



Gulf welcomes cornerstone investor

28TH AUGUST 2018

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PERTH (miningweekly.com) – ASX listed Gulf Manganese has secured a A\$10.8-million cornerstone investment from Indonesian businessman **Bapak Dato Dr Low Tuck Kwong** in exchange for a 19.8% equity holding in Gulf.

Gulf on Tuesday said that it would issue more than 714.59-million shares to Bapak TK Low at a placement price of 1.5c each, for a total investment of A\$10.7-million.

Gulf will also issue 714.5-million listed options, exercisable at 0.5c each expiring at the end of April 2019.

“To have secured the support of Bapak Dato Dr Low Tuck Kwong, a major mining operator in Indonesia, is an excellent endorsement of the Gulf Manganese project in Kupang, Indonesia,” said Gulf MD and CEO **Hamish Bohannan**.

“Furthermore, this underpins the investment made by Bapak Fofa Sariaatmadja of PT Jayatama Tekno Sejahtera into both Gulf and PT Gulf in March this year, demonstrating the company’s commitment to developing a world-class Indonesian company as well as realising Gulf’s vision for the surrounding communities of Kupang and East Nusa Tenggara.”

Bohannan said that with funding in place, the company is now focused on the three key objectives; the commissioning of its smelters on time and budget, acquiring a financial interest in producing manganese mines in East Nusa Tenggara, and securing a direct shipping ore export licence.

“Progress on all these fronts is encouraging and we are confident of meeting all deliverables and realising more value for our shareholders,” he added.

The Kupang smelting hub is expected to contain at least eight furnaces built in stages over five years. At full production, the project will purchase and process 320 000 t/y of manganese ore, producing some 155 000 t/y of premium-quality ferromanganese alloy. Construction of the smelting facility is some 60% complete, and commissioning of the first two furnaces is expected to start in the fourth quarter of this year.

Funds raised from Bapak TK Low will be deployed towards the continued development of the smelting hub, potential acquisitions of financial interests in a number of mining licences, and for general working capital. ■■