

APPENDIX C. BDA RESOURCE UPDATE NOV 2011

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11 November 2011

The Board of Directors  
CNMC Goldmine Holdings Limited  
5 Shenton Way  
#11-03 UIC Building  
Singapore 068808

Dear Sirs

**MINERAL RESOURCE UPDATE REPORT – NOVEMBER 2011**  
**SOKOR GOLD PROJECT - KELANTAN - MALAYSIA - CNMC GOLDMINE HOLDINGS LIMITED**  
**BEHRE DOLBEAR AUSTRALIA PTY LIMITED**

The Sokor gold project (“the project”) in Kelantan State in northern Peninsular Malaysia is currently owned 81% by CNMC Goldmine Holdings Limited (“CNMC”) through its subsidiary CMNM Mining Group Sdn. Bhd. (“CMNM”). CMNM holds the rights to mine and produce gold from an area of approximately 10 square kilometres (“km<sup>2</sup>”) in the Ulu Sokor area in Kelantan (the “Sokor Block”).

CNMC has recently listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) and wishes to make an announcement to the SGX-ST in connection with reporting of 2011 exploration results and a June 2011 mineral resource update.

CNMC has requested that Behre Dolbear Australia Pty Limited (“BDA”) carries out a review of the updated mineral resource estimates for the Rixen’s and Ketubong deposits, comment on the reasonableness of the resource estimates and compliance of the reporting of the resources with respect to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, December 2004 (“JORC Code”) and provide a report in support of the planned SGX-ST announcement for November 2011.

BDA is the Australian subsidiary of Behre Dolbear & Company Inc., an international minerals industry consulting group which has operated continuously worldwide since 1911, with offices in Denver, New York, Toronto, Vancouver, Guadalajara, Santiago, Hong Kong, London and Sydney. Behre Dolbear specialises in mineral evaluations, due diligence studies, independent expert reports, independent engineer certification, valuations, and technical audits of resources, reserves, mining and processing operations and project feasibility studies.

This mineral resource update report provides a review of the mineral resource estimates for the Rixen’s and Ketubong gold deposits and recommendations for future resource estimation and exploration procedures. The report is provided to the Directors of CNMC in relation to the proposed SGX-ST announcement of the June 2011 resource estimates for the Sokor gold project in November 2011; it should not be used or relied upon for any other purpose. The report does not constitute a technical or legal audit. Neither the whole nor any part of this report nor any reference thereto may be included in, or with, or attached to any document or used for any purpose without BDA’s written consent to the form and context in which it appears.

Yours faithfully

**BEHRE DOLBEAR AUSTRALIA PTY LTD**

Handwritten signature of Malcolm C Hancock in black ink, featuring a stylized 'M.C.' and a long horizontal stroke.

**Malcolm C Hancock**  
**Executive Director - BDA**

Handwritten signature of John S McIntyre in black ink, written in a cursive style.

**John S McIntyre**  
**Managing Director - BDA**

**MINERAL RESOURCE UPDATE REPORT – NOVEMBER 2011**  
**SOKOR GOLD PROJECT - KELANTAN MALAYSIA - CNMC GOLDMINE HOLDINGS LIMITED**  
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## MINERAL RESOURCE UPDATE REPORT – NOVEMBER 2011

### SOKOR GOLD PROJECT - KELANTAN MALAYSIA - CNMC GOLDMINE HOLDINGS LIMITED

#### 1.0 INTRODUCTION

CNMC Goldmine Holdings Limited (“CNMC” or “the company”) through its subsidiary CMNM Mining Group Sdn. Bhd. (“CMNM”) holds an 81% interest in the Sokor gold project (Figure 1). CMNM holds the rights to mine and produce gold from an area of approximately 10 square kilometres (“km<sup>2</sup>”) in the Ulu Sokor area in Kelantan (the “Sokor Block”).

CNMC listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) by way of an Initial Public Offering (“IPO”) on 28 October 2011. CNMC plans to make an announcement to the SGX-ST in November 2011 in connection with reporting of 2011 exploration results and a June 2011 resource update.

CNMC has requested that Behre Dolbear Australia Pty Limited (“BDA”) carries out a review of the updated resource estimates for the Ketubong and Rixen’s deposits, comment on the reasonableness of the resource estimates and compliance of the reporting of the resources with respect to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, December 2004 (“JORC Code”) and provide a report in support of the planned SGX-ST announcement in November 2011.

