

Gulf Manganese Corporation (ASX. GMC)

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Primed to commence ferromanganese alloy production H2 2018

Investor Presentation

Hong Kong

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Thank you.

Fully-funded through to production mid-2018

A\$15 million funding secured through Indonesian-based diversified investment group PT Jayatama Tekno Sejahtera – fast-tracking construction and commissioning of first two smelters.

Clear pathway to production ramp-up

Low-cost, highly scalable production starting at 30,000 tpa, increasing to 155,000 tpa of ferromanganese alloy.

Mine-gate to production acquisition strategy

Actively assessing acquisition opportunities targeting high grade Mn mines in Indonesia – home to the world's highest grade manganese (+44%Mn).

Multiple revenue streams

Export of Refined ferromanganese alloys of Medium and Low Carbon manganese alloys, and export of Direct Shipping Ore (DSO).

Strong in-country partnerships

Gulf backed by PT JTS, whose Chairman and CEO is Bpk Fofo Sariaatmadja, a highly-regarded Indonesian business identity.



Building a Successful Indonesian Smelting Business – Key Factors

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Significantly de-risked exposure to Indonesia's world-class high grade Mn deposits

| Key Milestone / Achievement | | Completed / Due Date |
|-----------------------------|--|----------------------|
| 1. | Study & Test Program | ✓ |
| 2. | Licensing, Permitting Approval | ✓ |
| 3. | Secure cornerstone Indonesian Investors | ✓ |
| 4. | Secure Indonesian High Grade Manganese Mines | First Mine Secured |
| 5. | Commissioning & First Production | H2 2018 |



- JTS Group: part of a diversified investment group based in Indonesia and Australia, with investments across the Asia Pacific region.
- First A\$2M funding tranche already received.
- Chairman and CEO Bpk Fofa Sariaatmadja is Commissioner with:
 - PT. Surya Citra Televisi, the number one television in Indonesia
 - PT. Mediatama Anugrah Citra, the only digital terrestrial pay-TV operator in Indonesia
 - PT. Abhimata Persada, an IT solutions provider to the banking sector.



Figure 2 (from left to right): Sam Sariaatmadja, Gulf MD Hamish Bohannan, PT JTS Chairman and CEO Bpk Fofa Sariaatmadja, Johannes Susilo, Amanda Liu, Tim Sariaatmadja (Laptop at front)



Figure 2: Gulf MD Hamish Bohannan signs funding agreement

PATHWAY TO PRODUCTION

1. Licensing and Approvals
2. Project Acquisition / Ore purchasing
3. Ore Transport to Processing Plant
4. Ore processing
5. Alloy smelting
6. Sales & marketing
7. Final product Ferromanganese Alloy

HIGHLY SCALABLE PROJECT

- Low-cost, highly scalable production starting at **30,000 tpa**, increasing to **155,000 tpa** of ferromanganese alloy.
- The Smelter feed will comprise local Indonesian manganese ores (**48%+ Mn**).

- Staged build-out of Kupang facility – at least 8 furnaces to be in operation upon completion
- Construction activities on the first two smelters, including completion of the smelter foundations, are progressing on schedule
- Targeting production of premium quality 82%+ manganese alloy resulting from the unique qualities of the Indonesian high-grade, low impurity manganese ore
- Targeting sale of Direct Shipped Ore (DSO) during construction phase - significant near-term value catalyst
- Power supplied by state power utility on unit cost basis from power station adjacent to smelter site
- Nearby (5km) Tenau Port has both bulk and container loading facilities
- Easy access to key Asian markets including Japan, Korea and China

