



# GULF MANGANESE CORPORATION LIMITED

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ACN: 059 954 317

Media Release  
27 May 2015

## Gulf Manganese – Asia Mining Congress Presentation

**Gulf Manganese Corporation Limited (ASX: GMC)**, is pleased to provide shareholders a copy of today's company presentation to this year Asia Mining Congress being held in Singapore.

The annual Congress attracts an international audience consisting of government officials, senior industry figures, institutional and private investors and as such Gulf received a high level of exposure for the proposed Indonesian alloying business. The recently released Timor Smelter Study was a centre piece of the company's exposure to the Congress delegates.

Gulf's display booth attracted a great deal of interest, particularly from Chinese delegates who were keen to learn about the plans to develop a premium manganese alloying facility in the "go to place" of Indonesia.

Gulf's Commercial Manager, Helen Halliday, commented ..... "I was surprised at the high level of interest in Gulf's plans to produce a cost efficient quality manganese alloying taking advantage of Indonesia's very high grade manganese ore particularly from Asian investors".

For more information please visit: <http://www.gulfmineralscorp.com/>

### For further information please contact:

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Developing Premium Indonesian Manganese Alloys





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## About Gulf Manganese Corporation Limited

Gulf Manganese Corporation Limited is an Australian registered company (ACN 059 954 317) listed on the Australian Securities Exchange (ASX: GMC) with its head office in Perth, Western Australia.

The company is developing an ASEAN focused manganese ore and alloy producer. The facilities based in the West Timor capital Kupang will take advantage of the low cost of ore, labour and power being the majority of operating costs. Production will be a premium quality 78% ferromanganese alloy resulting from the unique qualities of the Indonesian high-grade low impurities manganese ore.

It is proposed to build 8 furnaces over a 4 year period for a total capital cost of US\$68m funded by an IPO on the Catalist board of the Singapore Stock Exchange raising \$US25m, modest project debt and operational cashflow.

The first two furnaces aim to be built during 2015, coming online January 2016, with a further two furnaces each year, 2017, 2018 and 2019. Each furnace has a capacity of 20,000 tonnes alloy production per year and on today's alloy prices producing US \$22m revenue.

During construction Gulf plans to be exporting 50% plus manganese ore to provide early cash flows and from 2015 the annual exports would commence at around 60,000 tonnes and increase by 30,000 tonnes per year to 180,000 tonnes in 2018. Ore will be sourced from West and East Timor together with other localities.

Value adding ores is strongly encouraged by the Indonesian Government to enrich the country's mineral endowment thereby enhancing the economy and creating employment.

All initiatives to value adding have full support from all levels of government and GMC will benefit from the Government's Financial Incentives Programme which effectively will result in a 10 year tax holiday, together with other tax exemptions.



Ore

Processing

Tapping

Alloy



Developing Premium Indonesian Manganese Alloys





# GULF MANGANESE CORPORATION LIMITED

(ASX : GMC)

Indonesian Manganese Ore and Alloy Developer





- Developing Indonesian manganese alloy smelter - West Timor
- Online Q3 2016
- Project Advantages:
  - Low cost, low impurity, high grade manganese ore
  - Beneficial labour cost
  - Modest power cost
  - Fiscal incentives and 10 year tax holiday
  - Established port and infrastructure
- Producing premium quality 78% manganese alloy
- Directors and management – substantial manganese and Indonesian experience,
- Cashflow from ore trading during construction
- Total capital cost \$68m spread over 4 years
- Funding equity, debt, cashflow



### Head Office

78 Mill Point Road  
South Perth Australia  
Telephone : +61 8 9367 9228  
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Email : info@gulfmanganese.com

### Issued Capital

Ordinary Shares : 73,770,638  
Unlisted Options : 15,390,671  
Market Capitalisation : AUD\$3.69M  
ASX Code : GMC  
Major Shareholder : Leprechaun Holdings 27%