During the period March to August 2011 CNMC completed additional resource drilling on the Rixen’s and Ketubong deposits which are two of the four defined gold deposits in the Sokor Block. Results from the drilling to end of June 2011 were used to revise the mineral resource estimates for Rixen’s and Ketubong for a June 2011 resource update.

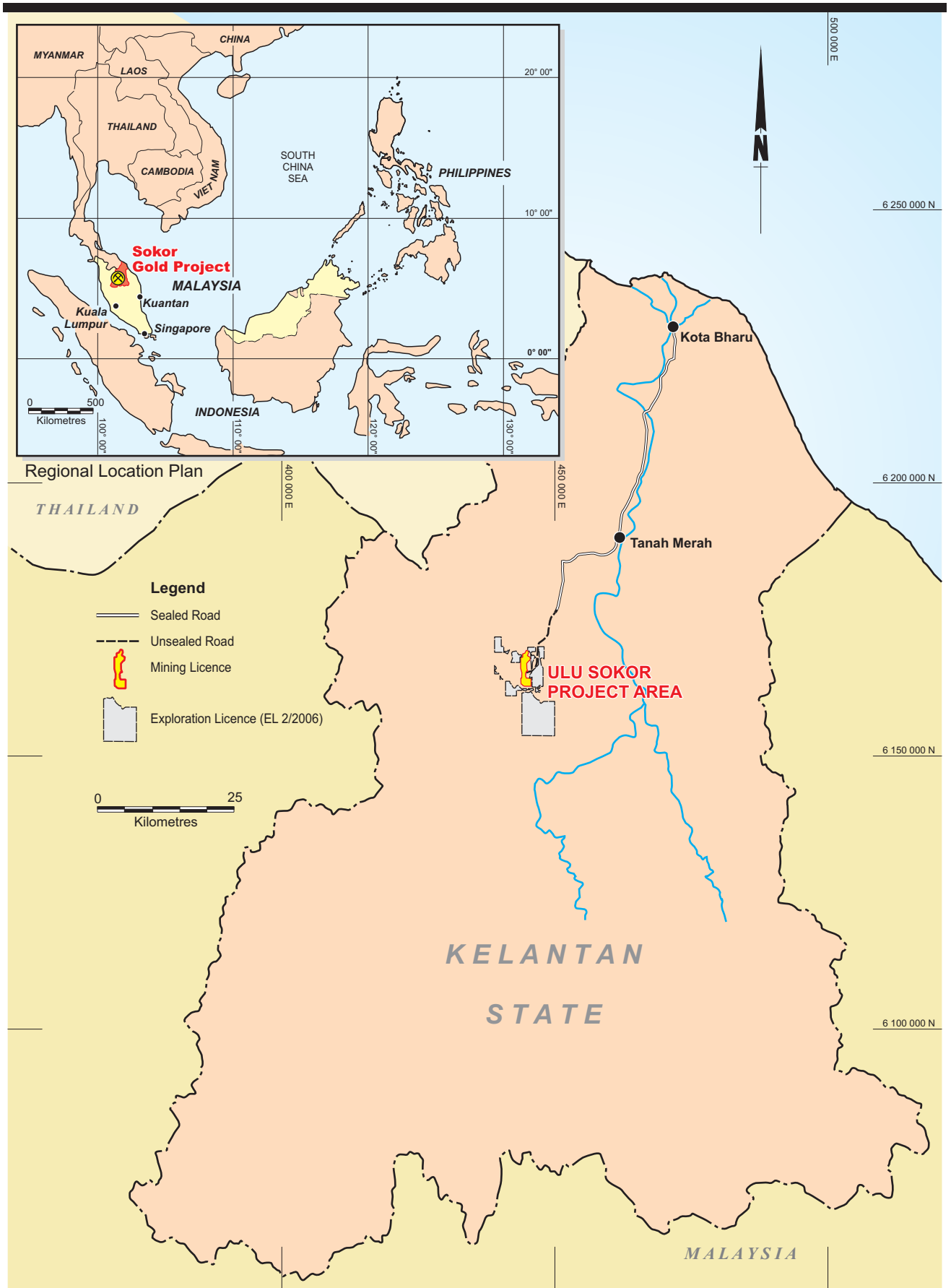
BDA completed a site visit on 6-7 September 2011 to review the exploration results for the period March to June 2011 and review the preliminary updated mineral resource estimates for the Rixen’s and Ketubong deposits. BDA provided CNMC with a site visit report on 15 September which included recommendations for amendments to the resource estimation parameters and methodology. BDA received the final mineral resource estimate from CNMC on 21 October 2011.

