Opening the Gateway for

Premium Manganese

gulf

ASX : GMC

Gulf Manganese Corporation Limited

PT Gulf Mangan Grup

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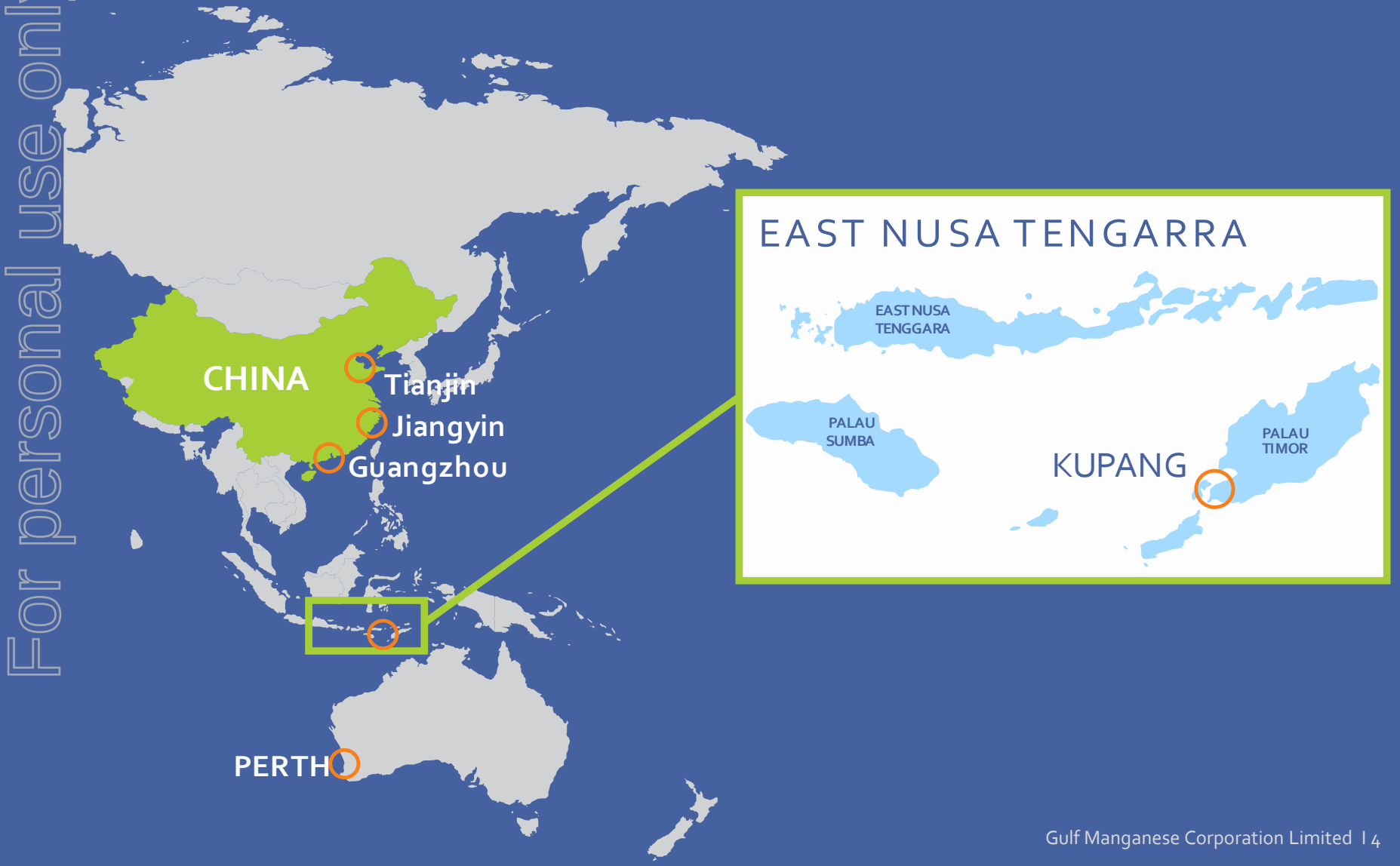
Investment Highlights

First Mover Advantage	Gulf to build the first Ferro Manganese(FeMn) smelting complex in Timor, Indonesia – unlocking significant value and providing a 'global gateway' to world-class product
Superior Raw Materials	Smelter to be supplied by High Grade Manganese Ore initially from West Timor
Low Cost	Gulf's projected production costs are 20% lower than the industry average; projected margin of USD20 million per annum – USD700/t FeMn Alloy [1]
Highly Scalable	Modular construction facilitates seamless expansion; Gulf is targeting up to Eight 9MVA units over time
Significant Ramp-Up	Production Starting at 22,000 tpa, increasing to 155,000 tpa of FeMn Alloy
Near-Term Cash Flow & Production	First Two Units have already been sourced from South Africa and are expected to be commissioned by Q1 2018

