

Gulf

MANGANESE

A photograph of three men in safety gear (hard hats and high-visibility vests) reviewing blueprints at an industrial site. The man in the center is wearing a white hard hat with the 'gulf' logo and an orange and blue safety vest. The other two men are wearing white hard hats and neon green safety vests. They are standing in front of large, grey, curved industrial components. In the background, there is a complex structure of blue steel beams and scaffolding under a clear blue sky.

September 2019 • Investor Presentation • ASX : GMC

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Thank you.

Corporate Snapshot

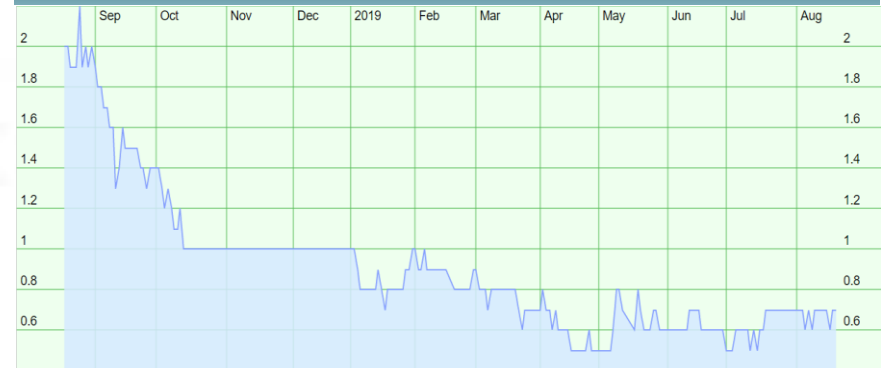


Share Metrics

(as at 20 August 2019)

ASX Ticker	GMC
Issued Shares	4,937,756,998
Share Price	0.7¢
52 Week High/Low	2.5¢ / 0.5¢
Market Cap	\$ A 35 million

GMC Share Price Performance



Board & Management

Non-Exec Chairman	Craig Munro
Managing Director & CEO	Hamish Bohannan
Non-Exec Director	Andrew Wilson
Non-Exec Director	Tan Hwa Poh
Company Secretary	Ian Gregory
CFO	Robert Ierace

GMC Shareholder Structure

Top 20 Shareholders	47.84%
Board & Management	5.88%
Citicorp	9.43%
HSBC	7.63%
PT JTS Group	6.37%
BNP Paribas	3.04%
Tan Hwa Poh	3.08%

Who is Gulf Manganese Corporation?

- Gulf is a **smelting specialist**, involved in mining, smelting and trading of manganese products, offering exposure to the niche top end manganese space, essential to steel and batteries
- **Gulf is the only ASX listed company offering exposure to the unique Indonesian high grade ore**
- Gulf is developing a premium refined ferromanganese alloy production smelting hub in West Timor, Indonesia
- Headquartered in Australia, with offices in Perth, Kupang, Singapore and Dili



Investment Opportunity



Construction on track to be completed in H2 2019

- Construction over 60% complete with commissioning and first commercial alloy sales expected during Q1 2020

Clear pathway to production ramp-up:

- Low-cost, highly scalable production starting at 43,000₁ tpa, increasing to over 200,000₂ tpa of ferromanganese alloy with the addition of subsequent smelters

DSO Licence secured:

- Manganese Concentrate Export Permit (“DSO”) approval received to export up to 103,162 tonnes of high-grade manganese concentrate per year, with the licence secured through to January 2022

Mine-gate to production acquisition strategy:

- Actively assessing acquisition opportunities targeting high grade (+49%Mn) manganese mines in Indonesia

Diversified revenue streams:

- Export of refined ferromanganese alloys of Medium and Low Carbon, and export of Direct Shipping Ore (DSO)

Strong in-country partnerships:

- Strong Indonesian partnership with PT JTS, whose Chairman and CEO is Bapak Fofo Sariatmadja, a highly regarded Indonesian business executive

Strategic interest in Timor-Leste manganese explorer:

- Planned acquisition of a 20% interest in Iron Fortune Pty Ltd provides a first to market exploration opportunity in Timor-Leste, significantly diversifying and de-risking supply chain

What is Manganese?