The initial mine development in the Sokor Block consists of a crushing and stockpile facility, vat leaching and gold processing plant with a capacity to treat around 60,000 tonne per annum (“tpa”). CNMC completed the first gold pour during July 2010. Between July and December 2010 CNMC treated approximately 6,000 tonnes (“t”) of ore and completed five gold pours for a production of 554 ounces (“ozs”) at an estimated gold recovery of 74%. CNMC continued ramp up of production during the period January to June 2011 with the processing of approximately 9,200t of ore at a grade of 4.5 grams per tonne gold (“g/t Au”); gold produced for the period totalled 1,034ozs. Current gold production includes production from a small alluvial gold mining facility at Sejana Lode which CNMC commenced pilot testing in May 2011 (Figure 2).

BDA is the Australian subsidiary of Behre Dolbear & Company Inc., an international minerals industry consulting group which has operated continuously worldwide since 1911, with offices in Denver, New York, Toronto, Vancouver, Guadalajara, Santiago, Hong Kong, London and Sydney. Behre Dolbear specialises in mineral evaluations, due diligence studies, independent expert reports, independent engineer certification, valuations, and technical audits of resources, reserves, mining and processing operations and project feasibility studies.

BDA is well acquainted with the Sokor gold project. BDA first visited the project site in the Sokor Block in October 2007 to review CNMC’s exploration and mineral resource and ore reserve estimation procedures. BDA made a further visit to review initial exploration drilling results and ongoing exploration procedures in April 2008, and made site visits in June and August 2010 for the purpose of completing an independent technical review of the project relating to the recent listing on the SGX-ST.

BDA’s November 2011 resource update report provides a review of the final resource estimates for the Rixen’s and Ketubong gold deposits and recommendations for future resource estimation and exploration procedures. The report is provided to the Directors of CNMC in relation to the proposed SGX-ST announcement of the June 2011 resource estimates for the Sokor Gold Project in November 2011; it should not be used or relied upon for any other purpose. The report does not constitute a technical or legal audit. Neither the whole nor any part of this report nor any reference thereto may be included in, or with, or attached to any document or used for any purpose without BDA’s written consent to the form and context in which it appears.



**Sokor Gold Project**

*CNMC Goldmine Limited*

Figure 1

**PROJECT LOCATION PLAN**

## **2.0 EXECUTIVE SUMMARY**

### **2.1 Project Status September 2011**

BDA undertook a site visit to the Sokor gold project in Kelantan State in northern Peninsular Malaysia on 6-7 September 2011. BDA reviewed gold mining and processing operations, exploration results for the March to June 2011 period and the preliminary revised resource estimates for the Rixen's and Ketubong gold deposits.

Mining operations in September 2011 were being carried out in the New Discovery and Manson's Lode deposits. CNMC was blending run of mine ore from both deposits as feed to the vat leaching process plant.

CNMC is planning shortly to lodge a Mining Scheme report for the expansion of production above the present 300,000tpa limit set by the State government. The Mining Scheme includes plans for establishing a heap leach operation based on the Rixen's gold resource; approval from the State government is expected to be received during the last quarter of 2011.

The vat leach operation was processing a mix of New Discovery and Manson's Lode oxide ore. Three ponds are being utilised with two ponds leaching +10mm coarse ore and one pond leaching the -10mm material. This finer ore was previously stockpiled as leaching was regarded as problematic due to the high clay fines content. CNMC has recently devised a method of leaching this material by raising the floor of the pond with a layer of logs covered by wire mesh; this enables leaching of the ore to take place without clogging the underlying collector drains.

An alluvial facility processing alluvial ore in the Sejana Lode area (Figure 2) commenced pilot testing in May 2011. Ore is trucked to a centrally located gravel pump operation (the Malaysian Palong technique). The coarse gold trap and fine gold carpet are cleared every five days; the operation is producing approximately 40-50ozs of gold per five day cycle.

