

GULF MINERALS

INDONESIAN PLAYER COMES INTO ITS OWN

After years of uncertainty, Gulf Minerals is now coming into its own, thriving in a country that confounds many foreign investors. **Anthony Barich** reports

GULF MINERALS HAS emerged from the wilderness with a new name and a swag of projects that have come to fruition thanks to savvy partnerships and management.

By the time this edition of *RESOURCESTOCKS* is published in March, Gulf Mines will have changed its name to Gulf Minerals Corporation Limited, to reflect its future direction as a project facilitator and developer.

"Gulf really is an incubator and developer of projects that are difficult, unloved or had some peculiar management issues or lack of capital," Gulf chairman Peter Remta told *RESOURCESTOCKS*.

"We will then value-add, then spin off each project and retain a major shareholding and the marketing rights.

"Having facilitated the manganese operation in Indonesia, our next project is developing some pretty high-grade copper deposits.

"We have a tenement in Indonesia that is quite high-grade 3-4% copper and we'll conduct exploration on that this year then start developing it in 2015.

"The geology is very similar to another copper operation up there owned by Finders Resources, but theirs is on a smaller island to the north of Timor and they say they will be able to produce 25,000tpa of copper cathode.

"Our tenement in West Timor is a very similar lookalike.

"When we spin off 50% of the profits of the development it will be returned to shareholders via fully franked dividends, so shareholders are not taxed on it; and the other 50% will be spent in developing more projects."

While the company made several

previous attempts to develop projects, nothing came to fruition.

That all changed last year when the company acquired a major shareholding in Asia Minerals Corporation Limited, an Australian company now moving into production with agreements in place to supply 10,000t cargoes of high-grade 52% manganese ore to China, Korea and the Middle East.

Then in January, Gulf announced AMC had started building its manganese alloy smelters in Indonesia.

The first cargoes went in January.

Remta noted that AMC was the only company licensed to export manganese with the recent Indonesian ban on exports.

"AMC is exempt from that ban, as they are building a smelter facility," Remta told *RESOURCESTOCKS*.

"Just before Christmas, AMC held what the Indonesians call a ground-breaking ceremony, which is symbolically very important to the locals: the official commencement of a project.

"It's a significant event in the life of Timor, which has 80% unemployment – we will employ some 4000 people and be the biggest export income earner in Timor in full production.

"The federal, state and regency governments have supported it, simply because we will create such a significant impact on the peoples of West Timor.

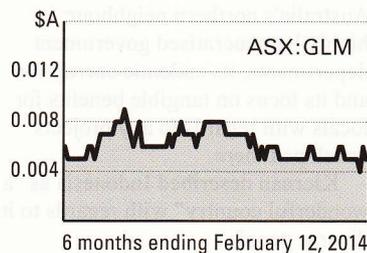
"The first two furnaces to produce alloys will be up and running by December 2014, and each year we will expand that to a maximum production of 125,000t of ferromanganese alloy.

"It will be among the premium quality of alloys as Indonesia's

manganese is among the highest grade in the world."

Late last year, Gulf announced the finalisation of negotiations to acquire the global marketing rights for AMC's high-grade manganese operations and for a future high-grade iron ore project, both in Indonesia. **RS**

GULF MINERALS AT A GLANCE



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MARKET CAPITALISATION

\$A6.3 million (at publication)

QUOTED SHARES ON ISSUE

1.05 billion

MAJOR SHAREHOLDERS

Leprechaun Holdings 31.75%
Rojan Trading 4.45%
Tyon 3.32%