



GULF MINERALS CORPORATION LIMITED

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9 January 2015

Gulf Minerals – Notice of General Meeting

Gulf Minerals Corporation Limited (ASX:GMC) is pleased to advise shareholders of a Notice of General Meeting for shareholders scheduled to be held on Monday 16th February 2015.

The meeting is called for shareholders to vote on the final plank of the company's corporate housekeeping in preparation for commencement of the development of its Indonesian smelter alloying facility and the application for dual listing on the Singapore Exchange Catalist Board – both planned for the first half of the year.

The past 12 months have been a major pivotal one for Gulf Minerals which included:

- Appointment of experienced manganese Directors and Senior Management
- Finalising business plan to develop an Indonesian based premium manganese alloy enterprise
- Finalising longstanding litigation and accounting issues
- Implementation of strict Corporate Governance and Accounting procedures
- Share consolidation
- Share Rights Entitlement issue
- Debt to Equity conversions

The company's major shareholder has agreed to convert its outstanding loans to equity (subject to shareholder approval) together with the directors agreeing to convert their fees to equity (also subject to shareholder approval).

These initiatives combined with the shareholder's Rights Issue will strengthen the company's balance sheet.

In line with ensuring shareholder value creation, shareholders will also be asked to vote on modest issues of 25 cent 31 December 2018 options for directors.

Gulf's Chairman, Graham Anderson, commented " As we enter a new year the issues of the past which the new directors inherited are put to bed and behind a closed door and we now can move into a '4 on the floor mode' going forward to develop a premium quality manganese ore and alloy producer."



Developing Premium Indonesian Manganese Alloys



GULF MINERALS CORPORATION LIMITED

ACN 059 954 317

NOTICE OF GENERAL MEETING

TIME: 10.00am

DATE: 16 February 2015

PLACE: Level 2, 78 Mill Point Road
South Perth
Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on +61 8 9367 9228.

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IMPORTANT INFORMATION

Time and place of Meeting

Notice is given that the Meeting will be held at 10.00am (WST) on 16 February 2015 at:

Level 2, 78 Mill Point Road
South Perth
Western Australia

Your vote is important

The business of the Meeting affects your shareholding and your vote is important.

Voting eligibility

The Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 10.00am (WST) on 14 February 2015.

Voting in person

To vote in person, attend the Meeting at the time, date and place set out above.

Voting by proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by the time and in accordance with the instructions set out on the Proxy Form.

BUSINESS OF THE MEETING

AGENDA

1. RESOLUTION 1 – PLACEMENT – CONVERTIBLE NOTES – LEPRECHAUN HOLDINGS PTY LTD

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 7,500,000 Convertible Notes to Leprechaun Holdings Pty Ltd on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Leprechaun Holdings Pty Ltd and any of its associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

2. RESOLUTION 2 – ISSUE OF SHARES TO RELATED PARTY – GRAHAM ANDERSON

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares at a price of 3 cents per Share in satisfaction of outstanding fees of \$30,000 to Graham Anderson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Graham Anderson (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

3. RESOLUTION 3 – ISSUE OF SHARES TO RELATED PARTY – BRUCE MORRIN

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,000,000 Shares at a price of 3 cents per Share in satisfaction of outstanding fees of \$30,000 to Bruce Morrin (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Bruce Morrin (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

4. **RESOLUTION 4 – ISSUE OF SHARES TO RELATED PARTY – PETER WILLIAMS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,560,000 Shares at a price of 3 cents per Share in satisfaction of outstanding fees of \$46,800 to Peter Williams (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Peter Williams (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. **RESOLUTION 5 – ISSUE OF SHARES TO RELATED PARTY – MICHAEL WALTERS**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue up to 1,493,533 Shares at a price of 3 cents per Share in satisfaction of outstanding fees of \$44,806 to Michael Walters (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Michael Walters (and his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. **RESOLUTION 6 – ISSUE OF OPTIONS TO RELATED PARTY – GRAHAM ANDERSON**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,000,000 Options to Graham Anderson (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Graham Anderson (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. **RESOLUTION 7 – ISSUE OF OPTIONS TO RELATED PARTY – BRUCE MORRIN**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 2,000,000 Options to Bruce Morrin (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Bruce Morrin (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. RESOLUTION 8 – ISSUE OF OPTIONS TO RELATED PARTY – PETER WILLIAMS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Options to Peter Williams (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Peter Williams (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. RESOLUTION 9 – ISSUE OF OPTIONS TO RELATED PARTY – MICHAEL WALTERS

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Options to Michael Walters (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Michael Walters (or his nominee) and any of their associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