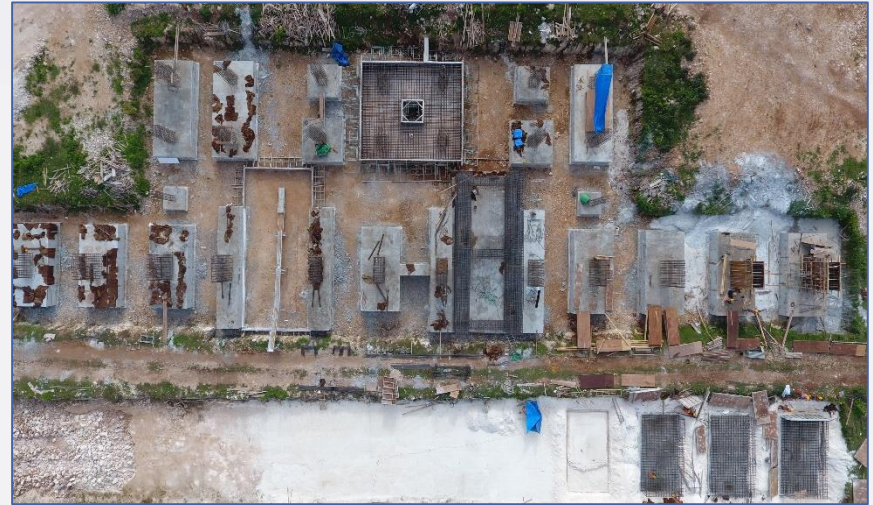
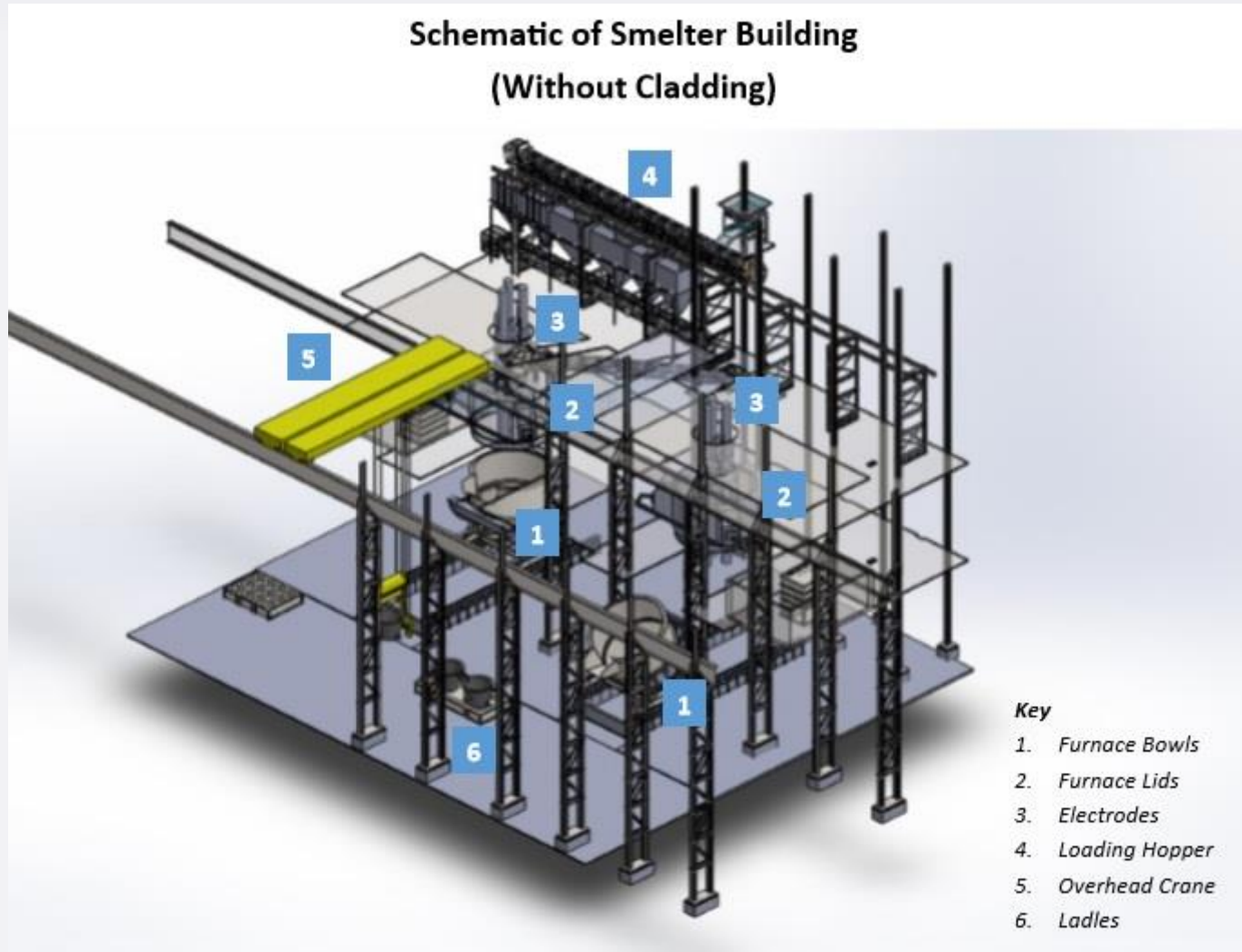


