

**ASX Announcement**  
**23 January 2017**

## Gulf Company Update

- **Appointment of highly experienced Operations Manager, Paul Robinson, to oversee development of Kupang Smelting Hub Project**
- **Signing of EPCM contract with South African smelting engineers XRAM Technologies Pty Ltd**
- **Gulf continuing to work with Pak Marthen to secure US\$10 million cornerstone investment – discussions also underway with additional funding providers**

**Gulf Manganese Corporation Limited** (ASX: GMC) (“**Gulf**” or “**the Company**”) provides this update on recent operational developments, including the appointment of an Operations Manager for the Kupang Smelting Hub and the appointment of XRAM Technologies Pty Ltd (“XRAM”) as EPCM contractor for the construction of the Hub.

### Appointment of Operations Manager

Gulf is pleased to announce the appointment of Paul Robinson as Operations Manager. Paul will be based in Kupang and will manage the implementation and development of the Kupang Smelting Hub Facility in West Timor.

Paul is a minerals processing professional with more than 20 years of experience in senior operational roles in the resources industry, having established a strong track record in managing complex commercial project agreements and stakeholder relationships.

Most recently, Paul has held the position of Chief Executive Officer – Cape Preston Port Operations with Mineralogy Pty Ltd, where he was responsible for the implementation of the port operations function. Prior to this, Paul has held several key leadership positions across metallurgical smelting and refining operations for nickel, cobalt, ferroalloys, lead and zinc at BHP Billiton, Mount Isa Mines, manganese smelting at BHP Temco and smelting manager at Pasminco Metals.

Paul holds a Bachelor of Engineering in Metallurgical Engineering from the University of South Australian Institute of Technology and a Graduate Diploma of Management (Technology Management) from Deakin University.

Concurrent with Paul’s appointment, the Company’s Chief Financial Officer and Company Secretary, Leonard Math, has been appointed full-time. Leonard will continue to be based in Perth.



## EPCM Contract Awarded

Gulf is also pleased to advise that XRAM has been appointed as the EPCM contractor, to deliver the Kupang Smelting Project. The EPCM contract value is USD14.5 million. XRAM has been working closely with Gulf on the development of the Kupang Project to date, providing engineering and pyrometallurgical support.

The delivery of the Kupang Project includes the refurbishment of the two smelters purchased from Transalloys, transportation of the smelters from South Africa to Kupang and the construction of the new smelting hub in Kupang.

## Cornerstone Investment Update

As previously advised, Gulf entered a binding agreement with a high net worth Indonesian investor from Kupang, Pak Marthen, to invest US\$10 million for 10% equity in the Company's Indonesian subsidiary PT Gulf Mangan Grup ("PT Gulf").

Pak Marthen is simultaneously funding another unrelated project as well as the PT Gulf Investment, and due to some unforeseen processing issues related to the transfer of funds there have been delays in PT Gulf receiving this investment.

As a result, Gulf has made the prudent decision to explore alternate funding avenues whilst the investment from Pak Marthen is finalised, and will provide a further update to shareholders on these funding discussions shortly.

Gulf is continuing to work closely with Pak Marthen and expects the funds to be deposited in two tranches – first tranche imminently and the second tranche by mid-February. The Company will remain suspended until the issues are resolved and funds are placed with the PT Gulf.

**Gulf's Managing Director, Hamish Bohannon, commented:** "The key priority for the Board and management is to ensure the development of the Kupang Smelting Hub Facility remains uninterrupted, as we target our first shipment of premium manganese alloy in the next 12 months.

In recent weeks, there have been some unforeseen delays in the receipt of the funds, therefore the Board has made the prudent decision to explore alternative funding avenues whilst we continue to work with Pak Marthen to finalise the proposed Indonesian cornerstone investment.

We are also very pleased to have appointed Paul Robinson as our Operations Manager, as his wealth of experience will play a key role in the development of the Kupang Project.

Gulf is committed to rapidly advancing the development of the Kupang Project, and is focused on executing key near-term objectives including the securing of our first two ferromanganese smelting furnaces from South Africa, and the commencement of construction of these first two furnaces."



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# gulf

The Company requests the voluntary suspension remain in place until the Company makes an announcement to the market confirming the receipt of the funds.

The Company is not aware of any reason why the suspension should not be granted.

**For further information please contact:**

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**About Gulf Manganese Corporation (ASX: GMC):**

Gulf's strategy is to develop an ASEAN focused manganese alloy business based in Kupang, West Timor, taking advantage of the low operational and ore costs, combined with modest power costs. Targeted production will be a premium quality 78% ferromanganese alloy resulting from the unique qualities of the Indonesian high grade (greater than 50%) low impurity manganese ore.