Manganese is:

- The 4th most consumed metal behind iron, aluminium and copper
- A brittle, hard, silver-grey metal that looks like iron

Metallurgical:

- Over 90% of demand comes from steelmaking. No suitable substitute for the metal exists, it cannot be recycled.
- Manganese is usually added in the form of ferroalloys: ferromanganese (FeMn) and silicomanganese (SiMn)
- Manganese ferroalloys are added to deoxidise molten steel, remove sulphur and act as hardening agent
- It is also used in batteries, chemicals and the aluminium industry



Low Carbon FeMn – Highest Value Alloy

Gulf's Low Carbon Alloy:

- Niche, high value segment
- Special Product – Ultra Low Carbon combined with very high Mn Content
- Process maximises margins
- Highly profitable



Manganese Ore



Manganese Alloy

Silicomanganese Alloy

SiMn

Construction Steels



High Carbon Ferromanganese Alloy

HCFeMn

Flat Steels



Refined Ferromanganese Alloy



Medium Carbon Ferromanganese Alloy

MCFeMn

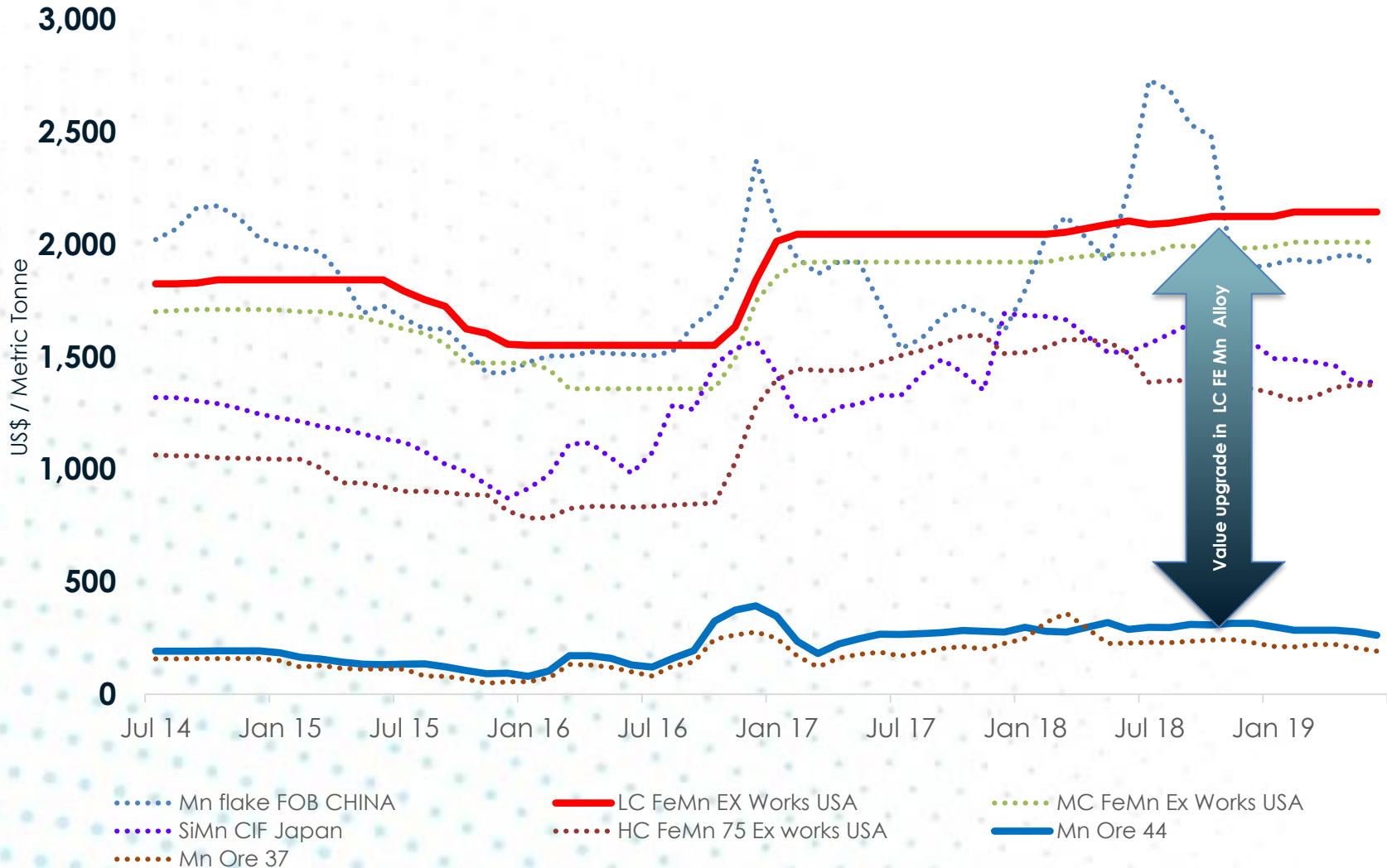


Low Carbon Ferromanganese Alloy

LCFeMn

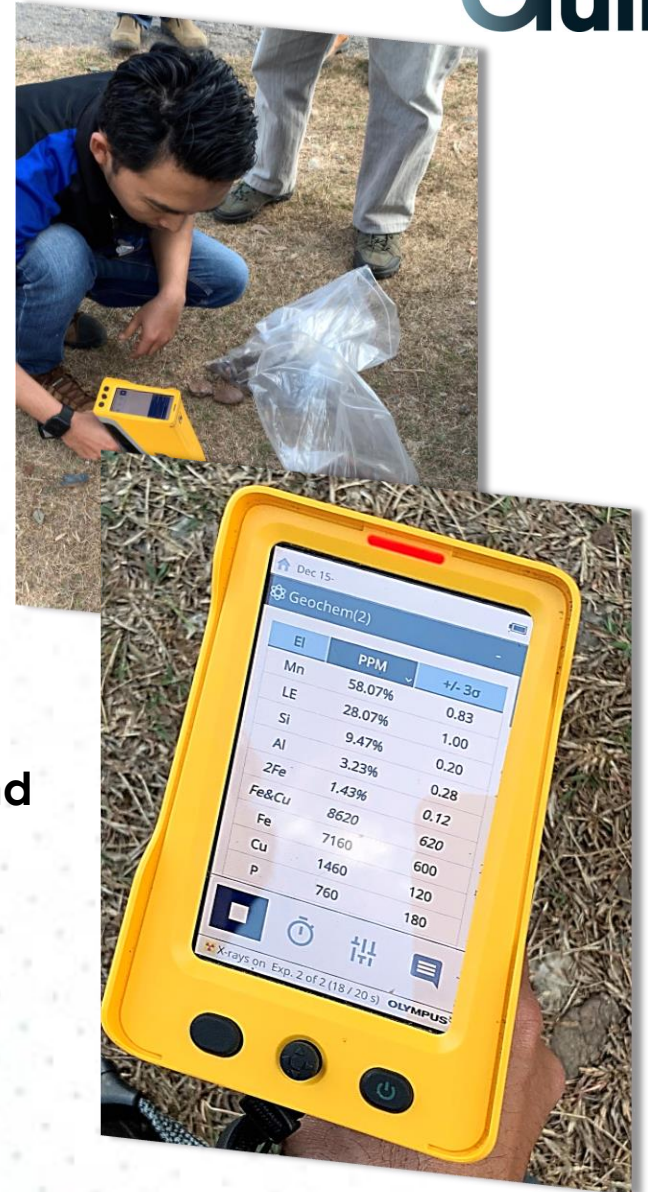
Specialty Steels and High Alloy Steels

LC FeMn Project Value Proposition



Why Indonesia?