10. RESOLUTION 10 – ISSUE OF OPTIONS TO RELATED PARTY – PAUL O’SHAUGHNESSY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of section 195(4) of the Corporations Act, ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 1,000,000 Options to Paul O’Shaughnessy (or his nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion Statement: The Company will disregard any votes cast on this Resolution by Paul O’Shaughnessy (or his nominee) and any of his associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by

the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

11. RESOLUTION 11 – PLACEMENT – OPTIONS - HELEN HALLIDAY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue up to 500,000 Options to Helen Halliday (or her nominee) on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by Helen Halliday (or her nominee) and any of her associates. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Dated: 7 January 2015

By order of the Board

**Graham Anderson
Chairman**

Notes:

The following voting prohibition applies to each of Resolutions 2 to 10:

A person appointed as a proxy must not vote, on the basis of that appointment, on the relevant Resolution if:

- (a) the proxy is either:
 - (i) a member of the Key Management Personnel; or
 - (ii) a Closely Related Party of such a member; and
- (b) the appointment does not specify the way the proxy is to vote on the relevant Resolution.

However, the above prohibition does not apply if:

- (a) the proxy is the Chair; and
- (b) the appointment expressly authorises the Chair to exercise the proxy even though the relevant Resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

EXPLANATORY STATEMENT

This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

1. RESOLUTION 1 – PLACEMENT – CONVERTIBLE NOTES

1.1 General

Leprechaun Holdings Pty Ltd (**Leprechaun**) is a substantial shareholder and it presently has a relevant interest in 20.1 million Shares representing a voting power of 47.86%.

Leprechaun has also made various loans available to the Company from time to time, with the amount of \$227,757 presently outstanding as at the date of this Notice (**Loan**).

The Company intends, subject to Shareholder approval of this Resolution 1, to issue Convertible Notes in the amount of \$225,000 to reduce the Loan to a nominal amount.

The Convertible Notes are being issued at a fixed price of 3 cents per note with no interest payable and a 5 year term. This time period will allow the Convertible Notes to be converted over time, or if not converted, repaid at the end of the term of the notes.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities (which includes convertible securities) during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will be to allow the Company to issue the Convertible Notes during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

1.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Convertible Notes to be issued is 7,500,000 Convertible Notes which convert into Shares on the terms set out in Schedule 1;
- (b) the Convertible Notes will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Convertible Notes will on the same date;
- (c) the issue price will be \$0.03 per Convertible Note;
- (d) the Convertible Notes will be issued to Leprechaun;
- (e) the Shares issued on conversion of the Convertible Notes will be fully paid ordinary shares in the capital of the Company issued on the same

terms and conditions as the Company's existing Shares and at a price of 3 cents per Share; and

- (f) no funds will be raised from the issue as no cash subscription will be made, rather the monies owing under the Loan will be deemed to satisfy the subscription resulting in the Loan being satisfied in full.

2. RESOLUTIONS 2 AND 3 – ISSUE OF SHARES TO RELATED PARTIES – GRAHAM ANDERSON AND BRUCE MORRIN

2.1 General

Pursuant to the renounceable entitlement issue announced by the Company on 13 October 2014, the Company was seeking to issue up to 44,700,337 Shares at an issue price of \$0.03 per Share to raise up to \$1,341,009 (**Capital Raising**). The entitlement issue resulted in the issue of 19,646,430 Shares, leaving a shortfall for the Board to place to third parties.

Graham Anderson is the Non-Executive Chairman of the Company and is owed by the Company, \$30,000 in fees for his services. Bruce Morrin is the Company's CEO and an Executive Director and is owed by the Company, \$30,000 in fees for his services.

Resolutions 2 and 3 seek Shareholder approval for the respective issue of:

- (a) 1,000,000 Shares to Graham Anderson (or his nominee); and
- (b) 1,000,000 Shares to Bruce Morrin (or his nominee),

in full satisfaction of their outstanding fees and to be issued from the shortfall under the Capital Raising (**Placement**).

2.2 ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the Placement involves the issue of Shares to related parties of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

2.3 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to the Placement:

- (a) the Shares will be issued under:
 - (i) Resolution 2 to Graham Anderson (or his nominee); and
 - (ii) Resolution 3 to Bruce Morrison (or his nominee);
- (b) the maximum number of Shares to be issued under

- (i) Resolution 2 is 1,000,000; and
- (ii) Resolution 3 is 1,000,000;
- (c) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price will be \$0.03 per Share, being the same as all other Shares issued under the Capital Raising and will be satisfied from outstanding fees owing to:
 - (i) Graham Anderson in the amount of \$30,000; and
 - (ii) Bruce Morrin in the amount of \$30,000;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) no actual funds will be raised from this issue as the amount will be offset against the outstanding fees owed to Messrs Graham Anderson and Bruce Morrin.

