

ASX Announcement  
20 February 2017

## Termination of Binding Agreement

**Gulf Manganese Corporation Limited** (ASX: GMC) (“Gulf” or “the Company”) advises that the Company has terminated the binding agreement with Marthen Amtiran (“Pak Marthen”) to invest US\$10 million for 10% equity in PT Gulf Mangan Grup (“PT Gulf”), which also included a 12 month option to invest a further US\$10 million for an additional 10% equity (“Investment Agreement”).

As advised in the ASX announcement on 1 February 2017, Pak Marthen submitted an alternative offer with substantially different terms to the initial offer for the investment in PT Gulf. The Board has considered this new offer and deemed it to be unacceptable, and has subsequently rejected the new offer.

The timetable set by the Company in relation to the completion of the binding agreement with Pak Marthen has now passed. Although Pak Marthen has told us that he is still interested in investing, the Company has decided that the delay is too long for an Australian company to wait, particularly given the increase in the manganese price since the agreement was signed. Thus, the Company has terminated the agreement with Pak Marthen and is reviewing its options to take legal action against Pak Marthen. Pak Marthen will be removed as President Commissioner of PT Gulf.

The Company is currently in advanced discussions with sophisticated investors on a placement and expects to make an announcement in relation to this capital raising no later than on Friday, 24<sup>th</sup> February 2017.

The Company requests the voluntary suspension remain in place until the alternative funding has been finalised and secured.

The Company is not aware of any reason why the suspension should not be granted.

### **For further information please contact:**

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### **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. Targeted production will be a premium quality 78% ferromanganese alloy resulting from the unique qualities of the Indonesian high grade (greater than 50%) low impurity manganese ore.



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