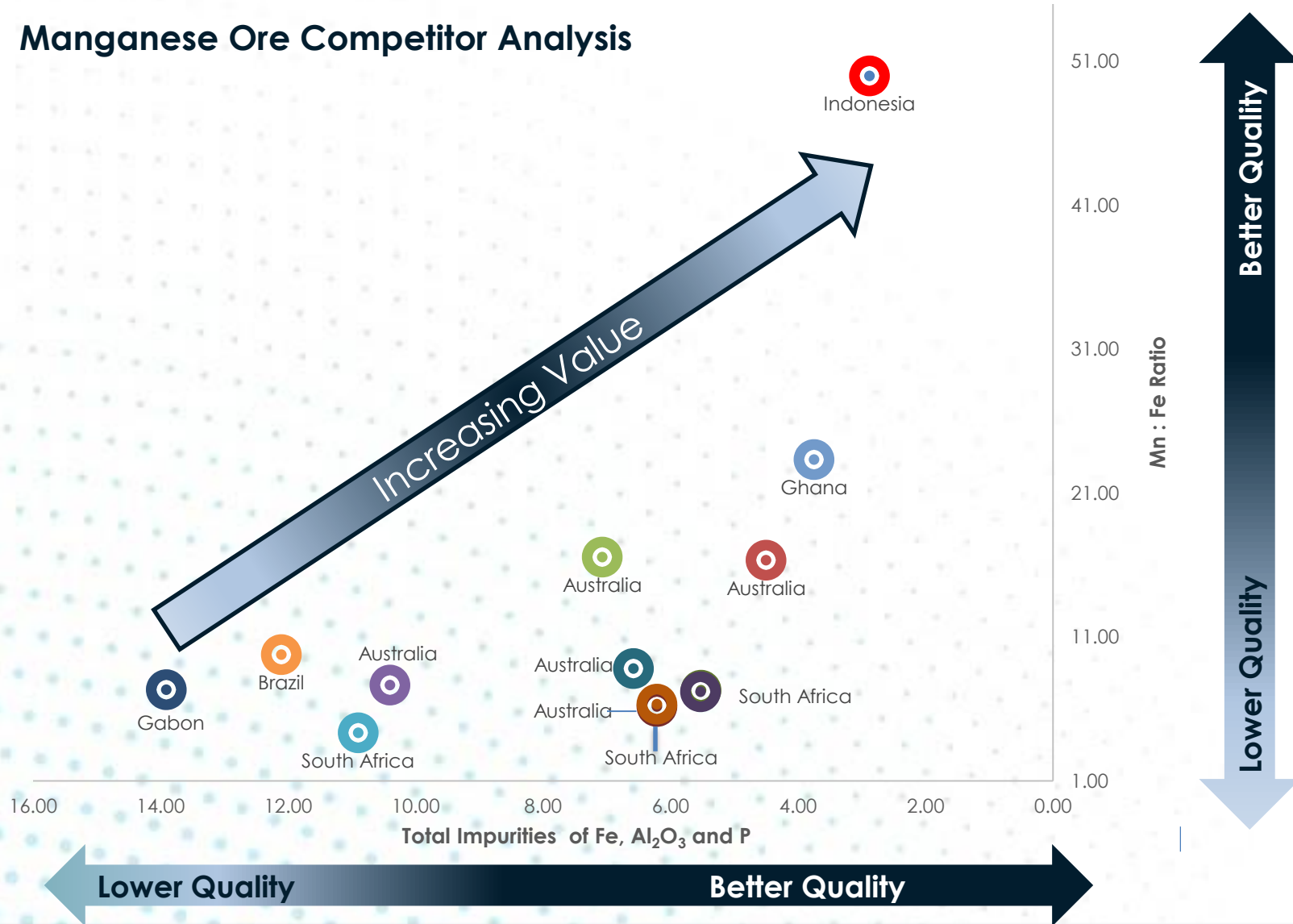
- Super high-grade ore >49% manganese (Mn)
- Very low iron (Fe) content
- Extraordinary Mn:Fe ratio, typically greater than 50:1
- Indonesia law does not allow for exporting of 'untreated ore' without a Direct Shipping Ore licence (DSO)₁
- Gulf provides a route to market to local miners and realises additional value through the smelting process
- DSO now secured and Gulf can also export manganese concentrate



₁ The government is currently only allowing DSO until April 2022 after which the ban may be reinstated

Key Value Drivers for Manganese Ore

Manganese Ore Competitor Analysis



Project Overview – Smelting Hub

Development of Smelting Hub in West Timor

Initially 2 x 7MVA smelters treating 110,000 tonnes of ore, producing up to 43,000 tonnes FeMn alloy per annum



Flexibility allowed by batching; mitigates market risk

Production of Low Carbon FeMn using FeSi natural hedge

Production of Medium Carbon FeMn using coke



Low Carbon FeMn Alloy - A Unique process

Produce Ultra Low Carbon, High Mn FeMn alloy

Maximising metallurgical value adding



Expansion Plan

Initial expansion to 4 smelters within 3 years

Project Overview – Unique One Step Process



Gulf's Smelting Process



Typical Smelting Process



Indonesian high grade and very high Mn:Fe ratio ore enables Gulf to use a SINGLE STEP process to produce very high-grade alloy, whereas Gulf's competitors use 2 step process (converter) thus using less power per Mt of final product and increased production efficiencies.