1. Based on MCFeMn at USD1500 per tonne, as per slide 24

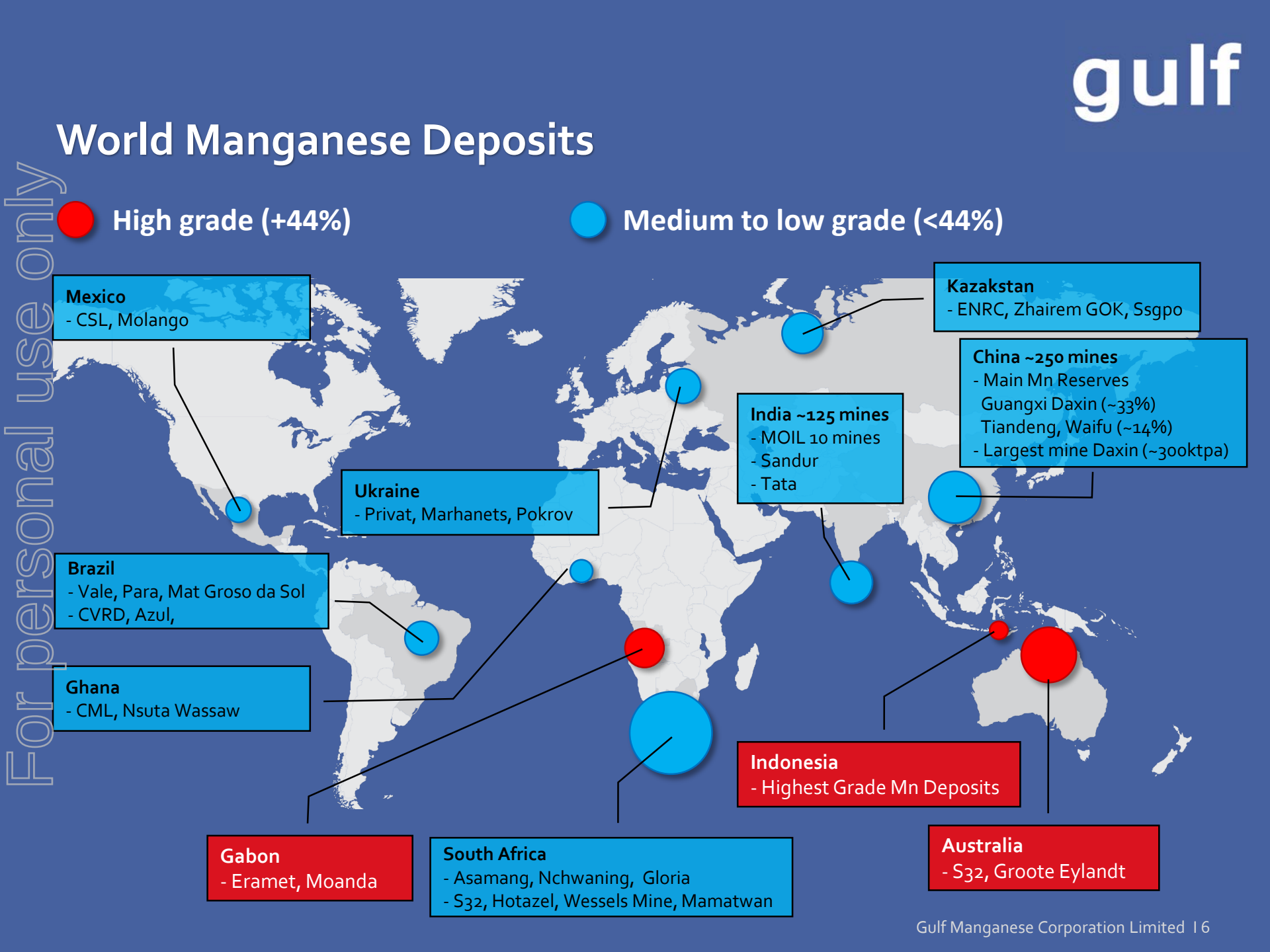
Site Location and Chinese Ports

Kupang – West Timor, NTT



Kupang, West Timor, NTT

World Manganese Deposits



Indonesian and Asian Alloy Hub

Kupang Hub Smelting Facility Overview

- Kupang Smelter Complex will comprise at least Eight Furnaces, built in stages as the ore supply chain develops
- First two smelters secured from South Africa – shipping to site Q2 2017
- Early sales of Mn concentrate to provide near-term cash flows
- Initial Power supplied by state power utility on unit cost basis from power station adjacent to smelter site
- Cost of first two smelter installation and working capital USD17 million
- Construction through 2017, with commissioning and positive operating cash flow from Q1 2018

One of the two smelters in situ at Transalloys in South Africa

Indonesian and Asian Alloy Hub

Kupang Hub Smelting Facility Overview

Kupang Smelter Project		Annualised Performance			
		2 Units	4 Units	6 Units	8 Units
Installed Smelter Capacity	MVA	14	32	50	68
Physicals					
Mn Ore Purchased	t	65,847	150,507	235,167	319,827
FeMn Alloy Sold	t	31,640	72,320	113,000	153,680
Costs					
Ore Purchase & Preparation	USD	6.8	15.7	24.5	33.3
Smelting	USD	17.8	38.1	58.2	78.7
Overheads	USD	0.9	2.0	3.1	4.2
Total Operating Costs	**USD**	**25.5**	**55.8**	**85.8**	**116.2**
Revenue from Sales	**USD**	**47.5**	**108.5**	**169.5**	**230.5**
Net Operating Margin	**USD**	**21.9**	**52.7**	**83.7**	**114.3**

Key Offtake Partnership with Renova Group

Proximity to Tenau Port

Offtake agreement signed with Renova Group for the sale of up to 60% of manganese alloy produced from the Kupang Smelting Hub Project from first three years of production

Site is 4km from the Tenau Port that has both bulk and container loading facilities.

