



GULF MINERALS CORPORATION LIMITED

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22 April 2014

GULF TO RAISE \$2,500,000 THROUGH REDEEMABLE CONVERTIBLE NOTES OFFER

Gulf Minerals Corporation Limited is pleased to announce that it intends to raise up to \$2,500,000 through the issue of up to 250 redeemable convertible notes at a value of \$10,000 per note to sophisticated and professional investors as per attached Terms Sheet.

The term of the Notes will be 3 years from the date of issue and will pay an interest rate of 10% per year. Subject to standard shareholder approval, each Note may be converted at the Noteholder's election into fully paid ordinary shares in the Company at the rate of 85% of the 30 day Volume Average Weighted Price calculated as at the date the Noteholder elects to convert. Notes may be redeemed after 12 months from the date of issue with 3 months notice. Any outstanding Notes will be redeemed in full at the end of the Term.

The Company intends the use of funds raised to:

- Finalise smelter engineering design and consulting costs; and
- Satisfy transaction costs in relation to IMG's listing on the Singapore Stock Exchange (as per ASX announcement 30 March 2014); and
- Working capital.

The company, through its fully owned subsidiary International Manganese Limited (IML), is developing an ASEAN focused manganese alloy producer. The facilities, based in Indonesia, 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% manganese alloy resulting from the unique qualities of the Indonesian high-grade low impurities manganese ore.

It is proposed to build 8 furnaces over a 3 year period for a total capital cost of \$36m funded by a \$25m IPO of IML on the Catalist Board of the Singapore Stock Exchange in the second half of 2014 and operational cashflow.

The first 2 furnaces will be built during 2015, coming online January 2016, with a further 4 online January 2017 with the final 2 online January 2018. Each furnace has a production capacity of 20,000 tonnes of medium carbon ferro manganese alloy using existing proven smelter technology. Power will be supplied by a third party on a user pay basis for less than 9 cents/kilowatt hour. A summary business plan was released to the ASX on the 10th April.

For further information please contact Piers Lewis, Company Secretary, on +61 8 6555 2950.



GULF MINERALS CORPORATION LIMITED

REDEEMABLE CONVERTIBLE NOTES TERM SHEET

Date: 9 April 2014

COMPANY OVERVIEW

Gulf Minerals Corporation Limited, through its fully owned subsidiary International Manganese Limited (IML), will develop an ASEAN focused manganese alloy producer. The facilities based in Indonesia will take advantage of low cost of ore, labour and power. Production will be a premium quality 78% ferro manganese alloy resulting from the unique qualities of the Indonesian high grade low impurities manganese ore. Value adding ores is strongly encouraged by the Indonesian Government to enrich the country's minerals endowment thereby enhancing the economy and creating employment. All initiatives to value add have full support from all levels of government and IML will benefit from the Government's Financial Incentives Programme which effectively will result in a 5 year tax holiday advantage.

COMPANY DETAILS

Company	Gulf Minerals Corporation Limited ACN 059 954 317 ASX: GMC
Head office:	Level 2 78 Mill Point Road South Perth, Western Australia
Shares currently on issue:	1,082,503,856
Options currently on issue:	855,800,002

NOTE DETAILS

Issuer:	Gulf Minerals Corporation Limited
Notes offered:	AUD \$2,500,000
Denomination:	AUD \$10,000 per note
Term:	3 years
Coupon:	10%
Interest:	Paid quarterly in arrears

TERMS AND CONDITIONS

• Issuer	Gulf Minerals Corporation Limited (www.gulfmineralscorp.com)
• Notes offered	AUD \$2,500,000 unsecured
• Coupon	10%
• Term	3 years from issue
• Interest payments	Quarterly in arrears
• Denominations	250 notes in denomination of AUD \$10,000 per note
• Ranking of Notes	Will rank senior in obligation of payment to any future indebtedness including dividends
• Guarantees	The issuer's obligations under the Notes will be guaranteed by Gulf Minerals Corporation Limited and International Manganese Limited and subject to all regulatory approvals
• 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
• 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
• Governing law	The Laws of Australia shall apply to the Notes

USE OF FUNDS

- Finalise smelter engineering design and consulting costs
- IPO costs for IML listing on the Singapore Stock Exchange (SQX)

SMELTER OVERVIEW

- Capital cost of each furnace \$4.5M (total of 8 over 3 years)
- Full production 160,000 tonnes per year
- Funding via AUD \$25M IPO of IML on the Catalist Board of the SQX with Gulf retaining 40%



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About Gulf Minerals Corporation Limited

Gulf Minerals 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, through its fully owned subsidiary International Manganese Group (IMG) is developing an ASEAN focused manganese alloy producer. The facilities based in Indonesia 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% manganese alloy resulting from the unique qualities of the Indonesian high-grade low impurities manganese ore.

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 IMG will benefit from the Government's Financial Incentives Programme which effectively will result in a 5 year tax holiday.

Gulf has a major holding in the Indonesian based high grade manganese ore producer Asia Minerals Corporation Limited, a 70% joint venture in a copper exploration tenement in West Timor displaying grab sample grades ranging from 6.43% to 8.71% copper as announced on the ASX 7th March 2014.

The company also owns copper tenements in the Northern Territory of Australia with two joint ventures, one with Redbank Copper Limited (www.redbankcopper.com.au) and the other with the Canadian uranium group Laramide Resources Limited (www.laramide.com) for copper and uranium. Laramide's adjacent Westmoreland uranium deposit has a 51.9 million pound uranium resource (company statements).

It is proposed to undertake an Initial Public Offering later this year of the company's subsidiary International Manganese Group Limited on the Catalist Board of the Singapore Stock Exchange raising AUD\$25m. Gulf Minerals will retain a 40% holding in the listed IMG.