Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Gulf Manganese Corporation Limited

ABN

73 059 954 317

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- 1 +Class of +securities issued or to be issued
- 2 Number of *securities issued or to be issued (if known) or maximum number which may be issued
- 3 Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion)

- Performance Rights (Director)
 Performance Rights (Employees)
- 3) Fully Paid Ordinary Shares
- 94,500,000
 100,820,000
 65,106,664
- 3) 03,100,004
- Performance Rights (Director) expiring 31 December 2019
- 2) Performance Rights (Employees) expiring 31 December 2019
- 3) Fully Paid Ordinary Shares

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of quoted *securities?	3)	Yes
 If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 		
Issue price or consideration	1) 2) 3)	Nil Nil Nil
Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	1)	Issued pursuant to Resolutions 6, 7 and 8 approved by shareholders at the AGM. Issued to employees under the Company's Long-Term Incentive Plan Vesting of Performance Rights
Is the entity an ⁺ eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h <i>in relation to the </i> + <i>securities the</i>	No	
subject of this Appendix 3B, and comply with section 6i		
The date the security holder resolution under rule 7.1A was passed	N/A	
Number of +securities issued without security holder approval under rule 7.1	Refer b	elow
Number of +securities issued with security holder approval under rule 7.1A	N/A	

1) No

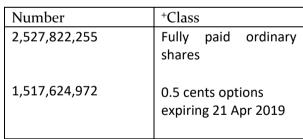
2) No

Do the +securities rank equally

in all respects from the date of

⁺ See chapter 19 for defined terms.

- 6e Number of ***securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)
- 6f Number of securities issued under an exception in rule 7.2
- 6g If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.
- 6h If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements
- 6i Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements
- 7 Dates of entering *securities into uncertificated holdings or despatch of certificates
- 8 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in section 2 if applicable)



oproval

N/A

N/A

N/A

-

N/A

Refer below

20 December 2017

		Г
4	9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in section 2 if applicable)
	10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)
(15)	Part	2 - Bonus issue or pro ra
	11	Is security holder approval required?
	12	Is the issue renounceable or non- renounceable?
ΠΠ	13	Ratio in which the ⁺ securities

⁺Class of ⁺securities to which the 14 offer relates

will be offered

	24,000,000	Performance Rights expiring 28 Nov 2019 (Employees)
	63,000,001	Performance Rights expiring 31 Dec 2019 (Directors)
	67,213,335	Performance Rights expiring 31 Dec 2019 (Employees)
	100	Convertible Notes with a face value of \$10,000 each expiring 27 June 2019
case of a y) on the ests)	N/A	
r pro rata issue		
approval		

- case of a y) on the
- ests)

Number

51,925,917

10,000,000

15,000,000

7,500,000

50,000,000

24,000,000

27,000,000

+Class

(ECSOP)

2019 (Directors)

\$0.0196 options expiring 30 Sep 2018

\$0.0196 options expiring 21 Feb 2018

\$0.0496 options expiring 30 Sep 2018

\$0.2496 options expiring 31 Dec 2018

\$0.02 options expiring 5 Sep 2021

\$0.02 options expiring 5 Sep 2021

Performance Rights expiring 28 Nov

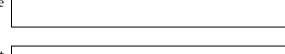
or pro

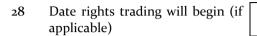
⁺ See chapter 19 for defined terms.

- 15 ⁺Record date to determine entitlements
- 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
- 17 Policy for deciding entitlements in relation to fractions
- 18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

- Cross reference: rule 7.7.
- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺security holders
- 25 If the issue is contingent on +security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled





- Date rights trading will end (if 29 applicable)
- How do +security holders sell 30 their entitlements in full through a broker?
- How do +security holders sell 31 entitlements part of their through a broker and accept for the balance?
- How do ⁺security holders dispose 32 of their entitlements (except by sale through a broker)?
- +Issue date 33

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

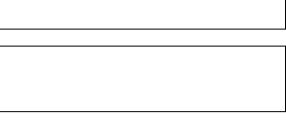
- Type of securities 34 (tick one)
- (a) Х Securities described in Part 1
- (b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents



⁺ See chapter 19 for defined terms.

