

ASIA PACIFIC
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PARKROYAL on Beach Road, Singapore

MYANMAR: GOLD'S LAST FRONTIER

A presentation to the opportunities in the value chain

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The 2 years since the formation of the new government have been a very exciting era for businesses.

Whether the policies and regulations are new or restructured, they spell a future that is filled to the brink with vast potential.

Gold specific policies as well as other major policies that are implemented across all industries, assisted in spearheading the development of the gold sector.

This presentation is the positive result of these cause and effects, and shows the opportunities to further bring along Myanmar's long awaited dream of entering the world precious metals market come into fruition.

Recap: Market updates

Update 1 :

Daily spot and deferred deliverable gold

- Total US\$66-88 million. (US\$6-8+ million spot, US\$60-80+ million deferred)
- Annual US\$15.77 - 20.02 billion
- Or 360-480+ tons annual domestic transactions

Update 2 :

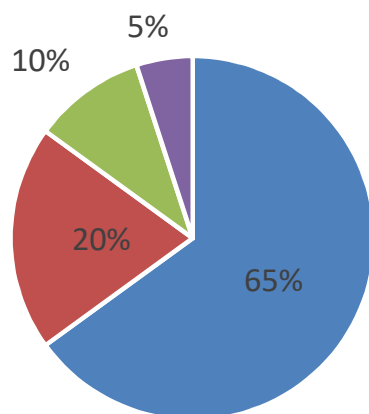
7 month gold jewelry tax revenue

- Based on 1% commercial tax
- Collect tax revenue of Kyats 16+ billion or US\$11.7 million
- Actual sales calculated to US\$1.117 billion in 7 months or US\$2.02 billion per annum.
- Only gold jewelry, not including gold trade at trading offices or via brokerage.

Recap: Market updates (2)

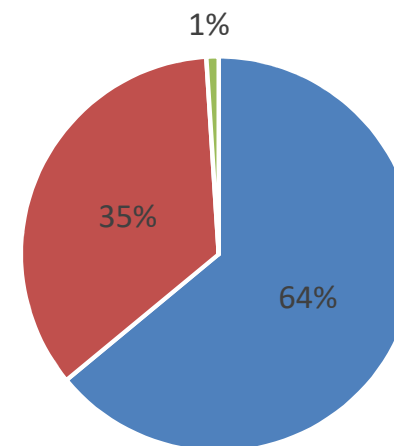
Update 3 :

Gold movement



- Jewelry & Others
- Religious
- Safekeeping
- Medical & Misc

Gold feed



- Scrap Jewelry
- Mine
- Others (e.g. Pagoda gold recovery from drainage, etc)

Other significant updates

In a government report, published by South East Asia Globe, Myanmar has a combine 1.306 billion tons of untapped gold deposits.

Reports by Canada based Prospectors and Developers Association, as well USGS, GSI and others have shown that this figure is just drop in the bucket.

The report published shows only known deposits, and is not indicative of the entire country.

It is still a fact that not only gold, but other mineral rich areas in the country remain mainly unexplored.

