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www.gulfmanganese.com
ACN 059 954 317

gulf

ASX Announcement
20 September 2016

Unmarketable Parcel Share Sale Facility

Gulf Manganese Corporation Limited (ASX: GMC) ('Gulf' or 'the Company') is pleased to announce that it will offer an unmarketable parcel share sale facility (Sale Facility) in accordance with the Company's Constitution and the ASX Listing Rules, which provides eligible shareholders with the opportunity to sell their shareholding without incurring brokerage or handling costs.

The Sale Facility is available to shareholders who at 5.00pm WST on 15 September 2016 were registered holders of less than a marketable parcel of Primary's shares (being a holding with an aggregate market value of less than \$500).

The Company has approximately 1585 shareholders, of which approximately 676 (or 0.23% of the issued capital) hold less than a marketable parcel of shares. The sale of these unmarketable parcels of shares will assist the Company to lower its administrative and share registry costs and enable shareholders with small shareholdings to sell their shares without incurring brokerage costs.

Attached is a copy of the correspondence being sent to eligible shareholders.

For any further questions regarding this facility please contact the Company via the contact details below.

For further information please contact:

Leonard Math
Company Secretary

Gulf Manganese Corporation Limited
T: 08 9367 9228
E: lmath@gulfmanganese.com

Released through Sam Burns, Six Degrees Investor Relations M: +61 400 164 067

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 (these being a combined 84% of total costs). Targeted production will be a premium quality 78% ferro manganese alloy resulting from the unique qualities of the Indonesian high grade (greater than 50%) low impurity manganese ore.



Gulf Manganese Corporation Limited
Developing Premium Indonesian Manganese Alloys
www.gulfmanganese.com

20 September 2016

Dear Shareholder,

Notice of intention to sell unmarketable parcels of shares

Gulf Manganese Corporation Limited (**Company**) is pleased to offer eligible shareholders the opportunity to sell their small shareholding without incurring any brokerage or handling costs.

This offer applies to shareholders who at 5:00pm WST on 15 September 2016 (**record date**) were holders of ordinary shares in the Company (**shares**) valued at less than \$500 (**unmarketable parcel**) based on a price of \$0.017 per share, being the closing price of shares on the Australian Stock Exchange (**ASX**) on the record date.

The Company is offering this facility as it provides the following benefits:

- Holders of an unmarketable parcel have the opportunity to sell their shares without incurring a brokerage or handling cost which, in proportion to the value of their holding, may otherwise render a sale unattractive or uneconomical; and
- The expense and administration involved in maintaining shareholders with unmarketable parcels is reduced. The Company has approximately 1,585 shareholders of which approximately 676 hold less than a marketable parcel of shares that in aggregate represent approximately 0.23% of all issued shares. Shareholders who own 29,412 shares or more will not be eligible to participate in the unmarketable parcel sale.

Our records show that you are the holder of an unmarketable parcel as at the record date and accordingly your shareholding is eligible for this share sale facility. You may choose to sell your holding or retain your existing holding.

If you want the Company to sell your less than marketable parcel under the share sale facility please complete the Direct Crediting of Payments instruction on the Share Sale Facility Form. The Company has appointed Triple C Consulting Pty Ltd to act as an execution-only broker on behalf of shareholders to effect any sales under this facility.

By refraining from taking action, in accordance with the ASX Listing Rules and the Company's constitution, after the Closing Date of 2 November 2016, you will be deemed to have irrevocably appointed the Company as an agent:

- i) to sell all of your shares at a price not less than the simple average of the last sale price of shares for each of the ten trading days before the date of any offer for those shares; and
- ii) to deal with the proceeds of the sale being forwarded to you as soon as practicable.



Australian residents will only be paid their sale proceeds in Australian dollars by direct credit to an account held with an Australian Financial Institution. Non-resident holders who do not have an account with an Australian Financial Institution will be paid in Australian dollars by cheque.

If you wish to retain your existing holding then you must either:

- correctly complete, sign and return the enclosed Share Retention Form so that it is received by 5.00pm (WST) on 2 November 2016, being the Closing Date of this facility;
- if you hold shares in multiple holdings, arrange to have these holdings merged into one holding which has 29,412 or more shares on the Closing Date; or
- make your own arrangements outside this facility to purchase additional shares so that you are the registered holder of 29,412 or more shares on the Closing Date.

If you successfully take one of these steps, the Company will not be entitled to sell or buy back your shares.

If you want to retain your holding, you must return to the Company the attached Share Sale Facility form no later than 5.00pm (WST) on 2 November 2016. If the Share Sale Facility form is not received by this date, your shares will be sold by the Company.

The Company will place all of the unmarketable parcel shares from eligible shareholders who participate in the Facility with a broker and they will be sold under the Sale Facility. Holders of unmarketable parcels will be entitled to proceeds equal to the pro rata proportion that their shares represent compared to the total number of shares sold under the sale facility.

The proceeds from the sale of the securities will be sent to the relevant shareholders as soon as practicable after the completion of the less than marketable parcel sale. In accordance with the Constitution, the Company will pay all costs of the sale for shareholders who use this facility, excluding tax consequences from the sale which remain the shareholder's responsibility.

Important information

The Company reserves the right to vary, delay or terminate this sale facility by notice to the ASX.

The Company is not bound to sell any or all of the shares that may be available for it to sell under this facility, and there is no guarantee that the Company will be able to sell your shares. In addition, the sale proceeds may differ from the market value of your shares on the record date, depending on movements in the market price of the Company's shares and on the Company's ability to negotiate with any purchasers.