Bolok Industrial Estate

Excellent Proximity to Power Station

Unlocking the Value of Indonesia Manganese Ore

Manganese – The Wonder Element

Manganese is the 4th most used metal after iron, aluminium and copper

90% of the World's Manganese is used by the steel industry

Indonesia has substantial high grade manganese ore deposits

Indonesian legislation does not allow for export of "untreated" ore[2]

Manganese is Essential for Steel Production:

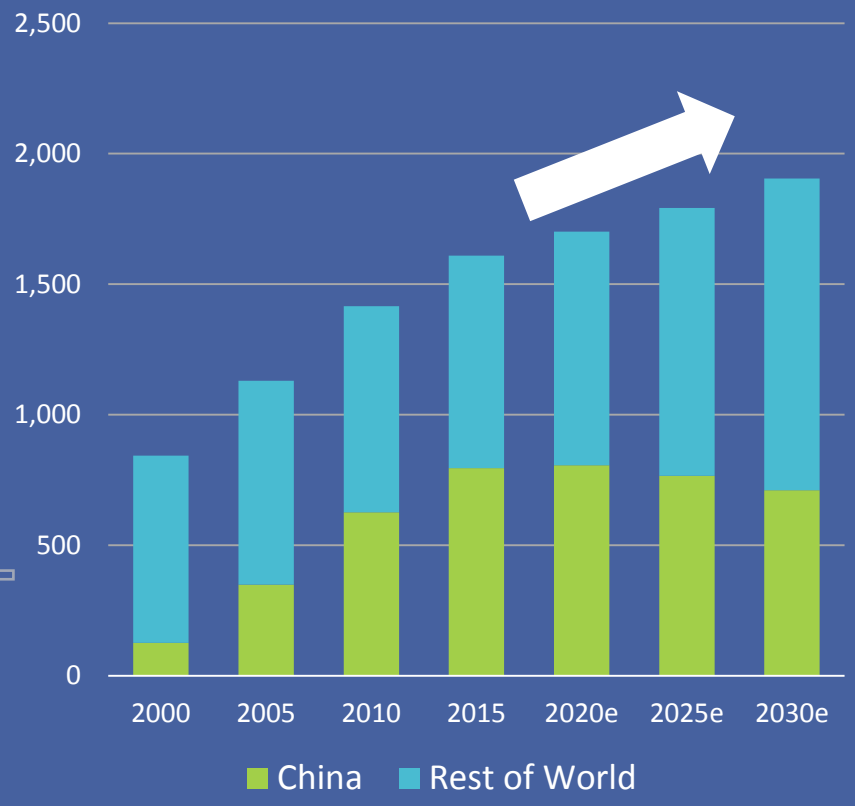
- De-sulphurises and
- de-oxygenises Increases strength and hardness

Other uses: Dry cell batteries, agriculture (fertiliser), health and special alloys

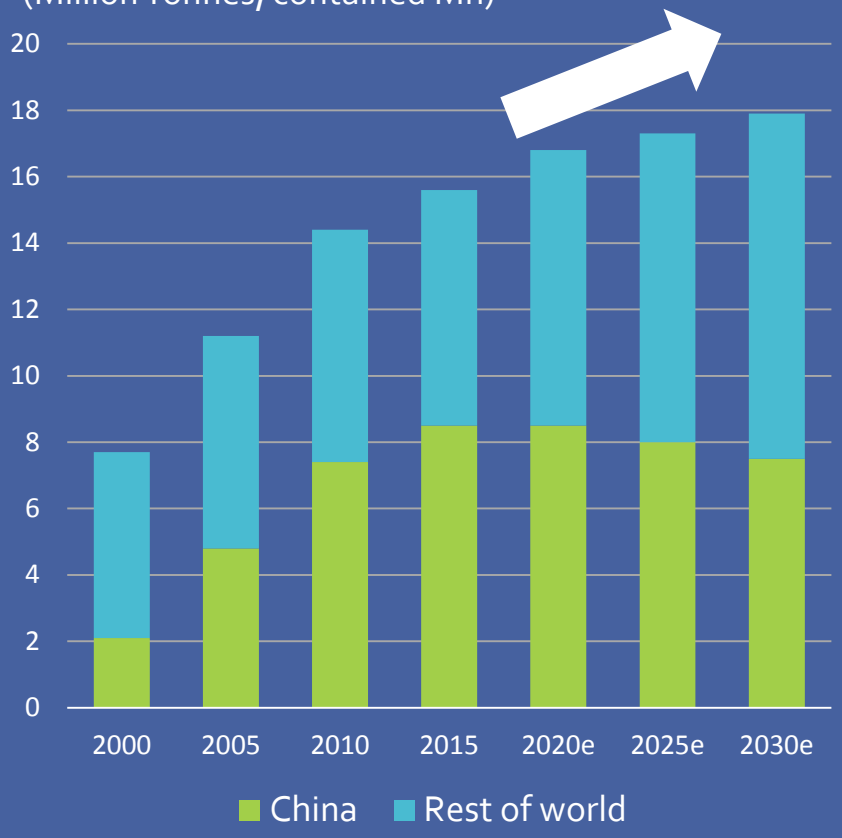
2. Except by smelting companies with a special licence. Gulf will apply for a licence as soon as construction commences.

Demand Projects
Gulf Geared for Growth

Global Steel Production
(Million tonnes)



Global Manganese Ore in Alloys
(Million Tonnes, contained Mn)