**Graham Anderson**



Executive Chairman  
Corporate – Compliance,  
governance and auditing

**Peter Williams**



Non Executive Director  
Geologist – Instrumental in  
Woodie Woodie discoveries

**Paul O'Shaughnessy**



Non Executive Director  
Processing – Specialist  
alloy manufacturer

**Michael Walters**



Non Executive Director  
Marketing – Developed  
Woodie Woodie global sales

**Michael Kiernan**



Director  
PT Gulf Mangan Grup  
Woodie Woodie developer

**Jacques Beylefeld**



Director of Operations  
PT Gulf Mangan Grup  
Metallurgical Engineer



## Republic of Indonesia

Snap shot

- Independence 1945
- President elected Head of State
- World's largest Muslim population
- Climate: tropical hot humid
- Capital: Jakarta
- 34 provinces
- 13,500 islands
- Founding member of ASEAN
- Member G-20





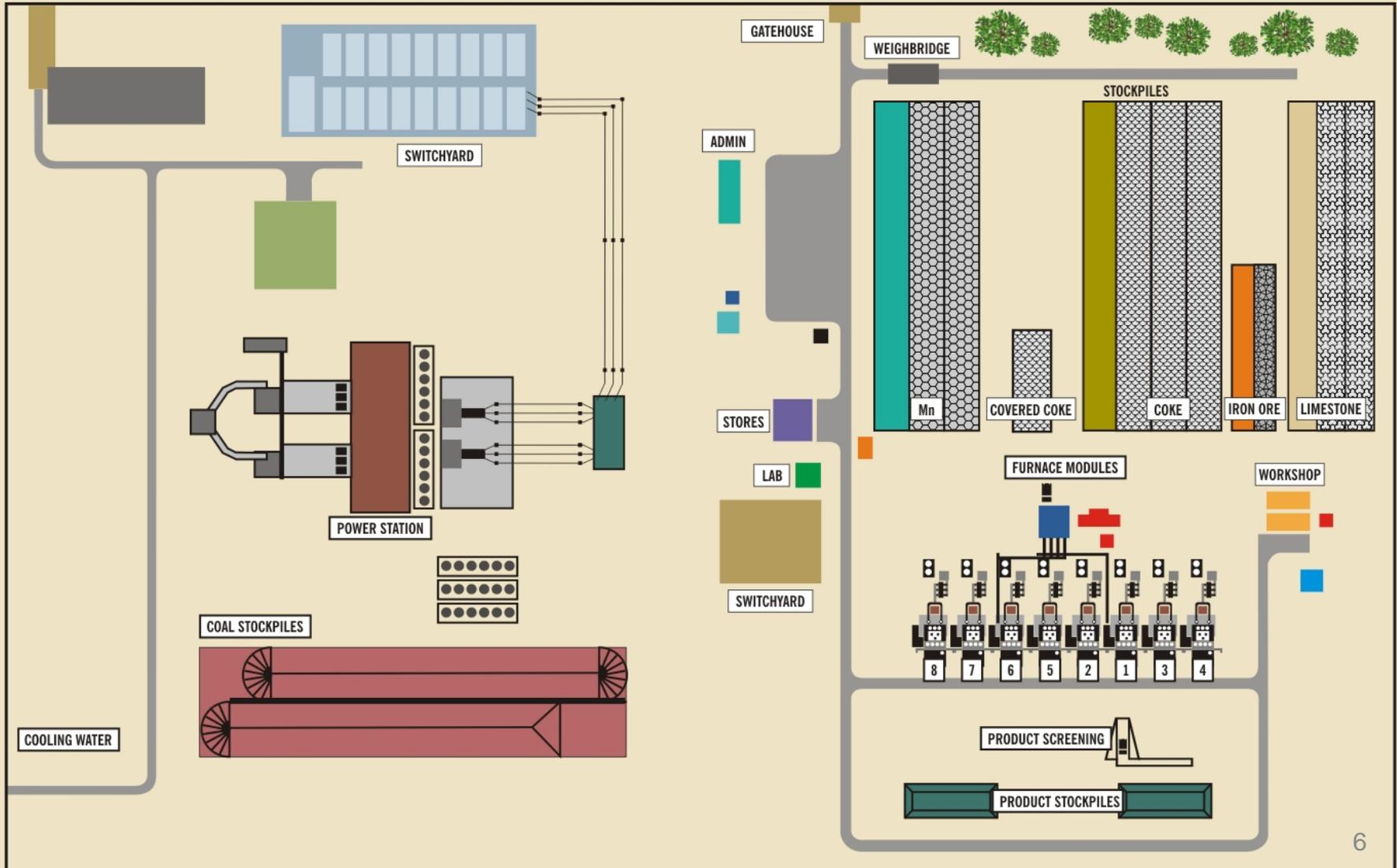
- Thermal coal 350,000,000 tonnes
- Tin 90,000 tonnes
- Copper 720,000 tonnes
- Gold 2,100,000 ounces
- Nickel 87,500 tonnes (re-commenced)
- Bauxite 30,000,000 tonnes