Project Overview – Advantages

- ✓ **First mover advantage**
- ✓ **Permits in place**
- ✓ **Power agreements secured**
- ✓ **30 year land lease secured on industrial estate**
- ✓ **Port facilities close by**
- ✓ **Direct Shipped Ore licence obtained**
- ✓ **Smelters and transformers fully refurbished and on site**
- ✓ **Steelwork 60% complete**
- ✓ **Ore supply MoUs in place**
- ✓ **Strong in-country Indonesian partner (PT JTS)**

Project Overview – Kupang Infrastructure



Tenau Port



International Airport



Kupang City Office



Smelter Site



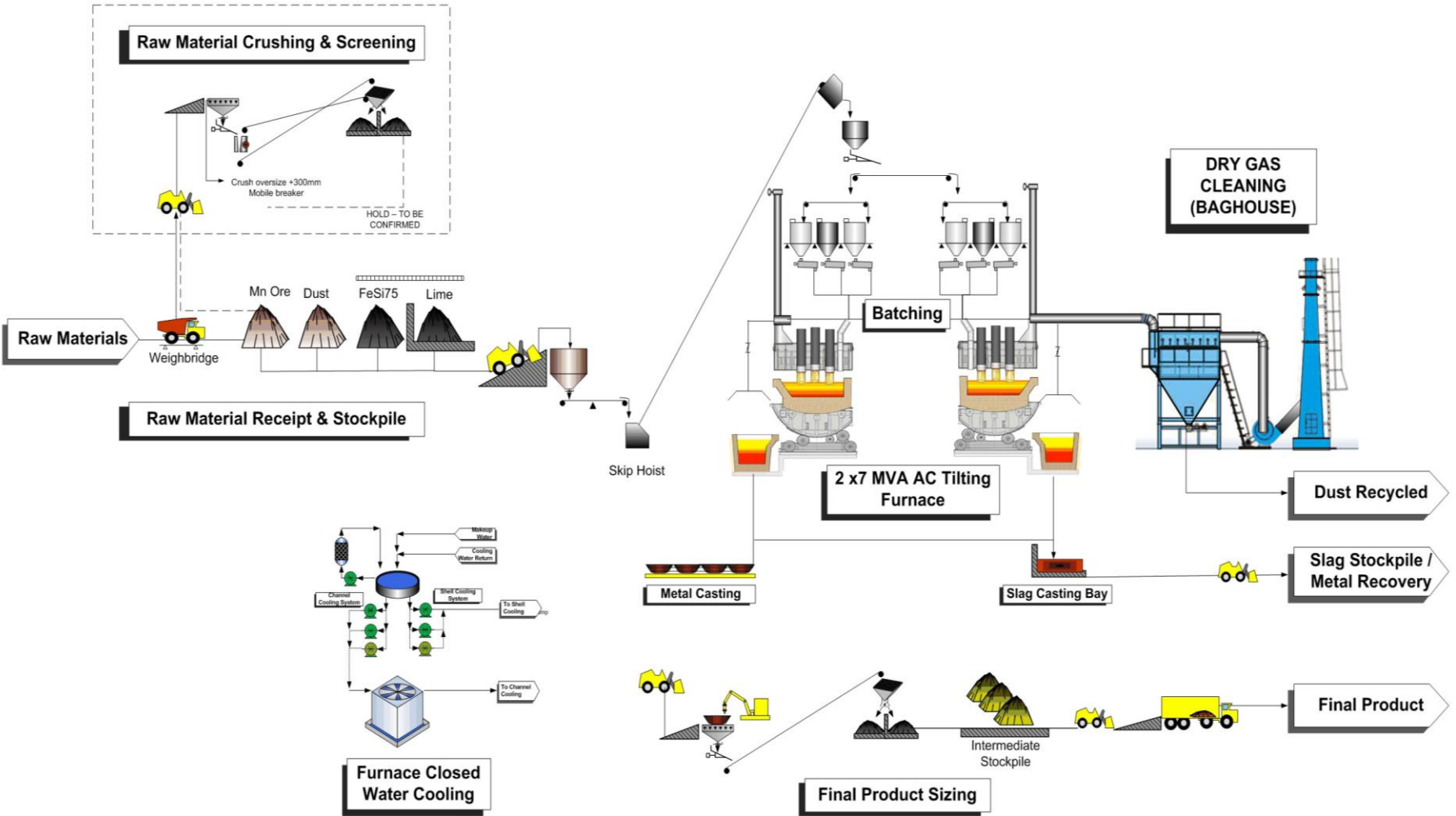
PLN Power Station

FeMn Shipping Route

To Manganese Mines

0 3.8km

Project Overview – Process

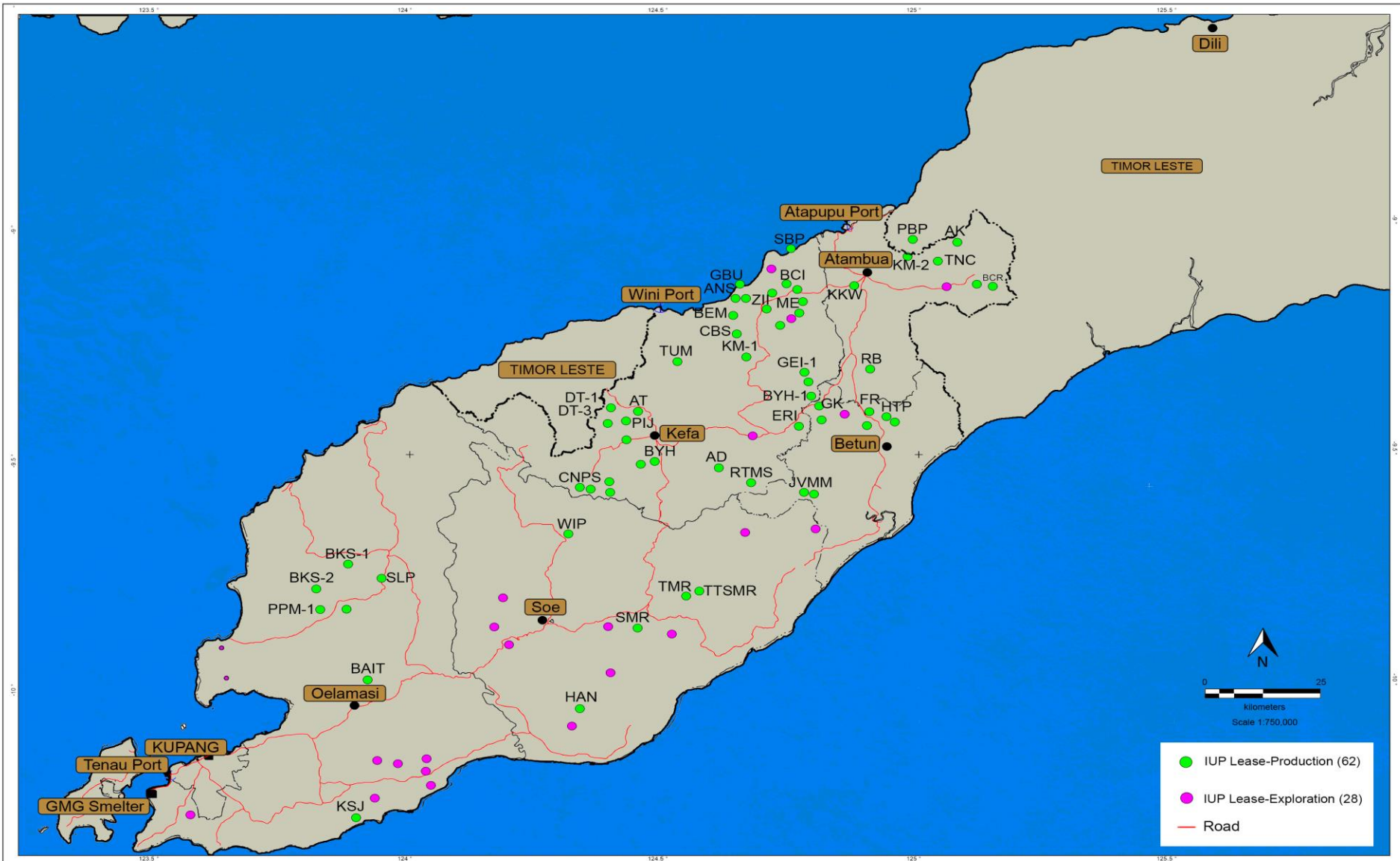


Project Overview – Ore Supply

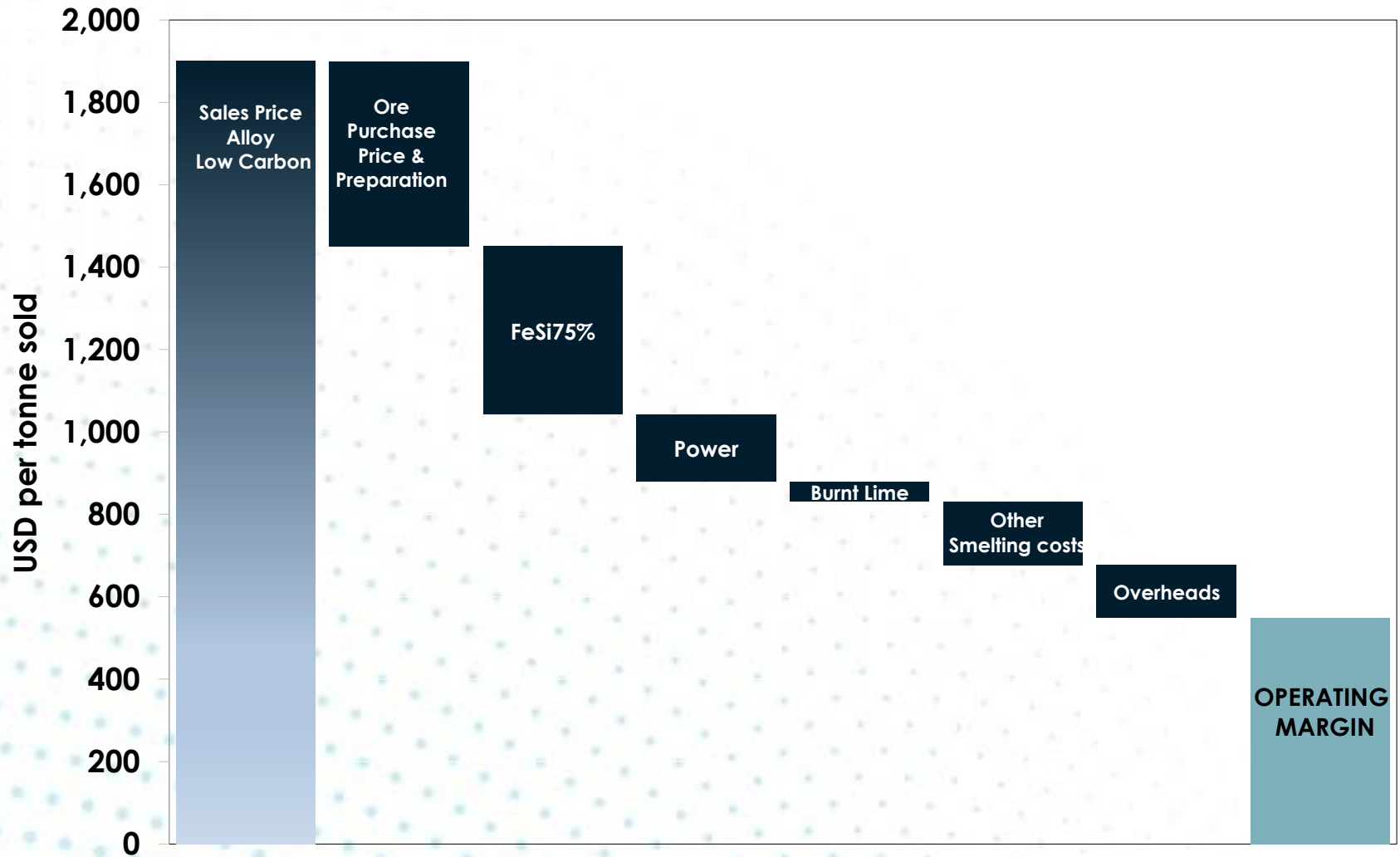
- **NTT focussed procurement strategy with 20 MOU agreements in place with NTT miners.**
- **Gulf committed to purchase manganese ore only from suppliers who demonstrate they have all required permits, licences, certificates and approvals as required by Government regulations (clean and clear).**
- **Strategic interest in Timor-Leste manganese explorer (Iron Fortune). Mineralisation expected to continue into Timor-Leste.**
- **Discussions with international manganese ore suppliers.**