AlloyConsult
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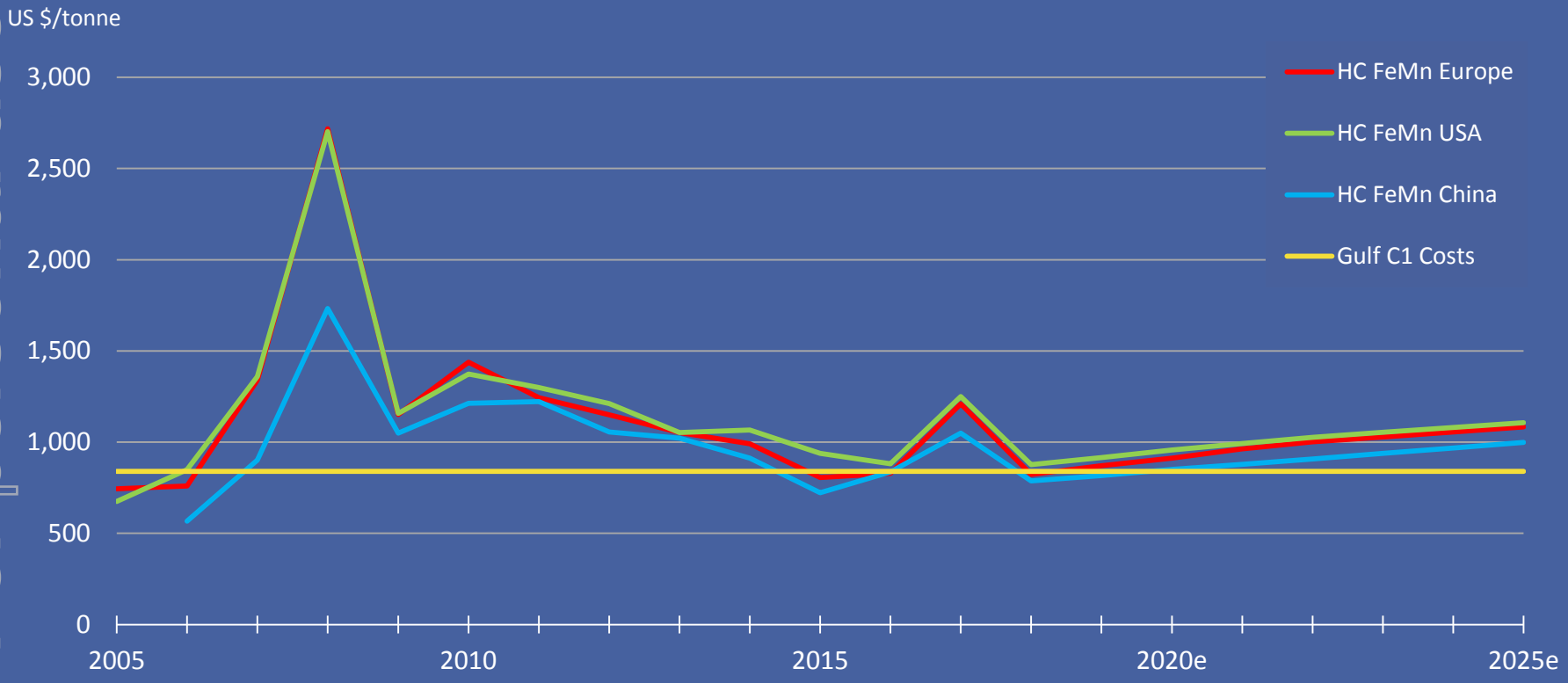
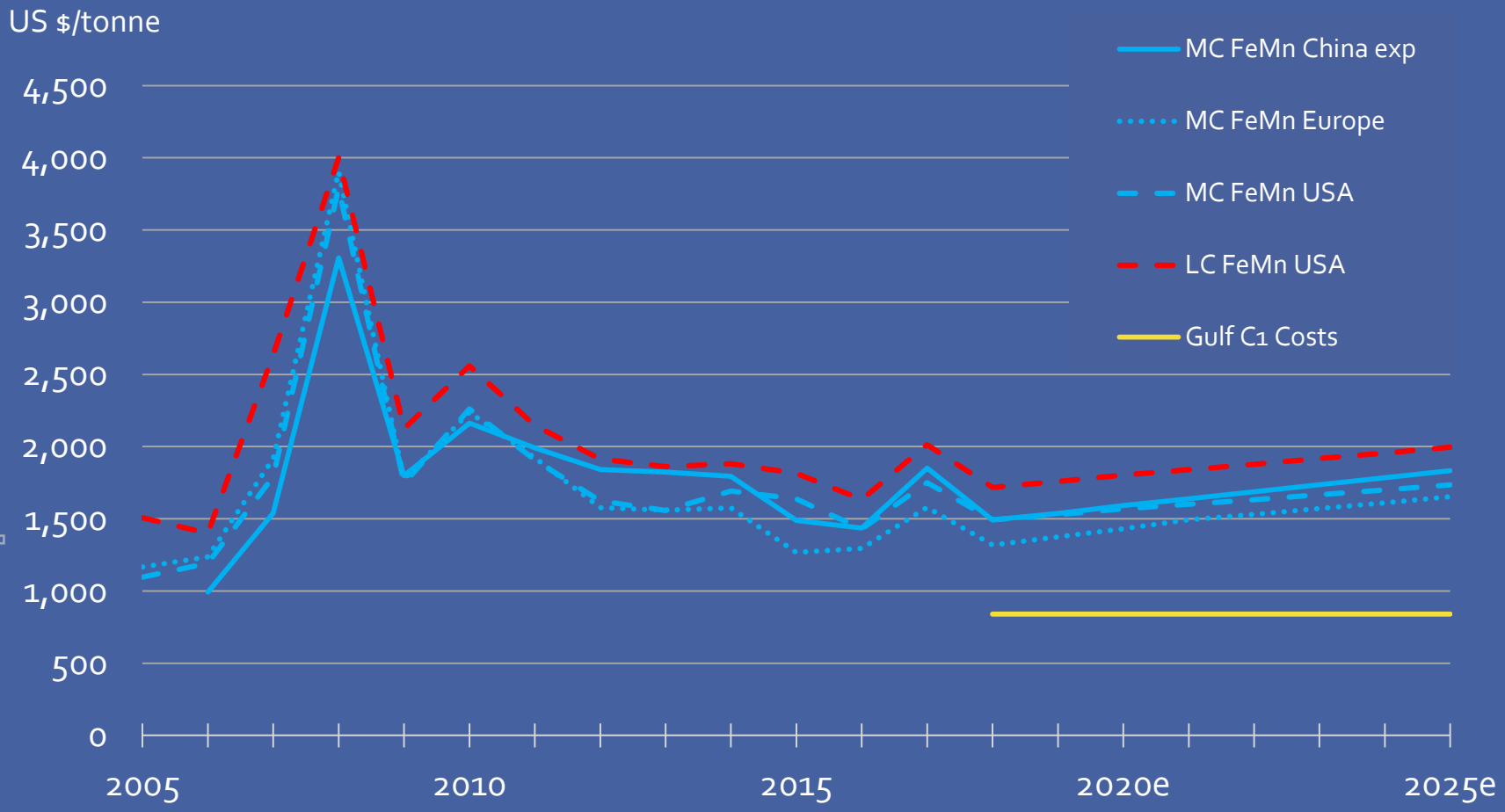
Manganese Alloy
Spot Prices 2005-2025