CNMC plans to commence the construction of the heap leach operation at Rixen's deposit as soon as approval of the Mining Scheme is received from the State government. CNMC estimates that construction of the heap pads and process facility will take between two and three months; first production from the heap leach is expected in the first quarter of 2012.

Gold production for the period January to June 2011 totalled 1,034ozs from the processing of approximately 9,200t of ore grading 4.5g/t Au. These production figures indicate a gold recovery of 78%. The May to June period includes production from both the alluvial and vat leach operations.

CNMC plans to select samples from Rixen's deposit for heap leach testwork. CNMC is considering using Ammtec in Perth for testwork and also carrying out column leach testwork on site.

CNMC has sent a 20t sample of primary massive sulphide ore from Manson's Lode to a testwork facility in China to undertake sulphide flotation testwork with a view to recovering base metals, silver and gold. If testwork results are positive CNMC plans to dispatch a 30,000t shipment of primary ore for treatment in China.

### **2.2 Exploration Results March to June 2011**

CNMC completed 86 additional diamond drill holes totalling 9,000m between March and August 2011. Drilling from March to June 2011 was directed mainly at resource infill drilling of the Rixen's and Ketubong deposits. Drilling completed in Rixen's deposit to the end of June 2011 consisted of 26 holes totalling 2,434m. Drilling at Ketubong during the same period consisted of 20 holes totalling 2,856m. Other drilling completed during 2011 included four holes at the New Discovery deposit totalling 506m and four holes totalling 533m at the New Found prospect located 500m southwest of New Discovery. BDA did not review the drilling results for the July to August 2011 period.

Drilling suffered from poor core recovery in broken ground as a result of the drilling contractor using low quality core barrel equipment and poor drilling technique. A total of six drill holes in Rixen's deposit were excluded from the resource estimation due to poor core recovery in mineralised zones; CNMC plans to re-drill these holes during the next drilling campaign.

Resource drilling at Rixen's now extends over a strike length of 1,100m compared with 800m previously; drill hole spacing averages 100m by 100m. Drilling results indicate that the zone of silicification which is the main host for the gold mineralisation, is more irregular than previously interpreted; rather than a simple tabular zone of mineralisation dipping to the east, the mineralisation has been shown to be a series of easterly dipping lenses of variable thickness.

Drilling at Ketubong was carried out within the previously drilled strike length of 600m. Drill spacing in this area now averages 50m by 50m. Drilling results indicate moderate continuity of mineralisation between drill

sections with most mineralised lenses narrow and low grade except where replacement base metal and high grade gold mineralisation is present in a limestone unit.

### 2.3 Mineral Resource Estimate June 2011

CNMC has completed new mineral resource estimates for the Rixen's and Ketubong deposits based on the infill resource drilling completed between March and June 2011; resource estimation used the drill hole assays available at the end of June 2011.

The updated mineral resources for Rixen's and Ketubong deposits at June 2011 as reported by CNMC are shown in Tables 2.1 and 2.2 respectively. Mineral resources are reported at a 0.5g/t Au cut-off grade and include ore reserves.

The June 2011 mineral resource estimates for Rixen's and Ketubong deposits have resulted in an increase in mineral resources compared with resources at June 2010 of 2.1Mt at 2.17g/t Au with contained gold of 145,400ozs.

**Table 2.1**  
**Rixen's Gold Mineral Resources 0.5g/t Au Cut-Off - June 2011**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Rixen's	Oxide	Indicated	122b	1,860	2.03	121.4
	Oxide	Inferred	333	725	1.93	45.0
	<i>Oxide</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>2,585</i>	<i>2.00</i>	<i>166.4</i>
	Transitional	Indicated	122b	63	1.93	3.9
	Transitional	Inferred	333	148	1.62	7.7
	<i>Transitional</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>211</i>	<i>1.71</i>	<i>11.6</i>
	Primary	Indicated	122b	24	2.84	2.2
	Primary	Inferred	333	149	1.20	5.7
	<i>Primary</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>173</i>	<i>1.43</i>	<i>7.9</i>
	<b>Total</b>	<b>Ind/Inf</b>	<b>122b/333</b>	<b>2,969</b>	<b>1.95</b>	<b>185.9</b>

Note: cut off 0.5g/t Au; the total gold resources of 2,969kt include gold ore reserves of 785kt