↓ MYANMAR'S RESERVES, AS REPORTED BY THE MYANMAR GOVERNMENT

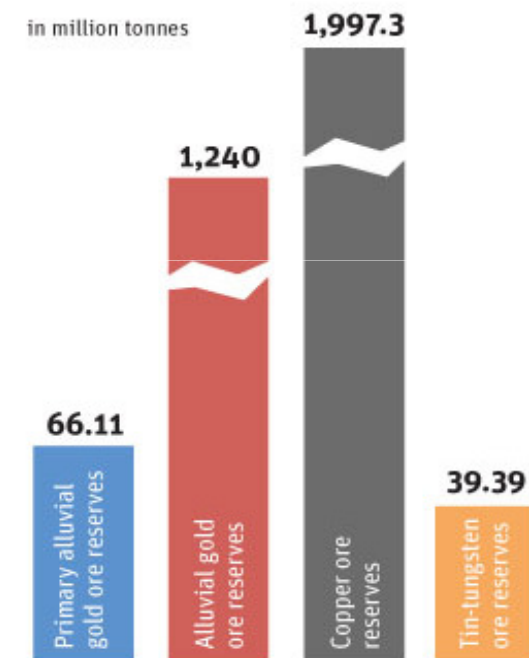
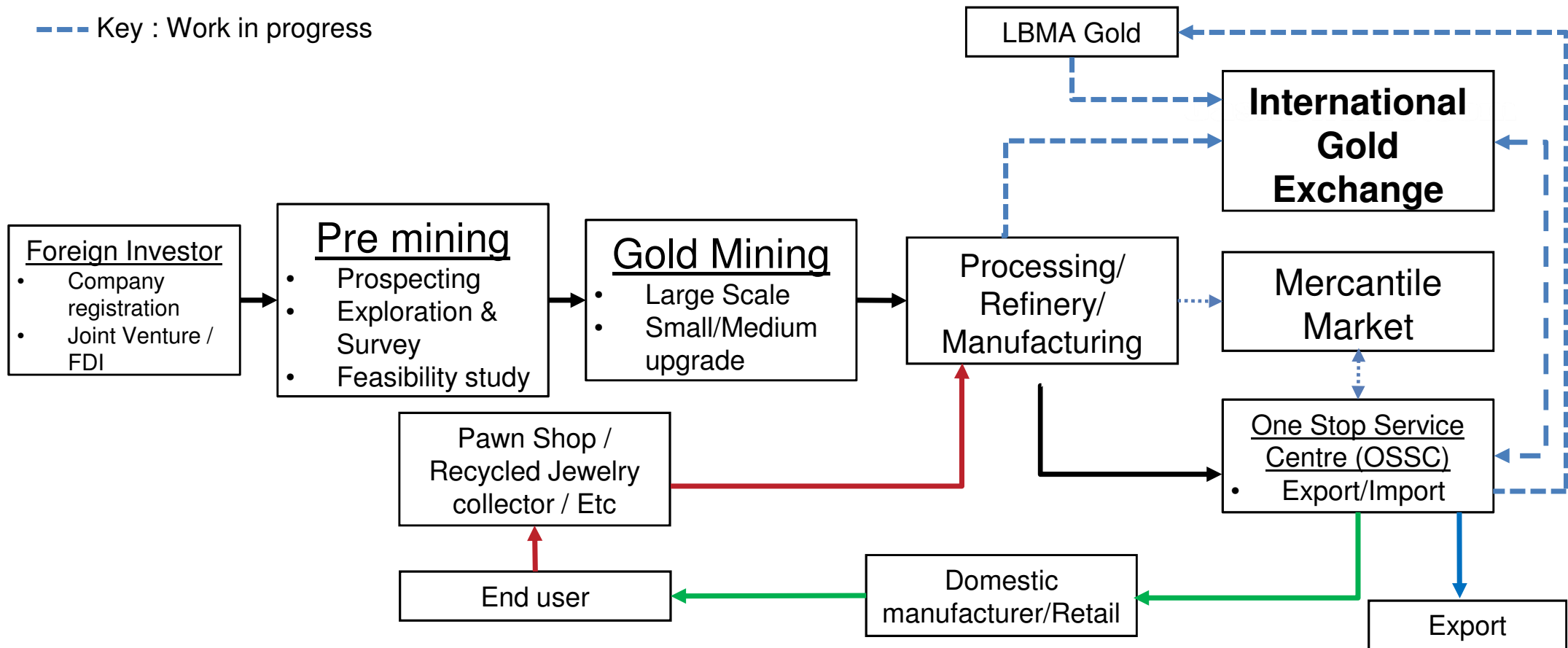


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The value chain

--- Key : Work in progress



Opportunities within the value chain

The key areas for opportunities are as follows:-

1. Ministry of Planning and Finance – Department : Myanmar Investment Commission
 - a) Foreign Investment for Joint Venture and Foreign Direct Investment (FDI) is now feasible with the liberalization of gold export, as well as the planned future reduction of import taxes and duties to 0% for standard gold and gold of specific types with regards to specific industries. (Myanmar Investment Commission - MIC)
2. Ministry of Natural Resources & Environmental Conservation
 - a) Prospecting permit (Ministry of Natural Resources & Environmental Conservation - MoNREC)
 - b) Exploration & Survey permit (MoNREC)
 - c) Feasibility study permit (MoNREC)
 - d) Large Scale mine production permit up to 50 years. (MoNREC)
 - e) Small to Medium mine production upgrade to large scale permit (MoNREC)
 - f) Processing/Refinery permit (MoNREC)
 - g) Trading and Selling permit (MoNREC)
 - h) Integrated operations permit-for multiple permits in one, previously needed to apply individually. (MoNREC)

Opportunities within the value chain (2)

3. Ministry of Commerce
 - a) Large scale retail and wholesale for Foreign JV or FDI (Ministry of Commerce)
 - b) Export of non-pure gold (<24k) in any purity or *form at 1% tax (Ministry of Commerce).
4. Central bank of Myanmar & Ministry of Planning and Finance- Departments : Inland Revenue Department
 - a) Export of *pure gold (24k) at 0% tax (Ministry of Planning and Finance/Inland Revenue Department/Central Bank).
5. Gold value added industry open for investment, participation and partnership.
6. Myanmar Gold & Precious Metals Exchange open for investment, participation and partnership. (Planning stage)
7. Myanmar Gold Mercantile Exchange open for investment, participation and partnership. (Planning stage)

Summary

There are many other ways, besides those shown here to participate in Myanmar's new climate for gold.

Unfortunately it is not possible to indicate expansively what the details are in a limited time.

Hence we welcome you to visit us in Myanmar, so as to have a much further in depth discussion.

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Thank You