Manganese Alloy Spot Prices

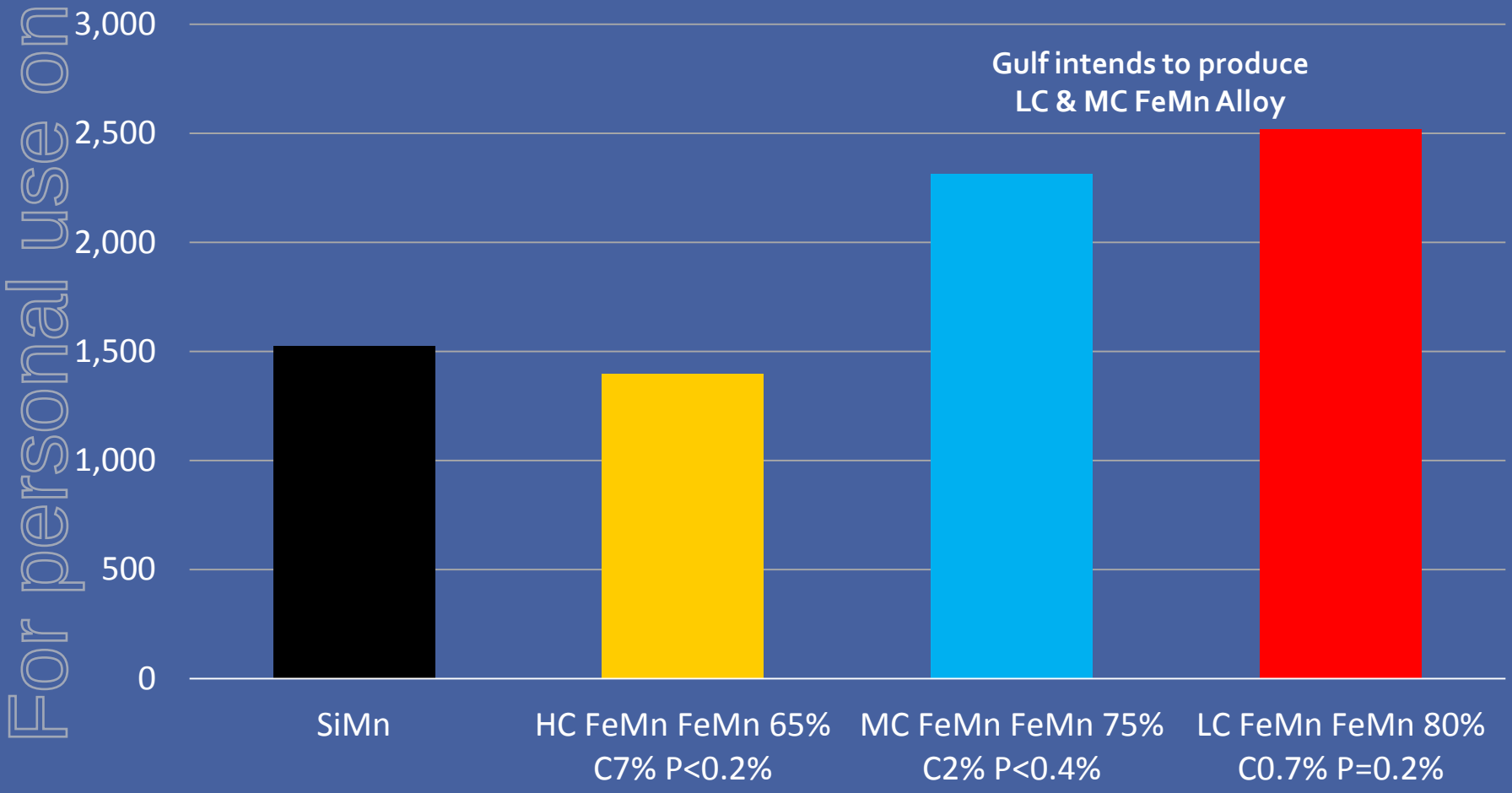


Manganese Alloy
Spot Prices 2005-2025



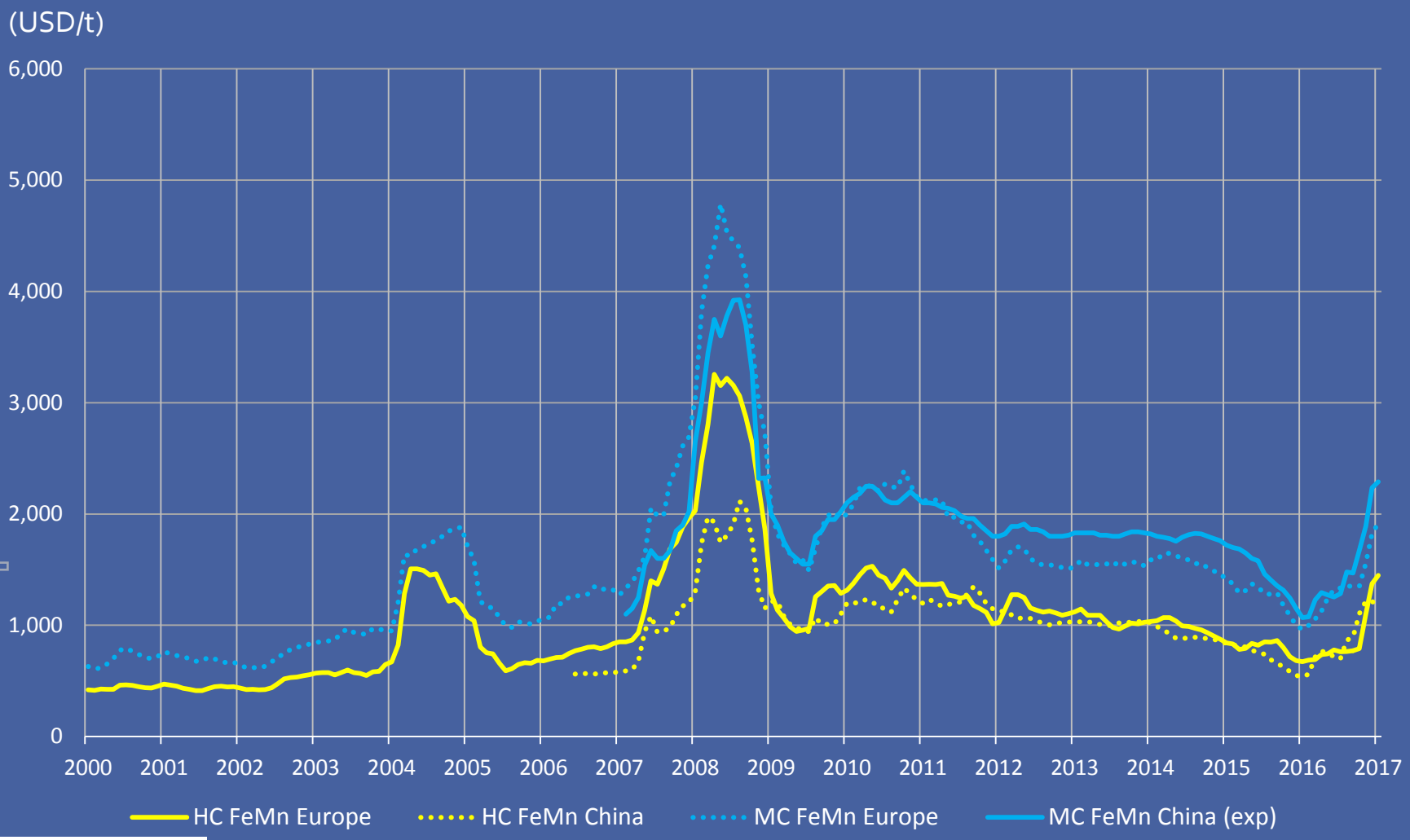
Manganese Alloy

Price USD/mt – Jan 2017



Ferro Manganese

Historical Prices – China and Europe