**Table 2.2**  
**Ketubong Gold Mineral Resources 0.5g/t Au Cut-Off - June 2011**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Ketubong	Oxide	Inferred	333	16	2.72	1.4
	Primary	Indicated	122b	126	4.33	17.6
	Primary	Inferred	333	280	2.64	23.8
	<i>Primary</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>406</i>	<i>3.17</i>	<i>41.3</i>
	<b>Total</b>	<b>Ind/Inf</b>	<b>122b/333</b>	<b>422</b>	<b>3.15</b>	<b>42.8</b>

Note: cut off 0.5g/t Au

Gold mineral resources at a 0.5g/t Au cut-off (inclusive of ore reserves) for the four deposits currently defined in the Sokor Block (Manson's Lode, New Discovery, Rixen's and Ketubong) at June 2011 totalled 4.3Mt at 2.39g/t Au with contained gold of 327,100ozs (Table 2.3). Resources for Manson's Lode and New Discovery deposits have not been updated since June 2010 but are reported here taking into account mining depletion for the period July 2010 to June 2011.

Mine planning and ore reserve estimation is currently being undertaken by CNMC on the updated mineral resources for Rixen's and Ketubong deposits; updated ore reserves will be reported by CNMC on completion of this work. Currently reported ore reserves were estimated in June 2010 and are 0.98Mt at 2.18g/t Au with contained gold of 68,500ozs (adjusted for mining depletion for the period July 2010 to June 2011).



**Table 2.3**  
**Sokor Gold Mineral Resources 0.5g/t Au Cut-Off - June 2011**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Manson's Lode	Backfill	Measured	121b	101	1.73	5.6
	Backfill	Inferred	333	29	1.86	1.7
	Oxide	Measured	121b	31	6.44	6.5
	Oxide	Inferred	333	39	4.57	5.7
	Primary	Measured	121b	108	3.67	12.8
	Primary	Inferred	333	122	4.07	16.0
			<i>Subtotal</i>		<i>430</i>	<i>3.49</i>
New Discovery	Alluvial	Measured	121b	22	1.10	0.8
	Alluvial	Inferred	333	13	0.82	0.3
	Oxide	Measured	121b	26	10.77	9.2
	Oxide	Inferred	333	9	5.53	1.6
	Primary	Measured	121b	325	3.30	34.5
	Primary	Inferred	333	46	2.62	3.7
			<i>Subtotal</i>		<i>441</i>	<i>3.53</i>
Rixen's	Oxide	Indicated	122b	1,860	2.03	121.4
	Oxide	Inferred	333	725	1.93	45.0
	Transitional	Indicated	122b	63	1.93	3.9
	Transitional	Inferred	333	148	1.62	7.7
	Primary	Indicated	122b	24	2.84	2.2
	Primary	Inferred	333	149	1.20	5.7
			<i>Subtotal</i>		<i>2,969</i>	<i>1.95</i>
Ketubong	Oxide	Inferred	333	16	2.72	1.4
	Primary	Indicated	122b	126	4.33	17.6
	Primary	Inferred	333	280	2.64	23.8
			<i>Subtotal</i>		<i>422</i>	<i>3.15</i>
All	Backfill	Meas/Indicated	121b/122b	101	1.73	5.6
		Inferred	333	29	1.86	1.7
All	Alluvial	Meas/Indicated	121b/122b	22	1.10	0.8
		Inferred	333	13	0.82	0.3
All	Oxide	Meas/Indicated	121b/122b	1,917	2.22	137.1
		Inferred	333	789	2.12	53.7
All	Bck/All/Ox	Meas/Indicated	121b/122b	2,040	2.18	143.5
		Inferred	333	831	2.09	55.7
All	Transitional	Indicated	122b	63	1.93	3.9
		Inferred	333	148	1.62	7.7
All	Primary	Meas/Indicated	121b/122b	583	3.57	67.1
		Inferred	333	597	2.57	49.2
<b>All</b>	<b>Total</b>	<b>Meas/Ind</b>	<b>121b/122b</b>	<b>2,686</b>	<b>2.48</b>	<b>214.5</b>
<b>All</b>	<b>Total</b>	<b>Inferred</b>	<b>333</b>	<b>1,576</b>	<b>2.23</b>	<b>112.6</b>
<b>All</b>	<b>Total</b>	<b>Meas/Ind/Inf</b>	<b>121b/122b/333</b>	<b>4,262</b>	<b>2.39</b>	<b>327.1</b>