Figure 3: Construction underway at Kupang Smelting Hub Facility



Figure 4: Cleared site under Construction





Unlocking the World's Highest Grade Mn Deposits **gulf**

Global Depletion of High Grade Manganese Indonesia the Last Frontier

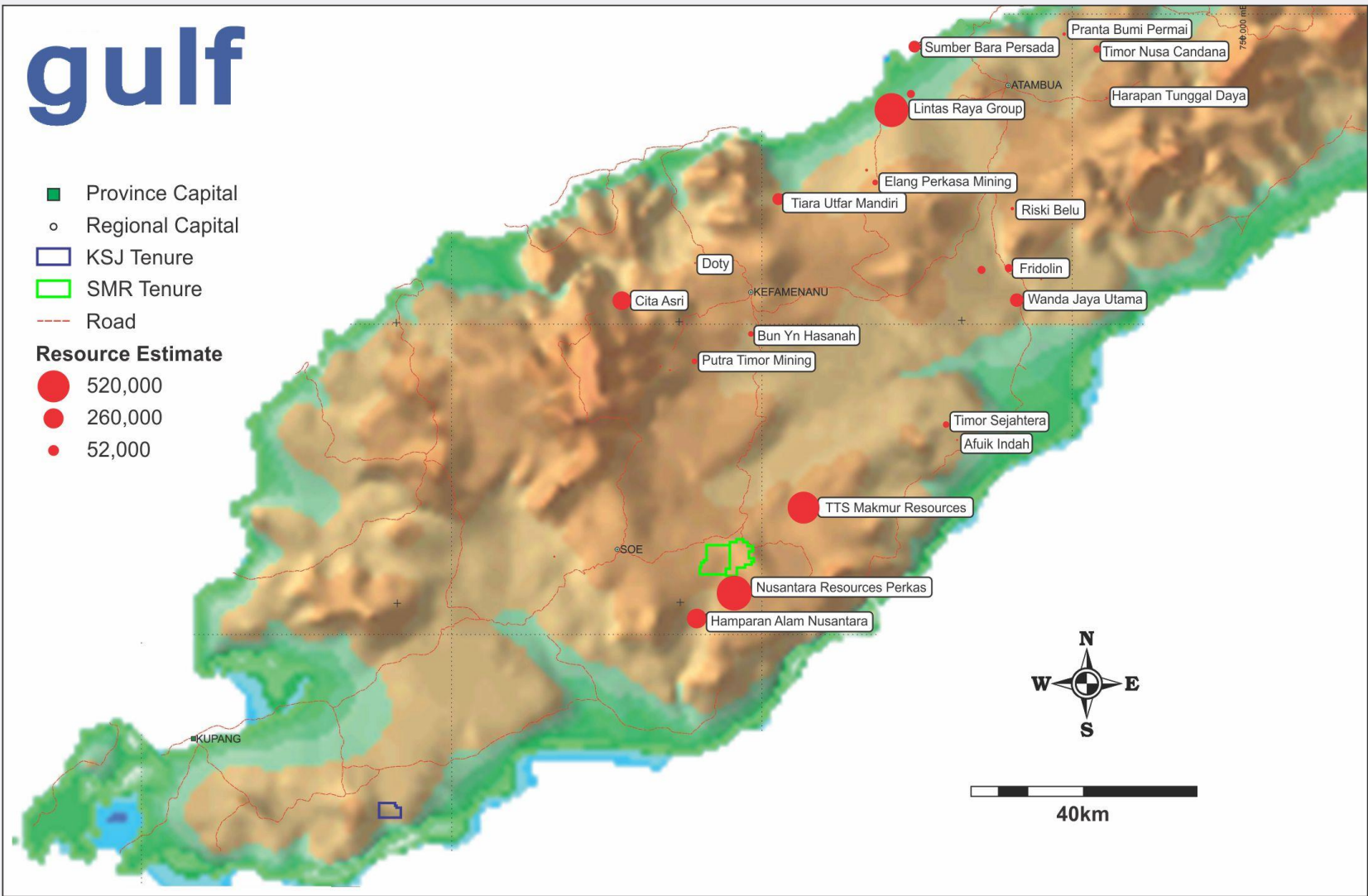
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● High grade (+44%)