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1 1

		additional ⁺ securities, and the held by those holders	ne number and percentage of additional +securities
36			securities, a distribution schedule of the additional mber of holders in the categories
37		A copy of any trust deed for t	he additional ⁺ securities
Entit	ies that	have ticked box 34(b)	
38		eer of securities for which ation is sought	
39		of ⁺ securities for which tion is sought	
40	all re allotm	e ⁺ securities rank equally in espects from the date of ment with an existing ⁺ class oted ⁺ securities?	
	rank e • the • the pa div tru pay • the no rel dis	additional securities do not equally, please state: e date from which they do e extent to which they rticipate for the next vidend, (in the case of a list, distribution) or interest yment e extent to which they do t rank equally, other than in ation to the next dividend, stribution or interest yment	
41	now Example of restric (if is anoth	n for request for quotation : In the case of restricted securities, end tion period sued upon conversion of er security, clearly identify ther security)	

If the +securities are +equity securities, the names of the 20 largest holders of the

Number ⁺Class

42 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in clause 38)

Quotation agreement

- ¹ ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the *+*securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the *securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any *securities to be quoted and that no-one has any right to return any *securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the *securities be quoted.
- If we are a trust, we warrant that no person has the right to return the ⁺securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ⁺securities be quoted.
- We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before ⁺quotation of the ⁺securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

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rd Math (Company Secretary)

Date: 20 December 2017

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for *eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exc	ceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated		
<i>Insert</i> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	1,571,183,253	
 Add the following: Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid ordinary securities issued in that 12 month period with shareholder approval Number of partly paid ordinary securities that became fully paid in that 12 month period Number of partly paid ordinary securities that became fully paid in that 12 month period Note: Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	- 466,666,671 66,666,667 34,000,000 83,000,000 6,533,000 33,333,333 Shares (6 Oct 2017) 166,666,667 Shares (1 Nov 2017) 1,333,000 2,333,000 65,106,664	
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	-	
" A "	2,527,822,255	

"В"	0.15
	[Note: this value cannot be changed]
<i>Multiply</i> "A" by 0.15	379,173,338
Step 3: Calculate "C", the amount 7.1 that has already been used	of placement capacity under rule
Insert number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:	
Under an exception in rule 7.2	
Under rule 7.1A	
 With security holder approval under rule 7.1 or rule 7.4 	
 Note: This applies to equity securities, unless specifically excluded – not just ordinary securities Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	
"C"	-
Step 4: Subtract "C" from ["A" x "I placement capacity under rule 7.1	B"] to calculate remaining
"A" x 0.15	379,173,338
Note: number must be same as shown in Step 2	
Subtract "C"	
Subtract "C" Note: number must be same as shown in Step 3	-

[Note: this is the remaining placement

capacity under rule 7.1]

⁺ See chapter 19 for defined terms.

Terms and Conditions of the Convertible Note

Terms and Conditions of th	e convertible note	
Issuer:	Gulf Manganese Corporation Limited	
Notes offered:	A\$1,000,000 unsecured	
Coupon:	8%	
Term:	2 years from issue	
Interest payments:	Monthly in arrears	
Denominations:	100 notes in denomination of AUD \$10,000 per note	
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 Manganese Corporation Limited and subject to all regulatory approvals	
Conversion before 21 Augus	st 2017: Each note may be converted into Gulf shares at 1.5	
cents with free attaching 3 for 2 Listed Options (GMCO) exercisable at 0.5 cents expiring 21 April 2019.		
Conversion after 21 August cents.	2017: Each note may be converted into Gulf shares at 1.5	
Redemption :	Each note may be redeemed at the Holders option 3 months from issue or any time thereafter with 1 month notification and all outstanding notes will be redeemed in full 24 months from issue.	
Governing law:	The Laws of Australia shall apply to the Note.	

Part 2 – Not Applicable

⁺ See chapter 19 for defined terms.