating and investing cash flows (carried forward)	(588)	(1,146)

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1.13	Total operating and investing cash flows (brought forward)	(588)	(1,146)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	785	1,827
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	34
1.17	Repayment of borrowings	(120)	(485)
1.18	Dividends paid	-	-
1.19	Other (capital raising costs)	(62)	(91)
	Net financing cash flows	603	1,285
	Net increase (decrease) in cash held	15	139
1.20	Cash at beginning of quarter/year to date	128	4
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	143*	143*

* the major shareholder has committed to funding the company when required in the short term until suitable capital is raised to meet the Company's expenditure commitments.

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	58
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Nil

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	Nil	Nil
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	10
4.2 Development	-
4.3 Production	-
4.4 Administration	120
Total	130

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	143	128
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	143	128

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Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements and petroleum tenements acquired or increased	-	-	-

*Please see Appendix 1 in the Activity Report for the updated tenement listing schedule.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)	
7.1	Preference + securities (description)				
7.2		Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	73,770,637	73,770,637	Fully Paid	Fully Paid
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	24,537,962	24,537,962	\$0.03	\$0.03
7.5	+Convertible debt securities (description)	50* 7,500,000**		\$10,000 \$0.03	\$10,000 \$0.03

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	7,500,000** 10*		\$0.03 \$10,000	\$0.03 \$10,000
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
		211,671	-	\$1.00	30/04/2015
		1,279,000	-	\$0.375	30/06/2016
		13,900,000	-	\$0.375	31/07/2017
		7,500,000	-	\$0.25	31/12/2018
7.8	Issued during quarter	7,500,000	-	\$0.25	31/12/2018
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

**Refer note below in relation to the summary of the material terms of the Convertible Note Facility. (Note 1)*

***Refer note below in relation to the summary of the material terms of the Convertible Note Facility. (Note 2)*

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does /does not* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: Date: 29 April 2015
(CFO & Company Secretary)

Print name: Leonard Math

+ See chapter 19 for defined terms.

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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*Convertible Notes Facility (Note 1)

Unsecured convertible notes with the following principal terms:

1. Face value - \$10,000 per convertible note.
2. Conversion – Each note may be converted into Gulf shares at the rate of 85% of the 30 day VWAP at the Holders option after 12 months from issue
3. Interest – payable quarterly at 10% per annum.
4. Redemption – Each note may be redeemed at the Holders option 12 months from issue or any time thereafter with 3 months notification and all outstanding notes will be redeemed in full 36 months from issue
5. Term – 3 years from the date of issue.

****Convertible Notes Facility (Note 2)**

Unsecured convertible notes with the following principal terms:

1. Face value - \$0.03 per convertible note.
2. Conversion – Each note may be converted into Gulf shares at the conversion price of \$0.03 and at the Holders option but subject at all times with compliance with the Corporations Act.
3. Interest – Nil
4. Redemption – Each note may be redeemed at the Holders option 12 months from issue or any time thereafter with 3 months notification and all outstanding notes will be redeemed in full 5 years from issue.
5. Term – 5 years from the date of issue.

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