● Medium to low grade (<44%)



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Map showing Clean and Clear IUP's (Mn) in West Timor and Resource Estimate

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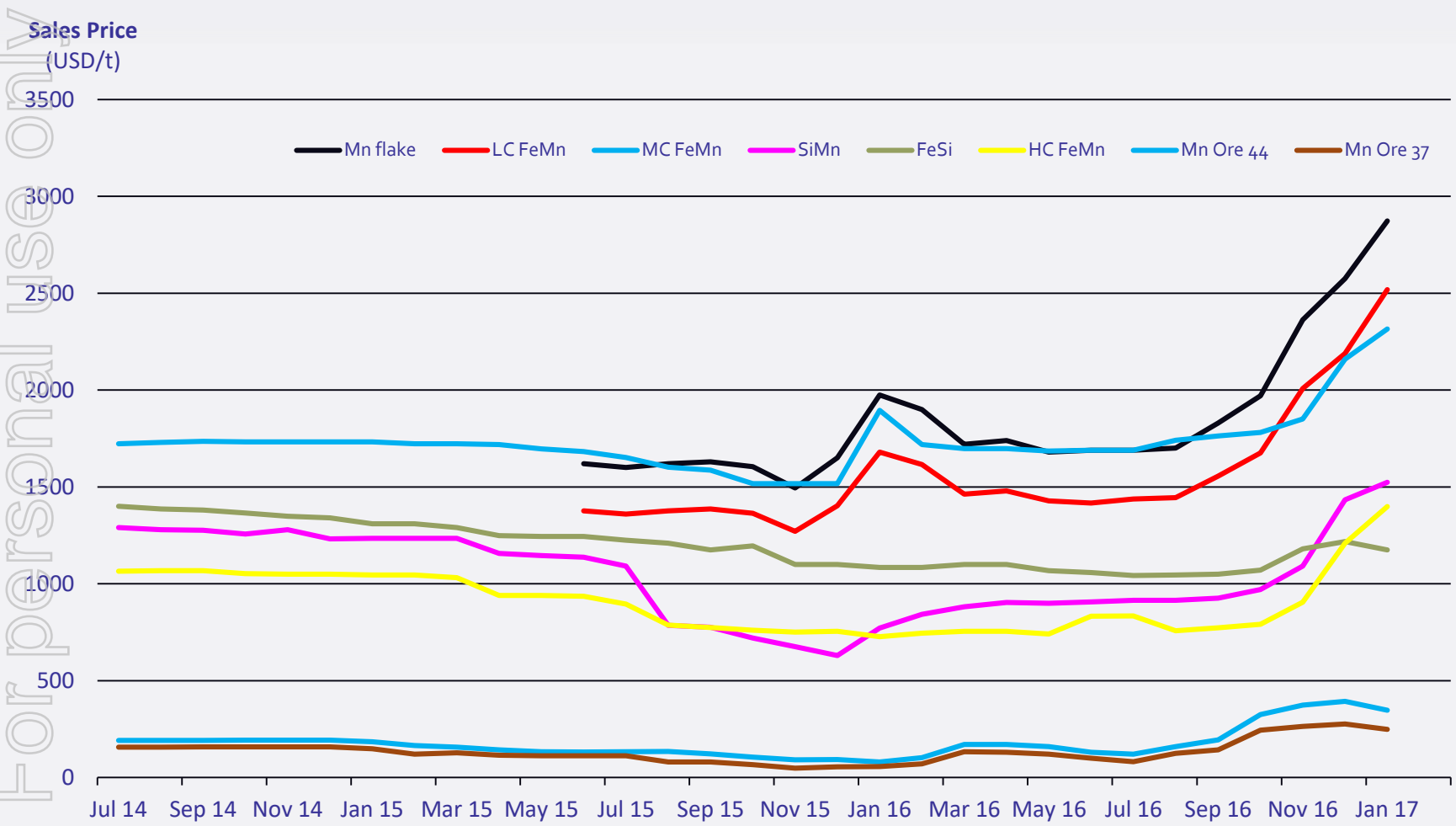
| Development Milestone | CY2018 | | CY2019 | | CY2020 | |
|--|--------|----|--------|----|--------|----|
| | H1 | H2 | H1 | H2 | H1 | H2 |
| Completion of Smelter Refurbishment | ✓ | | | | | |
| Secure funding for Stage 1 Production | ✓ | | | | | |
| Commence Acquisition of High Grade Mines | ✓ | | | | | |
| First two smelters shipped to Kupang | ✓ | | | | | |
| Commissioning of Kupang Smelting Hub | | | | | | |
| Commence first sales of ferromanganese alloy | | | | | | |