Project Overview – Ore Supply



Alloy Operating Margin (Per Tonne Sold)



Financials

Kupang Smelter Project		Annualised Performance	
		2 Units	4 Units
Installed Smelter Capacity	MVA	14	32
Physicals			
Mn Ore Purchased	†	112,000	247,000
FeMn Alloy Sold	†	43,000	95,000
Costs			
Ore Purchase & Preparation	USD	19.3	42.6
Smelting	USD	33.3	73.6
Overheads	USD	5.5	12.2
Total Operating Costs	USD	58.1	128.4
Revenue from Sales	USD	81.7	180.5
Operating Margin	USD	23.6	52.1

Notes:

- Does not include revenue from Direct Shipped Ore “DSO” Sales
- Based on 100% of project. GMC will have 74.9% with JTS 25.1% ownership of project.
- Before Tax and Interest
- All financials in millions
- Assumes all ore purchased from local Indonesian miners in NTT and adjacent provinces
- Refer to Slide 22 for Assumptions on annualised performance figures
- Based on Current Pricing

Plant Construction



Cost to Complete USD (million)

Spend to Date US \$13

Still to Spend

Crusher & Screen	\$0.2
Laboratory	\$0.2
EPCM Contractor	\$0.4
Mechanical & Electrical	\$8.8
Civils & Structural	\$1.0
First Fill (Raw Materials)	\$1.7
Power & Connection	\$0.3
Other & Contingency	\$0.4

US \$13

Total

US \$26



Pre-Construction



Construction to Date

Long Term Strategy



Kupang Smelting Hub - Assumptions



Kupang Smelter Project			LCFeMn Alloy(LP)			
Smelters		each	2	4		
Installed Capacity	2,260 t/MVA	MVA	14.0	32.0		
Physicals						
Mn Ore Purchased		tpa	112,000	247,000		
FeMn Alloy Sold		tpa	43,000	95,000		
			USDm	USDm	USD/t	
Ore Purchase & Preperation	\$172.01 /t purch		19.3	42.6	448.84	33.2%
FeSi75%	0.341 t/t FeMn		17.6	38.9	409.30	30.3%
Burnt Lime	0.713 t/t FeMn		2.1	4.6	48.84	3.6%
Electrode Paste	0.023 t/t FeMn		0.6	1.3	13.95	1.0%
Power	\$0.089 /kWh		7.0	15.5	162.79	12.0%
Salaries/Wages			1.7	3.8	39.53	2.9%
Laboratory			0.4	0.9	9.30	0.7%
Smelter Consumables			2.0	4.4	46.51	3.4%
Logistics			0.7	1.5	16.28	1.2%
Maintenance			1.0	2.2	23.26	1.7%
Fuels/Oils			0.1	0.2	2.33	0.2%
Environmental			0.1	0.2	2.33	0.2%
Smelting			33.3	73.6	774.42	57.3%
General & Administration			2.1	4.6	48.84	3.6%
Sales & Marketing			3.0	6.6	69.77	5.2%
Overheads			0.4	0.9	9.30	0.7%
Overheads			5.5	12.2	127.91	9.5%
Total Op Costs			58.1	128.4	1,351.16	
Revenue	\$1,900 U\$/t		81.7	180.5	1,900.00	
Net Operating Margin			23.6	52.1	548.84	

Riding the Commodity Wave



Operational Experience

- Experienced Board and Management
- Strong in-country partnerships
- Local expertise

Strategic Flexibility

- Multiple revenue streams
- Ability to change alloy production (LC vs MC) to mitigate market risk
- Scalable production

Access to Raw Materials

- Local supply of some of the world's highest grade Mn ore
- Sited along a major sea route
- Developing new ore supply channels in Timor-Leste

High Value Products

- Highest grade manganese ore
- Low Carbon – high value added product
- Low FeMn ratio – minimal impurities

Strong Fundamentals

- Low cost production
- Strong margins
- Unique Low Carbon FeMn Process – one step process

Excellent Local Infrastructure

- Reliable, competitive power supply in close proximity
- Deep water port facility nearby
- International airport
- Kupang city well established

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