# GULF MANGANESE CORPORATION LIMITED

## Site Plan

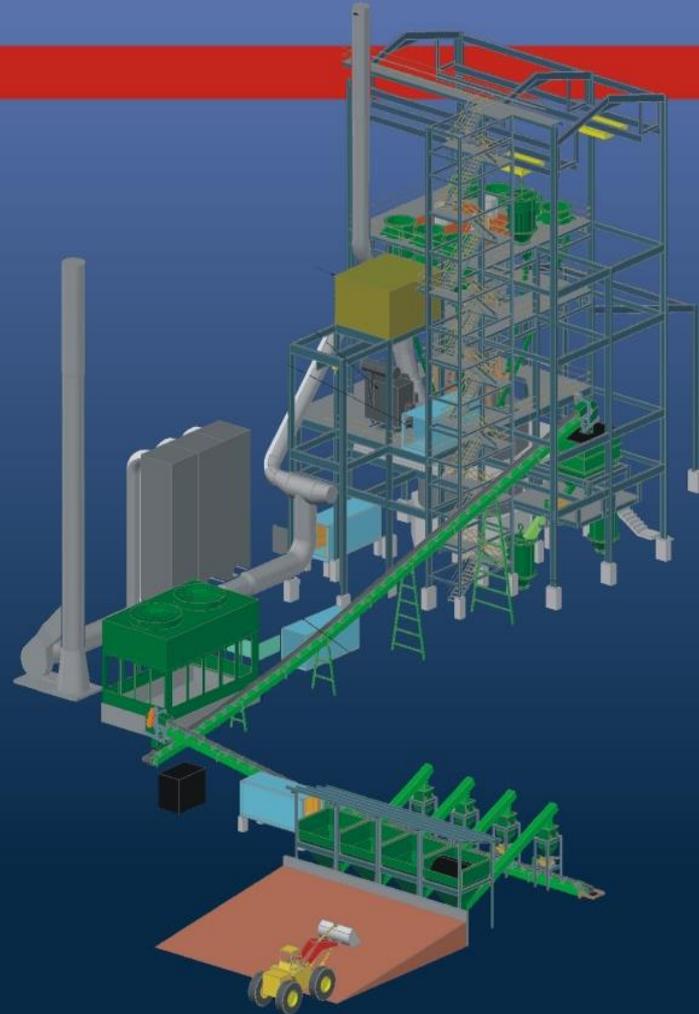
Self contained – 30 hectares





# GULF MANGANESE CORPORATION LIMITED

Fly through presentation  
Alloy Smelter  
Kupang, West Timor

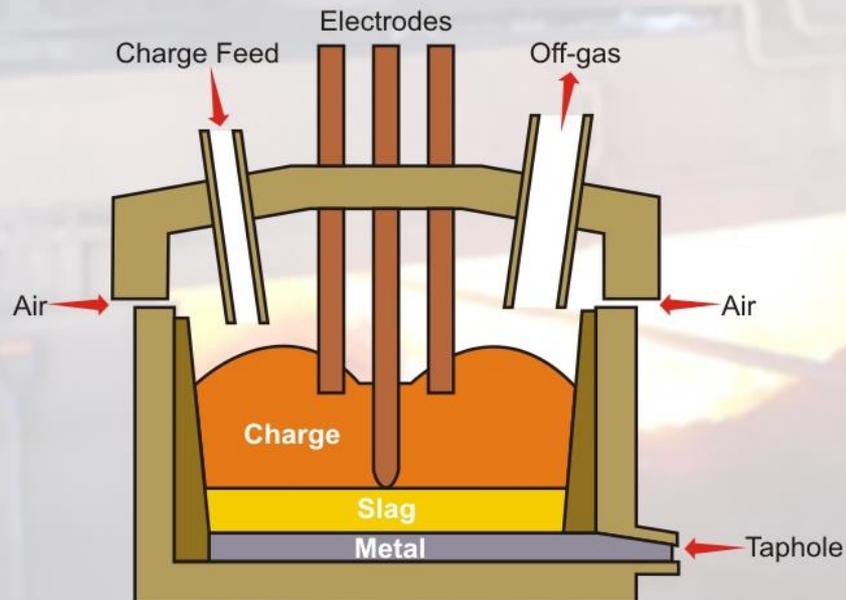




## AC ARC Furnace

Proven technology

- High temperatures release metal from ore to produce alloy
- Fixed semi-closed furnaces
- Proven technology over many years
- South African built in modular form eliminates construction risk