| Kupang Smelter Project | | Annualised Performance | | | |
|------------------------------|------------|------------------------|--------------|--------------|--------------|
| | | 2 Units | 4 Units | 6 Units | 8 Units |
| Installed Smelter Capacity | MVA | 14 | 32 | 50 | 68 |
| Physicals | | | | | |
| Mn Ore Purchased | t | 65,847 | 150,507 | 235,167 | 319,827 |
| FeMn Alloy Sold | t | 31,640 | 72,320 | 113,000 | 153,680 |
| Costs | | | | | |
| Ore Purchase & Preparation | USD | 6.8 | 15.7 | 24.5 | 33.3 |
| Smelting | USD | 17.8 | 38.1 | 58.2 | 78.7 |
| Overheads | USD | 0.9 | 2.0 | 3.1 | 4.2 |
| Total Operating Costs | USD | 25.5 | 55.8 | 85.8 | 116.2 |
| Revenue from Sales | USD | 47.5 | 108.5 | 169.5 | 230.5 |
| Net Operating Margin | USD | 21.9 | 52.7 | 83.7 | 114.3 |

- Gulf's DSO and Refined alloy products will be in very high demand due to their high manganese content and low impurities.
- Manganese ore prices have risen steadily over the last 12 months - prices **increasing over 100%** for 44% grade manganese lump.
- Refined ferromanganese alloys are usually used in the manufacture of high grade steel (for automobile and ship building).
- After steel, the second most important market for manganese (in dioxide form) is for portable dry cell batteries.
- Other uses include manganese sulphates as an agricultural fertilizer, in water purification, health vitamins, gasoline additives and colouring glass.



Manganese Value Chain – Geared for Growth



Source: (CRU & Metal Bulletin)

Capital Structure

| | |
|-----------------------------|---------------|
| ASX Code: | GMC |
| Shares on Issue | 2,651,422,860 |
| Share Price (15 March 2018) | 1.5¢ |
| 52 week high / low | 2.4¢ / 0.6¢ |
| Market Cap (15 March 2018) | 40 million |

Top Shareholders

| | |
|---------------------------|-------|
| Tanah Capital Pte Ltd | 8.84% |
| Citicorp Nominees Pty Ltd | 8.72% |
| Tan Hwa Poh | 4.78% |
| ABN Amro | 3.93% |

Board and Management

| | |
|-------------------------|-----------------|
| Non-Executive Chairman | Craig Munro |
| Managing Director & CEO | Hamish Bohannon |
| Non-Executive Director | Andrew Wilson |
| Company Secretary | Leonard Math |

GMC 12 month SP price and volume



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