

Gulf Manganese Corporation reinforces high EBITDA of smelter project

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Gulf Manganese Corporation's redrafted study continues to support the potential of its planned manganese smelter in Timor

Gulf Manganese Corporation's (ASX:GMC) planned manganese smelter in Timor remains a highly attractive project with a redrafted study highlighting EBITDA of US\$374.7 million over 10 years with an NPV of US\$160.6 million.

This requires a start-up capital investment of US\$66 million staged over five years and an IRR of 55.6%.

The redrafted study was carried out to comply with the Indonesian Government's introduction of the Investment Coordination Board's (BKPM) "one stop shop" procedure.

Gulf noted that this has substantially reduced the licensing process time with the BKPM advising that the Industrial Business Licence will take 20-25 days from application to be approved.

This will be followed by the process of becoming a Registered Exporter, which is expected to take 20-25 days from application.

Upon completion of these two licences Gulf intends to commence the construction of the first furnace module with the plant expected to come online within 12 months of starting construction.

Gulf plans to build eight furnaces over a four year period that will produce a premium quality 78% ferromanganese alloy resulting from the unique qualities of the Indonesian high-grade low impurities manganese ore.

The company also plans to list on the Singapore Exchange, aligning the project with its Asian regional investor base.

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