Approval pursuant to ASX Listing Rule 7.1 is not required for the Placement as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the issue of Shares to Messrs Graham Anderson (or his nominee) and Bruce Morrin (or his nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

3. RESOLUTIONS 4 AND 5 – ISSUE OF SHARES TO RELATED PARTIES - PETER WILLIAMS AND MICHAEL WALTERS

3.1 General

Messer Peter Williams and Michael Walters are directors of the Company and at request of the Company (and subject to Shareholder approval), in an effort to reduce cash demands on the Company, have each agreed to receive their annual director fees of \$36,000 (up to 31 December 2014) in Shares as opposed to cash.

As at the date of this Notice, Peter Williams is owed by the Company, a total of \$46,800 in fees for his services and Michael Walters is owed by the Company, \$44,806 in fees for his services.

Resolutions 4 and 5 seek Shareholder approval for the respective issue of:

- (a) 1,560,000 Shares to Peter Williams (or his nominee); and
- (b) 1,493,533 Shares to Michael Walters (or his nominee),

in full satisfaction of their outstanding fees (**Related Party Shares**).

3.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Related Party Shares constitutes giving a financial benefit and Messer Peter Williams and Michael Walters are each a related party of the Company by virtue of being a Director.

In respect to Resolution 4, the Directors (other than Peter Williams who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Shares because the grant of the Related Party Shares is considered reasonable remuneration in the circumstances and was negotiated on arm's length.

In respect to Resolution 5, the Directors (other than Michael Walters who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Shares because the grant of the Related Party Shares is considered reasonable remuneration in the circumstances and was negotiated on arm's length.

3.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Related Party Shares involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

3.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 4 and 5:

- (a) the Related Party Shares will be issued to:
 - (i) Peter Williams (or his nominee), pursuant to Resolution 4; and
 - (ii) Michael Walters (or his nominee), pursuant to Resolution 5;
- (b) the number of Related Party Shares to be issued is up to 3,053,533, being:
 - (i) 1,560,000 Shares to Peter Williams (or his nominee); and
 - (ii) 1,493,533 Shares to Michael Walters (or his nominee);

- (c) the Related Party Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur on the same date;
- (d) the Related Party Shares will be issued for nil cash consideration in satisfaction of outstanding fees, accordingly no funds will be raised;

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Related Party Shares to Messer Peter Williams and Michael Walters (or their nominees) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

4. RESOLUTIONS 6 TO 10 – ISSUE OF OPTIONS TO RELATED PARTIES

4.1 General

The Company has agreed, subject to obtaining Shareholder approval, to issue:

- (a) 2,000,000 Options to Graham Anderson (or his nominee);
- (b) 2,000,000 Options to Bruce Morrin (or his nominee);
- (c) 1,000,000 Options to Peter Williams (or his nominee);
- (d) 1,000,000 Options to Michael Walters (or his nominee); and
- (e) 1,000,000 Options to Paul O'Shaughnessy (or his nominee),

(Related Parties) on the terms and conditions set out below (Related Party Options).

Resolution 6 to 10 seek Shareholder approval for the grant of the Related Party Options to the respective Related Parties.

4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Related Party Options constitutes giving a financial benefit and the Related Parties are each a related party of the Company by virtue of being a Director.

In respect to Resolution 6, the Directors (other than Graham Anderson who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the grant of the Related Party Options is

considered reasonable remuneration in the circumstances and was negotiated on arm's length.

In respect to Resolution 7, the Directors (other than Bruce Morrin who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the grant of the Related Party Options is considered reasonable remuneration in the circumstances and was negotiated on arm's length.

In respect to Resolution 8, the Directors (other than Peter Williams who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the grant of the Related Party Options is considered reasonable remuneration in the circumstances and was negotiated on arm's length.

In respect to Resolution 9, the Directors (other than Michael Walters who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the grant of the Related Party Options is considered reasonable remuneration in the circumstances and was negotiated on arm's length.

In respect to Resolution 10, the Directors (other than Paul O'Shaughnessy who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Related Party Options because the grant of the Related Party Options is considered reasonable remuneration in the circumstances and was negotiated on arm's length.

4.3 ASX Listing Rule 10.11

ASX Listing Rule 10.11 also requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained unless an exception in ASX Listing Rule 10.12 applies.

As the grant of the Related Party Options involves the issue of securities to a related party of the Company, Shareholder approval pursuant to ASX Listing Rule 10.11 is required unless an exception applies. It is the view of the Directors that the exceptions set out in ASX Listing Rule 10.12 do not apply in the current circumstances.