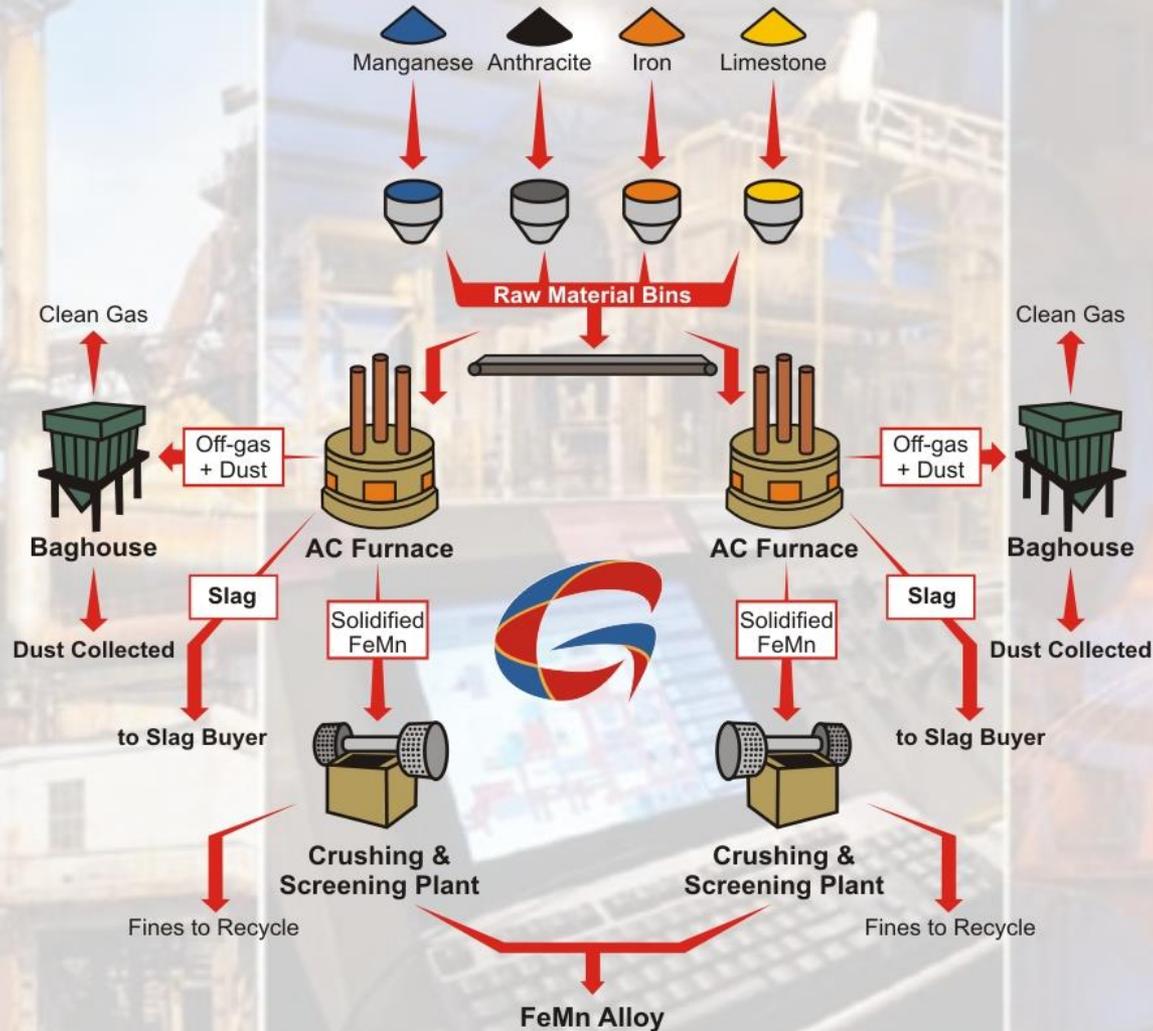




# GULF MANGANESE CORPORATION LIMITED

## Process

## Standard furnace process





## Smelting

\$52m capital cost funded

- Converts 52% ore into 78% manganese alloy
- 8 furnace complex built in stages over four years
- Power supplied by 3<sup>rd</sup> party on unit cost basis
- Capital cost \$68m funded by capital raising, project debt and cash flow
- Toll treating other miners ore
- Indonesian and Asian hub for alloying





## Smelter Construction

Proven engineering

- World leading pyrometallurgy technology
- Will draw on considerable South African smelter experience
- Provides technical benefits for Indonesia - leading pyrometallurgical knowledge transfer
- No chemicals
- Particle emissions trapped in bag house
- Compliant with international environmental requirements





- Annual ore requirements: 260,000 tonne – Indonesia  
100,000 tonne – Imported
- Ore supply:
  - PT Century Metal Indo (Local)
  - IMC Ores and Alloys (Imported)
- Ore quality:

Indonesia Ore	52% Mn	2% Fe
Imported Ore	35% Mn	15% Fe
- Alloy specifications:

78%	Manganese
12%	Iron
7.5%	Carbon
1%	Silicon
- Create 650 direct jobs with flow on 4,500 jobs



## Manganese

The wonder element

- Fourth most used metal after iron, aluminium and copper
- 90% for steel industry
- Essential for steel production
  - De-sulphurises and de-oxygenises
  - Increases strength and hardness
- Other uses: Dry cell batteries, agriculture, health and certain alloys



