



## Gulf Manganese Update - Manganese Ore Supply

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Gulf Manganese Corporation Limited (ASX:GMC) is pleased to advise shareholders of a Review of Manganese Prospects and Deposits in Indonesia study conducted for the company by the world renowned SRK Geological Consulting group.

The study was a geological assessment of manganese (Mn) deposits in Indonesia that could supply ores matching the specific requirements of the proposed ferromanganese alloy smelter business of the company at Kupang, West Timor, Indonesia.

It was undertaken as a desktop review, using publicly available data, SRK's in-house project database and subscription based mineral industry databases, and covers key criteria including geology, deposit style and potential grade and tonnage (although the work is restricted due to the limited public domain data in respect to grade and tonnage information).

SRK concluded that there is a potential extractable Mn mineralisation of 29 Mt for production IUPs and 114 Mt for exploration and production IUPs combined as follows:

Total Tonnage of prospective (Mn) stratigraphy (covered by IUPs\*), West Timor

| Parameter               | Mine/Production | Exploration   | Total         |
|-------------------------|-----------------|---------------|---------------|
| Total Area of IUPs (m2) | 374,000,0000    | 1,140,000,000 | 1,514,000,000 |

|                                    |           |            |            |
|------------------------------------|-----------|------------|------------|
| No. of IUPs Intersecting Formation | 47        | 135        | 182        |
| Average Area of IUP (m2)           | 7,960,000 | 8,440,000  | 8,320,000  |
| Average Strike length (m)          | 2,116     | 2,179      | 2,163      |
| Total Productive Strike Length (m) | 99,437    | 294,226    | 393,695    |
| Prospectivity in IUPs (m3)         | 8,929,288 | 26,480,311 | 35,432,550 |
| Total Tonnage (million tonnes)     | 29        | 85         | 114        |

\*IUP (izin usaha pertambangan) mining/exploration licence

Deputy Chairman and Exploration Director, Dr Peter Williams, commented.....

'Over a 10 year period the total manganese ore requirement will be some 3.6 million tonnes which means based on the SRK report the manganese endowment of West Timor alone more than provides many years of production feed requirements.

These tonnage values do not take into account other Indonesian locations such as Romang, Flores, Rote, Sumbawa, Sulawesi and Kalimantan islands nor the possibility of drawing ore from Northern Australia due to the closeness of proximity'

The parameters and assumptions for the estimation referred to in West Timor are set out in the attached executive summary, and it is important for the reader to review that summary to understand the limits of the review and the sources relied on.

The review also discusses the general lack of information on the likely resource grade of the Timor ores, accordingly SRK recommends that further investigations be carried out in developing relationships with the owners of mine/production IUPs to facilitate an information exchange and upside synergies for the proposed smelter.

The report also discusses the level of confidence attributable to the deposits (including the parameters and assumptions for their calculations) and current nature of the tenements and their status. In general terms, some of the information dates back to 2011, and certain of that information and more recent information relates to tenement licences that are no longer valid (although there is a significant number of granted exploration and production concessions current as at 2015).

It should also be noted that in respect of the more recent information and location of prospects, a number of those identified included possibly planned smelters, although there is no certainty that any planned smelter will proceed and to date apart from Gulf's application there has been no other applications to build a smelter.

The full SRK Consulting report - Review of Manganese Prospects and Deposits in Indonesia may be found on the Gulf website [www.gulfmanganese.com](http://www.gulfmanganese.com).

[http://www.mining-bulletin.com/index.php/read\\_44907.html](http://www.mining-bulletin.com/index.php/read_44907.html)