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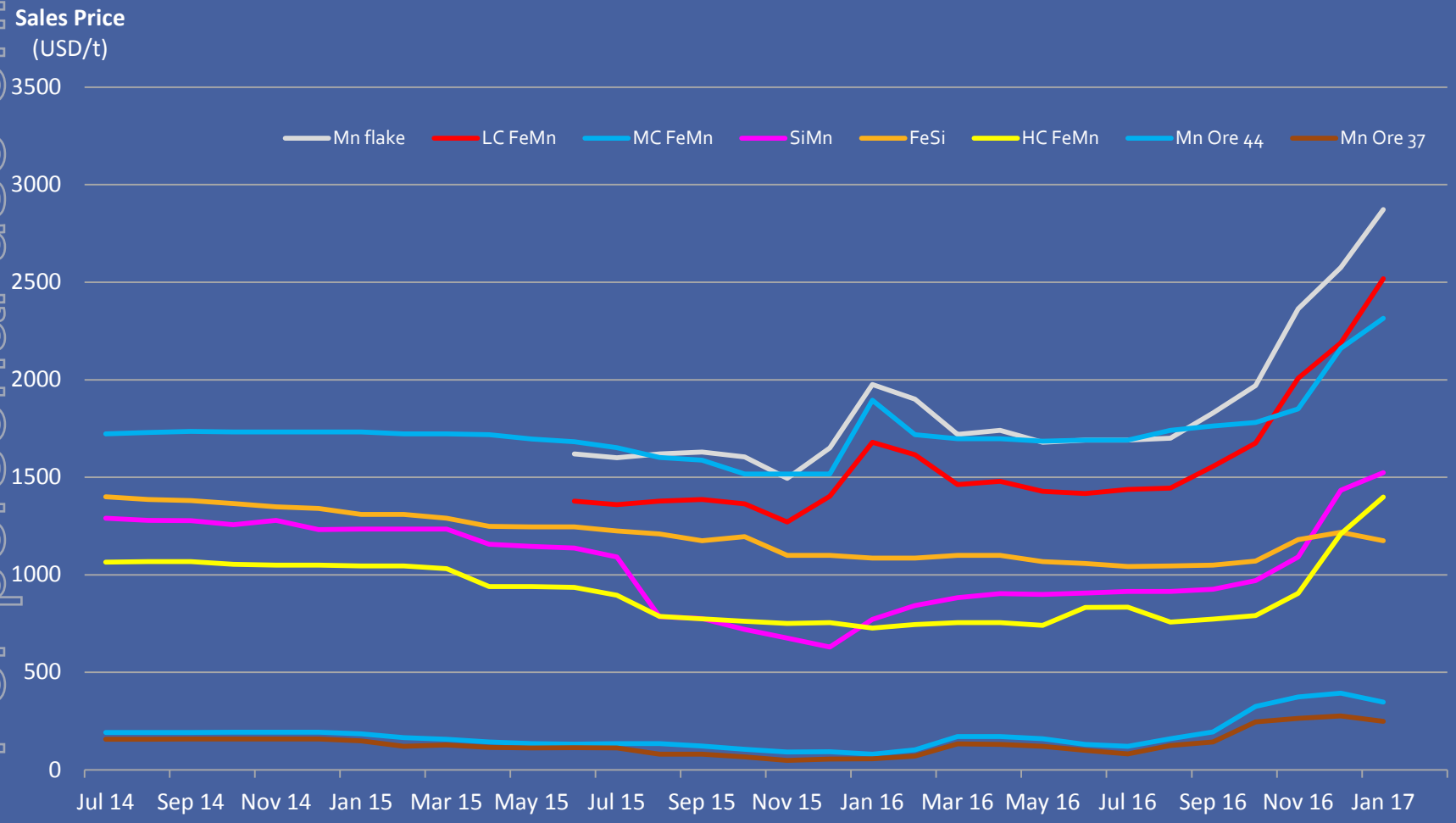
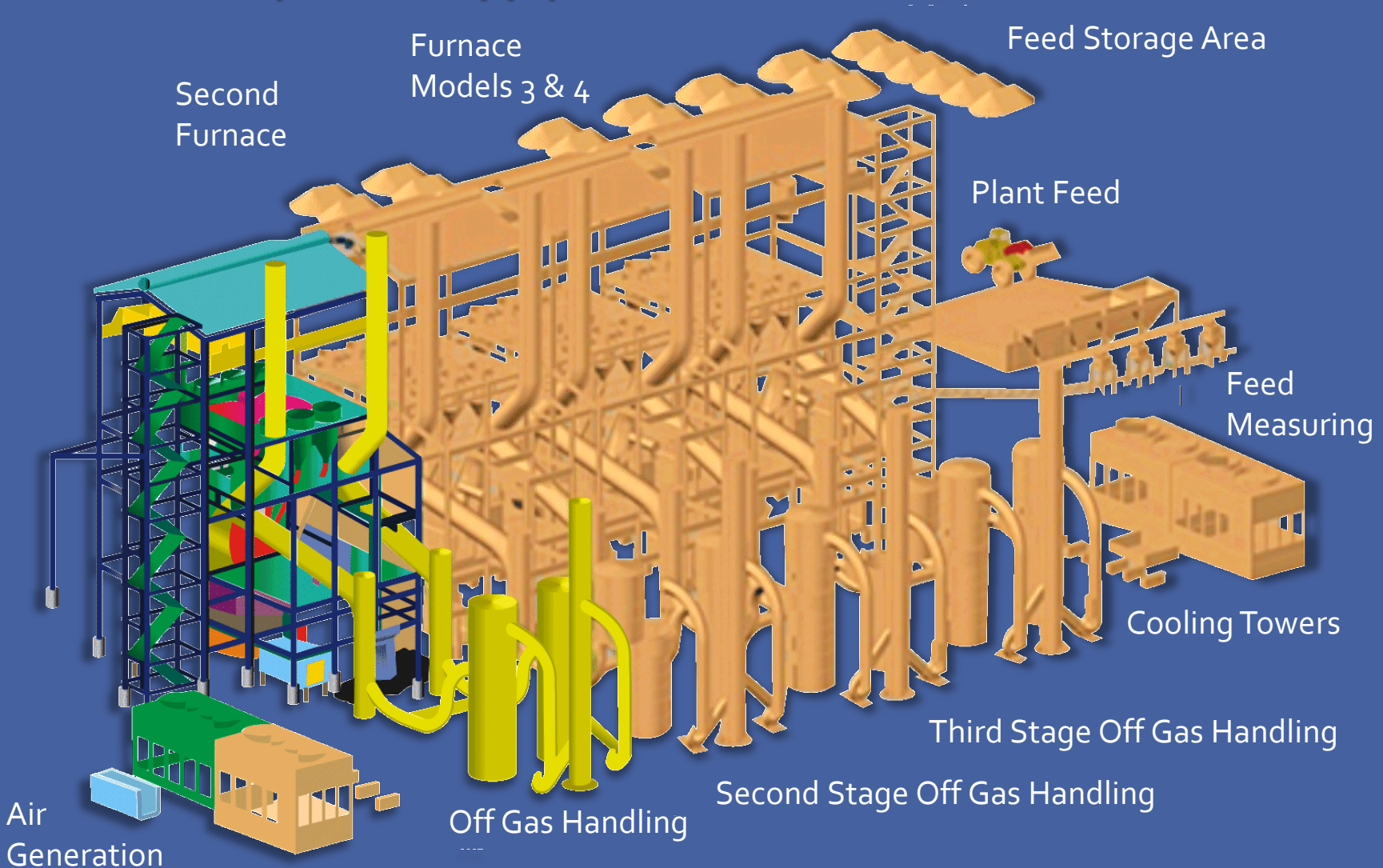
Manganese Value Chain
Gulf Geared for Growth

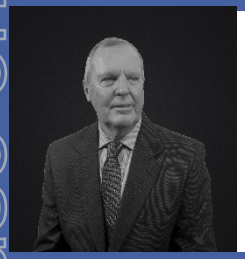


Source: (CRU & Metal Bulletin)

Smelter Expansion Stages
Furnace Development Supply Chain



Strengthened Board and Management
New Direction



Craig Munro – Non-Executive Chairman

- Strong track record with over 35 years experience in finance and corporate governance.
- Recent experience with copper smelting in Congo.