Ore

Processing

Tapping

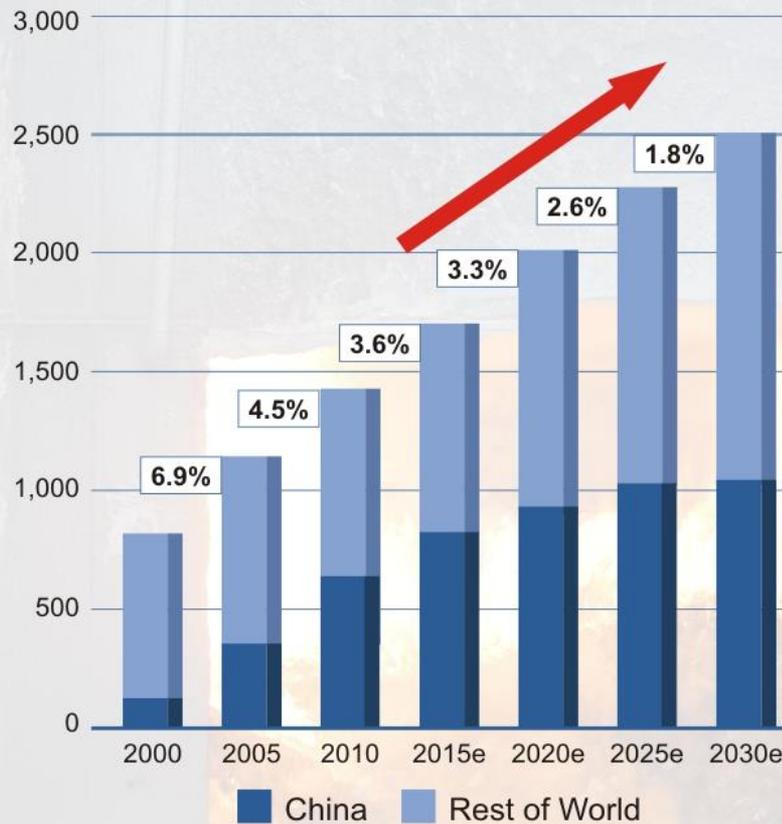
Alloy



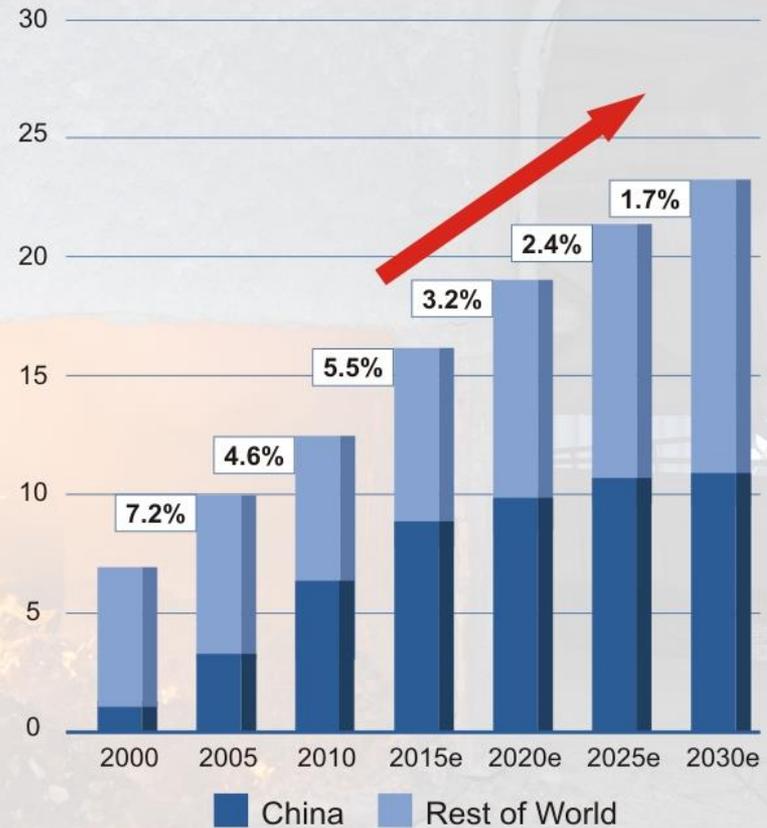
## Demand Projections

Gulf geared for growth

### Global steel production (million tonnes)



### Global manganese ore in alloys (million tonnes, contained Mn)



CAGR over 5 year period



# GULF MANGANESE CORPORATION LIMITED

Gulf Sales Network

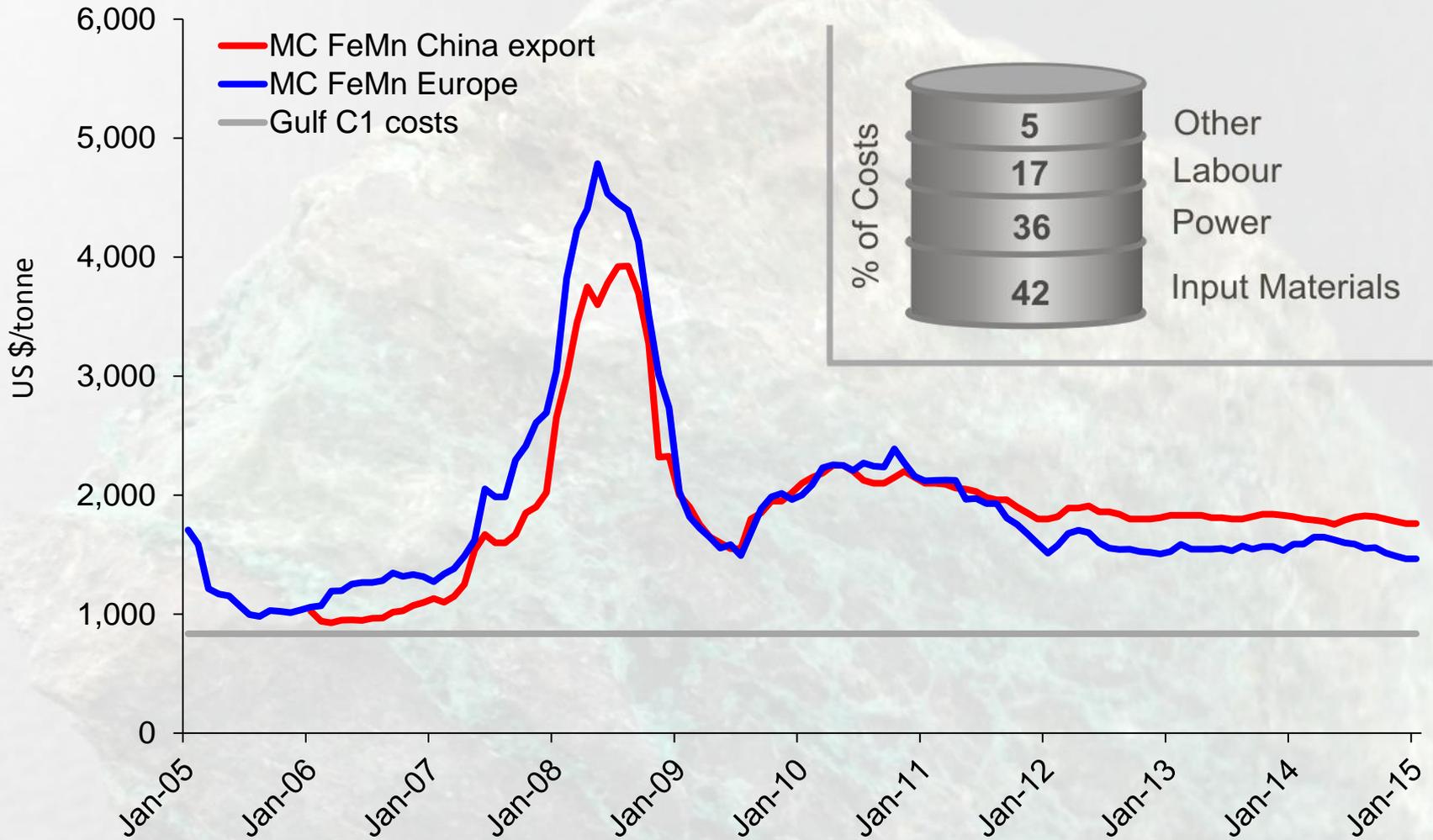
Global demand – Premium quality





## Manganese Alloy

Spot prices 2005-2015

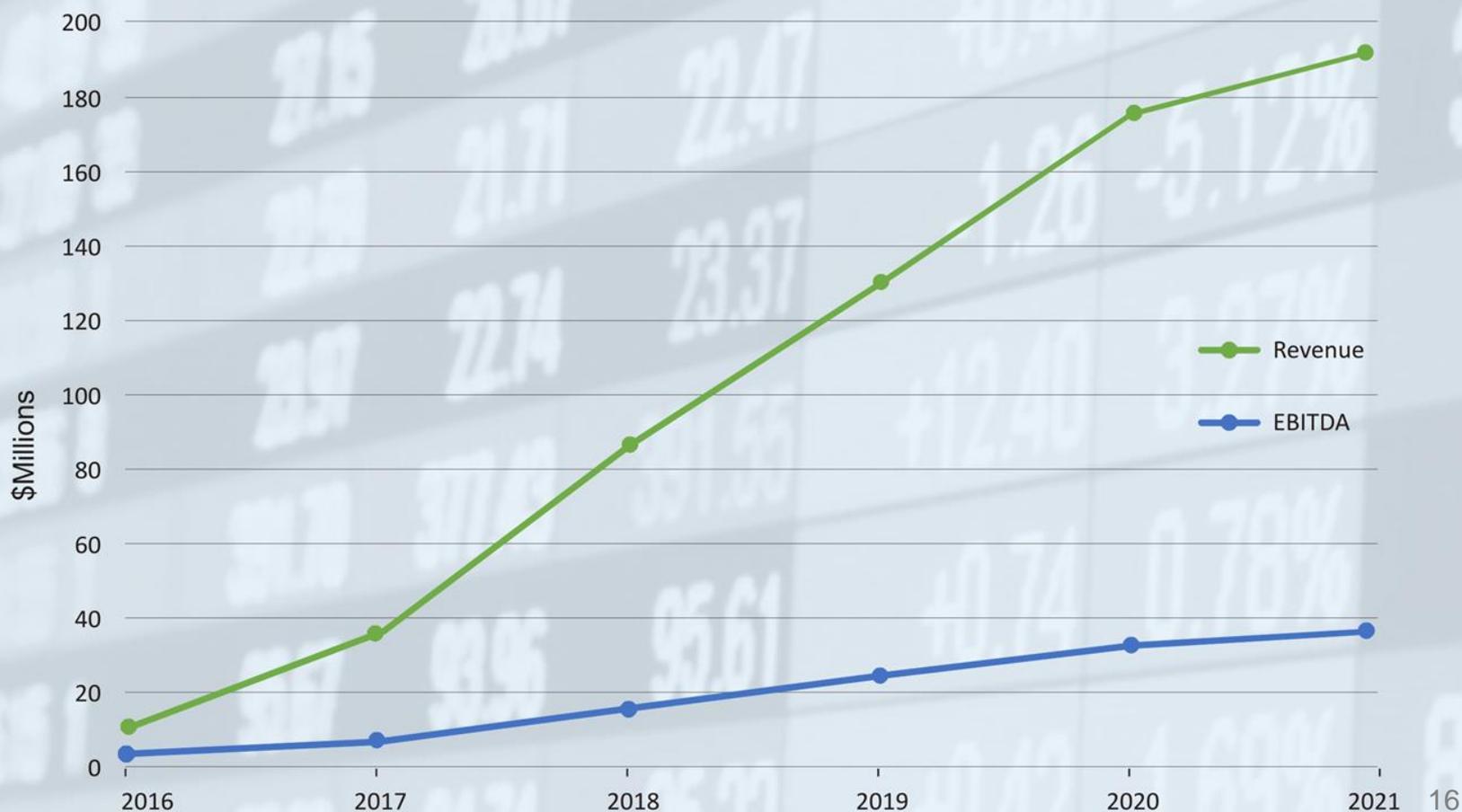




## Management Projections

50% profit distribution

	2016	2017	2018	2019	2020	2021
Revenue (m)	12.6	38.0	83.4	128.6	173.7	191.1
EBITDA (m)	1.8	5.5	13.5	21.7	30.3	34.4
EPS (c)	1.0c	3.1c	7.5c	12.0c	16.9c	19.1c