Note: cut off 0.5g/t Au; resource estimates for Manson's Lode and New Discovery deposits estimated in June 2010, adjusted for mining depletion for period July 2010 to June 2011; resource estimates for Rixen's and Ketubong deposits estimated in June 2011; the total gold resources of 4,262kt include gold ore reserves of 976kt

CNMC also estimated mineral resources for Rixen's deposit at a 0.3g/t Au cut-off due to the likelihood that an economic mining cut-off for the Rixen's heap leach operation could be around 0.3g/t Au due to the current high gold price. Resources at Rixen's deposit at a 0.3g/t Au cut-off are 5.1Mt at 1.41g/t Au with contained gold of 231,500ozs. This represents an increase of 2.1Mt at 0.66g/t Au with contained gold of 45,600ozs compared with the June 2011 resource at a 0.5g/t Au cut-off; tonnes increase by 72% and contained gold by 25%. Compared with the Rixen's 2010 resource at a 0.5g/t Au cut-off, the 2011 resources at a 0.3g/t Au cut-off represent an increase of 4.0Mt at 1.29g/t Au with contained gold of 167,700ozs.

Total resources for the Sokor Block including Rixen's resources at a 0.3g/t Au cut-off and the other three deposits at 0.5g/t Au cut-off are 6.4Mt at 1.81g/t Au with contained gold of 372,700ozs. This represents an increase over the June 2010 resource of 4.2Mt at 1.39g/t Au with contained gold of 189,200ozs.

BDA has reviewed the project gold resources in accordance with Australian industry standards and for compliance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia, December 2004 (the JORC Code). BDA has not undertaken an audit of the data or re-estimated the resources and has relied on the data, reports and information which have been provided by CNMC; BDA has nevertheless made such enquiries and exercised its

judgement as it deems necessary and has found no reason to doubt the reliability of the data, reports and information which have been provided by CNMC.

CNMC has reported its mineral resource estimate under the Chinese 1999 Classification of Resources/Reserves for Solid Fuels and Mineral Commodities (GB/T 17766-1999) ("Chinese Code"). The resource estimates were prepared by CNMC's Chief Geologist and the directors of CNMC accept responsibility for these estimates. An examination of the allocation of geological confidence under the Chinese Code as applied to the Sokor resource estimates suggests that in terms of broad categorisation, the levels of geological confidence are similar to those which would be ascribed to Measured, Indicated and Inferred resources under the JORC Code, considering aspects such as the ranges of drill hole spacing, cut-off and quality limitations.

BDA has reviewed the mineral resource estimates reported by CNMC and has tabulated the respective resources according to the comparable JORC Code categorisation in this report. BDA has reviewed the data, reports and information provided and has used consultants with appropriate experience and expertise relevant to the various technical aspects in this report and believes that the gold resources as reported by CNMC and which have been tabulated in this report according to the comparable JORC Code categorisation have been reasonably made and are in compliance with the reporting standards under the JORC Code. Malcolm C Hancock and John S McIntyre, directors of BDA and fellows of the Australian Institute of Mining and Metallurgy, and Mr George Brech, Senior Geological Consultant and Member of the Australasian Institute of Mining and Metallurgy, fulfil the requirements of qualified persons and accept responsibility for the mineral resource update report and the comparable JORC Code categorisation of the resource estimate as tabulated in the form and context in which it appears in this report.

## **2.4 Recommendations**

BDA makes the following recommendations with respect to ongoing exploration in the Sokor Block and future resource estimation by CNMC.

### **Exploration**

- BDA considers that past diamond drilling rates and core recovery have been compromised by utilisation of less than optimum drilling equipment. BDA recommends that CNMC engages with a drilling company that is capable of supplying modern drill equipment and experienced drillers for future drilling campaigns.
- BDA recommends that CNMC trials reverse circulation ("RC") drilling at Rixen's which potentially could provide for a rapid, cost-effective infill drilling method compared with diamond drilling.
- BDA considers that massive sulphide replacement mineralisation in the limestone unit to the east of the Ketubong fault presents an important target for additional high grade gold mineralisation in the Ketubong deposit and elsewhere in the Sokor Block. Additional drill holes should be targeted to obtain drill intercepts close to the contact between the fault zone and the limestone unit.