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The Company will determine whether a shareholder has an unmarketable parcel as at the record date. The Company will not have any reference to any increase in the price of shares after the record date.

None of the Company, Triple C Consulting Pty Ltd or any other person involved in the facility shall be liable for failure to sell the shares at a particular price. The price of the Company shares is subject to change and an up-to-date price can be obtained from the ASX website (www.asx.com.au) under the code "GMC".

The Company does not make any recommendation or provide any advice to you regarding whether to sell your holding under this facility or retain your existing holding.

If you require advice as to whether to sell your shares, please consult your legal, financial or taxation adviser.

For further information, please contact the Company on +61 (08) 9367 9228 or the Company's Share Registry, Automic Registry Services, on +61 (08) 9324 2099 between the hours of 8.30am and 5.00pm WST Monday to Friday.

Yours sincerely

Leonard Math
Company Secretary



Gulf Manganese Corporation Limited
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www.gulfmanganese.com

SRN/HIN

SUBREGISTER

SHARES HELD

SHARE SALE FACILITY FORM

IMPORTANT NOTE: THIS FORM MUST BE RECEIVED BY NO LATER THAN 5.00PM (WST) ON 2 NOVEMBER 2016

IMPORTANT: This is an important document and requires your immediate attention. This document should be read in conjunction with the enclosed shareholder letter. If you are in any doubt as to how to deal with this form, you should consult your professional advisor.

A PLEASE TICK THE BOX TO INDICATE YOU WISH TO RETAIN YOUR SHARES

B REQUEST FOR DIRECT CREDITING OF PAYMENTS

Note: Do not complete this section if you wish to retain your shares. By completing your details below you are agreeing to the sale of your shares even if you tick the above box in section A.

Please credit all cash payments from the above holding directly to our account at the following Australian financial institution.

BSB Number

Account Number

Name in which account is held (eg: John Smith)

Name of Australian bank or financial institution

Name of branch or suburb or town

Type of account (eg: cheque, savings)



DO NOT USE YOUR CARD NUMBER

If you are unsure of your account or BSB number, please check with your bank, building society or credit union.

D SIGN HERE - THIS SECTION MUST BE SIGNED FOR YOUR INSTRUCTIONS TO BE EXECUTED

I/We authorise you to act in accordance with my/our instructions set out above. I/We acknowledge that these instructions supersede and have priority over all previous instructions relating to payments to which I/we am/are entitled to be paid in cash.

Individual or Securityholder 1

Sole Director or

Sole Director & Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

E CONTACT DETAILS

Please use details where we can contact you between the hours of 9:00am and 5:00pm should we need to speak to you about your form.

Telephone Number

Contact Name

Refer overleaf for instructions on how to use this form

INSTRUCTIONS FOR COMPLETION OF THIS FORM

REGISTRATION DETAILS – NAME AND ADDRESS

SRN/HIN - this is your holder number for the purposes of identifying you on the Company register (see below for consolidation of holdings).

SUBREGISTER – if your holding is on the CHESS subregister and you require any amendments to your registration details, then you must notify your sponsoring broker. ISSUER SPONSORED holders should contact our share registry Automic Registry Services whose details are on the front of this form.

SHARES HELD – this is the number of shares you held at 5.00pm (WST) on 15 September 2016.

CONSOLIDATION OF HOLDINGS

If you have more than one holding on the Gulf Manganese Corporation Limited register, you should consider consolidating them. You can download a “Consolidation of Holdings” form by visiting our share registry’s website – www.automic.com.au – and clicking on the “FORMS” tab.

NOTE: If any of your holdings you wish to consolidate is held on the CHESS subregister, you must contact your sponsoring broker.

A RETENTION OF SHARES

If you wish to retain your shares, please place a tick in the box provided. Should you validly sign the form but fail to place a tick in the box, it will be at the Company’s discretion as to whether or not it is your intention to retain your shares.

B REQUEST FOR DIRECT CREDITING OF PAYMENTS

Do not complete this section if you wish to retain your shares. If you provide your direct credit instruction details in this section you are agreeing to the sale of your shares even if you have placed a tick in Box A.

C SIGNING REQUIREMENTS

- Individual:** Where the holding is in one name, the Shareholder must sign.
- Joint holding:** Where the holding is in more than one name, all of the Shareholders must sign.
- Power of Attorney:** If any signatory signs under Power of Attorney, please attach an originally certified photocopy of the Power of Attorney to this Form when you return it.
- Companies:** To be signed in accordance with your Constitution. Please sign in the box which indicates the office held by you.

D CONTACT DETAILS

Please enter a contact number we may reach you on between the hours of 9:00am and 5:00pm. We may use this number to contact you regarding completion of this Form.

HOW TO LODGE YOUR SHARE SALE FACILITY FORM

To assist you in lodging your Form a reply paid envelope has been enclosed for your use. No postage stamp is required if it is posted within Australia. Alternatively, if you have lost the reply paid envelope your completed Form can be mailed or delivered to either of the below addresses. The postal rule does not apply so please ensure your Form is received by the registry no later than 5.00pm (WST) on 2 November 2016.

Mailing Address

Gulf Manganese Corporation Limited
C/- Automic Registry Services
PO Box 2226
Strawberry Hills NSW 2012

Hand Delivery (*Please do not use this address for mailing purposes*)

Gulf Manganese Corporation Limited
C/- Automic Registry Services
Suite 310
50 Holt Street
Surry Hills, NSW 2010

**YOUR SHARE SALE FACILITY FORM MUST BE RECEIVED BY NO LATER THAN
5.00PM (WST) ON 2 NOVEMBER 2016**