

Gulf Resources has made progress in completing the factory site for the Yuxin Chemical plant. As shown from the three photos below, we have completed most of the construction of the factories for the Yuxin Chemical plant.



**Factory Site**



We have also accepted the delivery of the water jet vacuum units, the screw vacuum units and the closed water ring vacuum units as shown below.



**Water Jet Vacuum Units**



**Screw Vacuum Units**



**Closed water ring  
Vacuum Unit**

We are expecting the delivery of the rest of equipment including the sewage and waste gas treatment equipment.

After all equipment has been delivered, installed and complete the construction, the Company expects to obtain government approvals including the safety and environmental protection approval. Upon approval, the Company expects to begin equipment testing, and trial production. The Company expects may take additional 6 to 8 months to complete the process.