### **Resource Estimation**

- BDA recommends that CNMC uses computer-based resource modelling and resource estimation methodology for its next resource estimate update.
- BDA recommends that CNMC appoints an Australian-based resource consultant to work with CNMC's geological team on future geological modelling of the Sokor Block gold mineralisation and future resource estimate updates.
- BDA suggests that BDA participates in the initial site visit of the selected resource consultant to assist with the consultant's introduction to the Sokor project.

### **3.0 EXPLORATION RESULTS MARCH TO JUNE 2011**

CNMC completed 86 additional diamond drill holes totalling 9,000m between March and August 2011. Drilling was focussed mainly on infill drilling of the Rixen's and Ketubong deposits.

#### **3.1 Geological Data**

CNMC used a Chinese drilling contractor with four drill rigs operating. Diamond drilling equipment was of poor quality with utilisation of single and double tube core barrels rather than triple tube equipment, consequently core recovery in broken ground was generally poor. There is clear evidence, when comparing the drill logs and core photographs taken prior to sampling of the core, that in some cases the core recovery as reported by the drillers is overstated. Review of the remaining half core from a number of drill holes confirmed that poor core recovery was obtained in weathered material and in shear zones, both of which can contain substantial gold mineralisation.

CNMC confirmed fine gold loss by panning drill sludge from a number of holes where assays returned unexpectedly low assay values. There are six holes in the Rixen's deposit that are regarded by CNMC as having suspect assay values due to core loss; CNMC excluded these holes from the resource estimate and plan to have the holes re-drilled during the next drilling campaign. BDA concurs with this approach.

Sampling, QA/QC and assay procedures were carried out as for previous drilling, with half core sampled and gold assays determined at ALS Group ("ALS") in Perth.

#### **3.2 Rixen's Deposit**

Rixen's deposit is located 3km north of Ketubong and approximately 5km from the process plant. Gold mineralisation is contained within acid volcanic rocks to the west of the Ketubong-Rixen fault. The deposit was defined initially by soil sampling and an Induced Polarisation ("IP") survey which indicated an anomalous zone trending north-south with a strike length of 800m. Gold mineralisation is associated with a zone of pervasively silicified tuff which varies in thickness from a few metres up to 60m and dips 5-10° to the east.

Resource infill drilling completed in Rixen's deposit between March and June 2011 consisted of 26 holes totalling 2,434m. Drilling in the Rixen's deposit now extends over a strike length of 1,100m compared with the previous 800m with a drilling grid of approximately 100m by 100m. The infill drilling indicates that the zone of silicification is more irregular than previously thought. The previously interpreted simple, tabular zone of mineralisation dipping to the east is now shown to be a series of separate easterly dipping mineralised lenses of variable thickness, extending north and south of the originally drilled area.