Hamish Bohannan - Managing Director & CEO

- Brings a wealth of experience to the Board having held a number of CEO and MD roles with listed companies in both Australia and overseas.
- Previously MD of Koba Tin, with mining & smelting operations in Sumatra, Indonesia.

Andrew Wilson– Non-Executive Director

- B Comm (Marketing) and a Masters of Law with 30 years of legal experience.
- Extensive experience including being President Director of PT BHP Indonesia, a director of various public companies inc. Herald & Robust Resources.

Leonard Math – Company Secretary & CFO

- Bachelor of Business majoring in Accounting and Information Systems
- Member of the Institute of Chartered Accountants. Has worked with Deloitte as an auditor with public company experience in ASX and ASIC compliance and statutory financial reporting.

Corporate Overview
Contact Details

Issued Capital	
Ordinary Shares	1,571,183,253
Unlisted Options Listed Options Performance Rights	172,325,917 461,823,967 85,000,000
Market Capitalisation	AUD$57.4 million (at 4.0c per share) (Undiluted)
ASX Code	GMC
Convertible Notes	None

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Appendix

Strengths – Opportunities
Weaknesses – Threats

Internal	Strengths	Weaknesses
	• Large database of geological knowledge	• Limited Indonesian proven mineral resource base to underpin development (JORC)
	• Supply agreements in place to under-pin Manganese ore supply	• Project funding to be secured
	• People on the ground with local knowledge	• Power costs are reasonable but power is a major cost
	• Multi-level government support	• Power reliability is not strong
	• Complies with licences and approvals	
	• High grade manganese ore available	
	• Close to Port (African / Australian mines are typically 400+ Km from ports)	
	• Proximity to the mostly Asian Mn markets	
	• Proximity to Indonesian Coal/Iron Ore mines for smelter consumables	
	• Start-up power supply available and economical	

External	Opportunities	Threats
	• Currently no competition in Processing or Smelting in Timor	• Ore Supply, but the first smelter to market will gain a strong hold on ore supply
	• Local small scale Mn suppliers can mine and sell Mn ores once a processing route is established	• Other companies entering the smelting business
	• High unemployment in Timor will provide a ready source of labour	• Potential loss of export or other permits if milestones not achieved
	• Scalability - The operation can be developed in a staged manner (Modular)	
	• Exploration Ore supply potential in Timor and neighbouring Islands	
	• Mn price is semi-cyclical in nature and is at low levels currently	
	• Early start-up of Cash flow using low cost processing and Mn lump sales	
	• As a smelting company , application can be made to sell a component of unprocessed ore	

High Value LCLP FeMn
High Quality Niche Producer

Kupang Smelter Project					MCFeMn Alloy		
Physicals							
Mn Ore Purchased					65,847 tpa		
Smelter Feed					59,262 tpa		
FeMn Alloy Sold					31,640 tpa		
Operating Costs					USD	USD/t	%
Ore Purchase	$80.00	/t purch			5.27	166.49	20.6%
Beneficiation	$12.50	/t purch			0.82	26.01	3.2%
Laboratory	$2.50	/t purch			0.16	5.20	0.6%
Logistics	$10.00	/t smelt			0.59	18.73	2.3%
Total Processing					**6.85**	**216.44**	**26.8%**
Iron Ore	$75.00	/tonne	0.212	t/t FeMn	0.50	15.90	2.0%
Coal	$85.00	/tonne	0.944	t/t FeMn	2.54	80.24	9.9%
Limestone	$20.00	/tonne	0.502	t/t FeMn	0.32	10.04	1.2%
Ferro Silicon	$1,035.00	/tonne	0.341	t/t FeMn	0.00	0.00	0.0%
Burnt Lime	$80.00	/tonne	0.480	t/t FeMn	0.00	0.00	0.0%
Temporary Expat Staff					0.60	18.96	2.3%
Salaries/Wages	$128,844	/installed unit			0.26	8.14	1.0%
Salaries/Wages	$1,180,681	/annum			1.18	37.32	4.6%
Power	$360.47	/tonne	$3,277	$0.110	11.41	360.47	44.6%
Smelter Consumable	$10.00	/tonne			0.32	10.00	1.2%
Logistics	$8.00	/tonne			0.25	8.00	1.0%
Maintenance	3.0%	of installed capital			0.35	11.06	1.4%
Fuels/Oils	$1.00	/tonne			0.03	1.00	0.1%
Environmental	$24,000	/year/unit			0.05	1.52	0.2%
Smelting					**17.80**	**562.65**	**69.6%**
Insurance	$2.00	/tonne	-	-	0.06	2.00	0.2%
Overheads (site)	0.50%	of revenue	0.3	min	0.30	9.48	1.2%
Overheads (corp)	1.20%	of revenue	0.500	min	0.57	18.00	2.2%
Overheads					**0.93**	**29.48**	**3.6%**
Total Op Costs					**25.58**	**808.57**	
Revenue					**47.46**	**1,500.00**	
Net Operating Margin					**21.88**	**691.43**	