4.4 Technical Information required by ASX Listing Rule 10.13

Pursuant to and in accordance with ASX Listing Rule 10.13, the following information is provided in relation to Resolutions 6 to 10:

- (a) the Related Party Options will be granted as follows:
 - (i) to Graham Anderson (or his nominee), pursuant to Resolution 6;
 - (ii) to Bruce Morrin (or his nominee), pursuant to Resolution 7;
 - (iii) to Peter Williams (or his nominee), pursuant to Resolution 8;

- (iv) to Michael Walters (or his nominee), pursuant to Resolution 9;
 - (v) to Paul O'Shaughnessy (or his nominee), pursuant to Resolution 10;
- (b) the number of Related Party Options to be issued is 7,000,000 Options, as follows:
- (i) 2,000,000 Options to Graham Anderson (or his nominee);
 - (ii) 2,000,000 Options to Bruce Morrin (or his nominee);
 - (iii) 1,000,000 Options to Peter Williams (or his nominee);
 - (iv) 1,000,000 Options to Michael Walters (or his nominee); and
 - (v) 1,000,000 Options to Paul O'Shaughnessy (or his nominee);
- (c) the Related Party Options will be granted no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (d) the Related Party Options will be issued for nil cash consideration, accordingly no funds will be raised; and
- (e) the terms and conditions of the Related Party Options are set out in Schedule 2.

Approval pursuant to ASX Listing Rule 7.1 is not required for the grant of the Related Party Options as approval is being obtained under ASX Listing Rule 10.11. Accordingly, the grant of Related Party Options to the Related Parties (or their nominee) will not be included in the use of the Company's 15% annual placement capacity pursuant to ASX Listing Rule 7.1.

5. RESOLUTION 11 – PLACEMENT – OPTIONS – HELEN HALLIDAY

5.1 General

Resolution 11 seeks Shareholder approval for the issue of 500,000 Options to Helen Halliday in part consideration for her services as Assistant Company Secretary (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in section 1.1 above.

The effect of Resolution 11 will be to allow the Company to issue the Options pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

5.2 Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Options to be issued is 500,000;

- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Options will occur on the same date;
- (c) the Options will be issued for nil consideration in part satisfaction of services provided to the Company as Assistant Company Secretary;
- (d) the Options will be issued to Helen Halliday, who is not a related party of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 2; and
- (f) no funds will be raised from the Placement as the Options are being issued in part consideration for services provided to the Company.

GLOSSARY

\$ means Australian dollars.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chair of the Meeting.

Closely Related Party of a member of the Key Management Personnel means:

- (a) a spouse or child of the member;
- (b) a child of the member's spouse;
- (c) a dependent of the member or the member's spouse;
- (d) anyone else who is one of the member's family and may be expected to influence the member, or be influenced by the member, in the member's dealing with the entity;
- (e) a company the member controls; or
- (f) a person prescribed by the Corporations Regulations 2001 (Cth) for the purposes of the definition of 'closely related party' in the Corporations Act.

Company means Gulf Minerals Corporation Limited (ACN 059 954 317).

Constitution means the Company's constitution.

Convertible Note means a convertible note on the terms and conditions set out in Schedule 1.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the current directors of the Company.

Explanatory Statement means the explanatory statement accompanying the Notice.

General Meeting or **Meeting** means the meeting convened by the Notice.

Key Management Personnel has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

Notice or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

Option means an option to acquire a Share on the terms and conditions set out in Schedule 2.

Proxy Form means the proxy form accompanying the Notice.

Remuneration Report means the remuneration report set out in the Director's report section of the Company's annual financial report for the year ended 30 June 2014.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a registered holder of a Share.

WST means Western Standard Time as observed in Perth, Western Australia.

SCHEDULE 1 – TERMS OF CONVERTIBLE NOTES

Terms

The terms of the Convertible Notes are:

Issuer	Gulf Minerals Corporation Limited (www.gulfmineralscorp.com)
Notes offered	7,500,000 unsecured
Coupon	Nil
Term	5 years from issue
Interest payments	Nil
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 conversion price of \$0.03 and at the Holders option but subject at all times with compliance with the Corporations Act.
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 5 years from issue

SCHEDULE 2 – TERMS OF OPTIONS

(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.25 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00 pm (WST) on 31 December 2018 (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The Options may be exercised during the Exercise Period by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 15 Business Days after the Exercise Date, the Company will:

- (i) allot and issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and
- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under (g)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being

ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Quotation of Shares issued on exercise**

If admitted to the official list of ASX at the time, application will be made by the Company to ASX for quotation of the Shares issued upon the exercise of the Options.