*Gulf Manganese developing – A fully integrated manganese enterprise*

- Sound project economics (80% industry average)
- Highest quality ore (56%) producing premium manganese alloy
- Established port and infrastructure
- Government full support, fiscal incentives, tax holidays
- Board/Management depth of manganese and Indonesian experience
- Global sales network
- Modest capital requirement
- Early cash flow



- ASX listed group with skilled Directors and Management
- Developing Indonesian manganese smelter with latest technology
- Premium ferro manganese alloy
- Toll treating other miners ore
- Costs 80% of industry average
- \$68m capital spread over 4 years
- Funds equity, debt, cashflow
- Cashflow trading during construction
- Government support, assistance and Tax benefits
- Dual Listing Catalist Board Singapore Exchange



## Corporate Directory

### Registered Office

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South Perth, WA 6151  
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Facsimile: +61 8 9367 9229  
[www.gulfmanganese.com](http://www.gulfmanganese.com)

### Postal Address

PO Box 884  
South Perth, Western Australia 6951

### Legal Advisors

Christian Teo Purwono (Indonesia)  
Lemonis Tantiprasut Lawyers (Australia)  
Steinepries Paganin (Australia)

### Bankers

ANZ Banking Group  
PT ANZ Indonesia

### Australian Securities Exchange

ASX Code: GMC

### Share Registry

Automatic Registry Services

### Auditors

Somes Cooke

### Corporate Advisors

GDA Corporate

### Geological Advisors

SRK Geological Consulting

### Geological Services Advisors

Golder Associates (Indonesia)

### Project Managers

Como Engineering

### Pyrometallurgical Engineers

Xram Engineering (South Africa)

### Industry Associations

Australian Indonesian Business Council  
Indonesian Chamber of Commerce  
Indonesian Smelter Processing Association  
Indonesia Institute

### Investor Relations

Bourse Communications



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Thank you.



# GULF MANGANESE CORPORATION LIMITED

Delivering benefits for all stakeholders

## Thank You



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