(j) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(k) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(l) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(m) **Unquoted**

The Company will not apply for quotation of the Options on ASX.

(n) **Transferability**

The Options are transferable subject to any restriction or escrow arrangements imposed by ASX or under applicable Australian securities laws.

PROXY FORM

GULF MINERALS CORPORATION LIMITED
ACN 059 954 317

GENERAL MEETING

I/We

of:

being a Shareholder entitled to attend and vote at the Meeting, hereby appoint:

Name:

OR: the Chair of the Meeting as my/our proxy.

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at Level 2, 78 Mill Point Road, South Perth Western Australia, on 16 February 2015 at 10.00am, and at any adjournment thereof.

AUTHORITY FOR CHAIR TO VOTE UNDIRECTED PROXIES ON REMUNERATION RELATED RESOLUTIONS

Where I/we have appointed the Chair as my/our proxy (or where the Chair becomes my/our proxy by default), I/we expressly authorise the Chair to exercise my/our proxy on Resolutions 2 to 10 (except where I/we have indicated a different voting intention below) even though Resolutions 2 to 10 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chair.

CHAIR'S VOTING INTENTION IN RELATION TO UNDIRECTED PROXIES

The Chair intends to vote undirected proxies in favour of all Resolutions. In exceptional circumstances the Chair may change his/her voting intention on any Resolution. In the event this occurs an ASX announcement will be made immediately disclosing the reasons for the change.

Voting on business of the Meeting

		FOR	AGAINST	ABSTAIN
Resolution 1	Placement – Convertible Notes – Leprechaun Holdings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Issue of Shares to related party – Graham Anderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Issue of Shares to related party – Bruce Morrin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Issue of Shares to related party – Peter Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Issue of Shares to related party – Michael Walters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Issue of Options to related party – Graham Anderson	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Issue of Options to related party – Bruce Morrin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Issue of Options to related party – Peter Williams	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 9	Issue of Options to related party – Michael Walters	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 10	Issue of Options to related party – Paul O'Shaughnessy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 11	Placement – Options – Helen Halliday	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please note: If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: _____ %

Signature of Shareholder(s):

Individual or Shareholder 1

Sole Director/Company Secretary

Shareholder 2

Director

Shareholder 3

Director/Company Secretary

Date: _____

Contact name: _____

Contact ph (daytime): _____

E-mail address: _____

Consent for contact by e-mail
in relation to this Proxy Form: YES NO

Instructions for completing Proxy Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
 - **(Individual):** Where the holding is in one name, the Shareholder must sign.
 - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
 - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
 - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
 - (a) post to, PO Box 884, South Perth, WA 6951; or
 - (b) facsimile to the Company on facsimile number +61 8 9367 9229,

so that it is received not less than 48 hours prior to commencement of the Meeting.

Proxy Forms received later than this time will be invalid.



GULF MINERALS CORPORATION LIMITED

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Em: info@gulfmineralscorp.com
www.gulfmineralscorp.com
ACN: 059 954 317

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 is developing an ASEAN focused manganese ore and alloy producer. The facilities based in the West Timor capital Kupang 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% ferromanganese alloy resulting from the unique qualities of the Indonesian high-grade low impurities manganese ore.

It is proposed to build 8 furnaces over a 4 year period for a total capital cost of \$52m funded by a dual listing on the Catalist Board of the Singapore Stock Exchange in the first half of 2015, modest project debt and operational cashflow. Each furnace costing \$5.6 million has a capacity of 20,000 tonne alloy production per year, power will be supplied by a third party on a user pay basis.

The first two furnaces will be built during 2015, coming online January 2016, with a further two furnaces each year, 2017, 2018 and 2019.

During construction Gulf shall be exporting 50% plus manganese ore to provide early cash flows and from 2015 the annual exports would commence at 60,000 tonnes and increase by 30,000 tonnes per year to 180,000 tonnes in 2018. Ore will be sourced from West and East Timor together with other localities.

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 GMC will benefit from the Government's Financial Incentives Programme which effectively will result in a 5 year tax holiday, together with other tax exemptions.

The company is investigating potential manganese exploration targets in Turkey to augment the company's strategy of becoming a fully integrated global manganese ore and alloy producer.

It is proposed to make an application for Gulf to dual list on the Singapore Catalist Board to broaden the shareholder base and introduce a range of new international shareholders as the company moves forward with its plan to build a fully integrated ore and alloying enterprise based in West Timor.



Ore

Processing

Tapping

Alloy



Developing Premium Indonesian Manganese Alloys