#### **3.3 Ketubong Deposit**

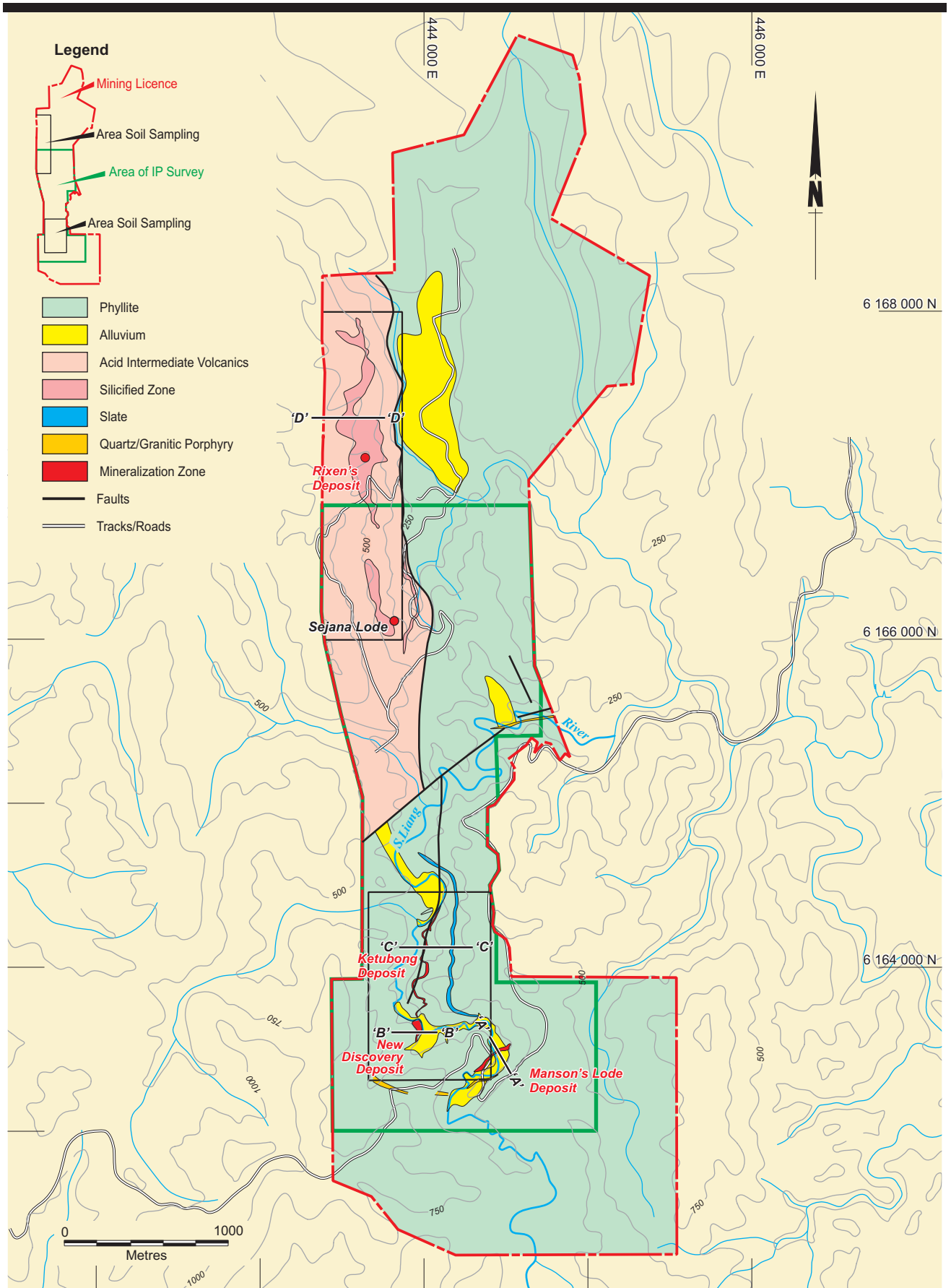
The Ketubong deposit is located approximately 600m to the northwest of Manson's Lode and immediately north of New Discovery. Ketubong represents the continuation northwards of the north-south trending and easterly dipping mineralisation present in New Discovery; mineralisation dips to the east at around 20-30°. Mineralisation is contained in highly folded phyllite and intercalated limestone over widths of 2-40m, based on trench exposures. Based on trench mapping, gold is associated with disseminated-stockwork quartz-sulphide mineralisation and more massive sulphide consisting predominantly of pyrite with minor, sporadic galena, chalcopyrite and sphalerite. Drilling indicates the mineralisation is closely associated with a limestone unit within phyllite.

Resource infill drilling completed in Ketubong deposit between March and June 2011 consisted of 20 holes totalling 2,856m. This new drilling was carried out within the previously indicated strike length of 600m and has not substantially changed the extent of the deposit. Drill hole sections are spaced at 50m intervals with generally 2-3 drill holes per section.

#### **3.4 Recommendations**

BDA considers the reliability of the recent drilling results suffers from the poor core recovery obtained by the Chinese drilling contractor using less than optimum drilling equipment and practices. BDA strongly recommends that CNMC engages with a drilling company that is capable of supplying modern drill equipment and experienced drillers for future drilling campaigns. It is also recommended that CNMC trials reverse circulation drilling at Rixen's which potentially could provide for a rapid, cost-effective infill drilling method compared with diamond drilling. The extent of groundwater flow needs to be tested to see if RC drilling with ample high pressure air can keep the drill hole and RC drill cuttings dry to the required depth of drilling. A company such as Drillcorp which has a base in Malaysia and considerable experience in both diamond and RC drilling would be an obvious choice as a drilling contractor to the project.

BDA considers that massive sulphide replacement mineralisation in the limestone unit to the east of the Ketubong fault presents an important target for additional high grade gold mineralisation in the Ketubong deposit and elsewhere in the mining concession. Additional drill holes should be targeted to obtain drill intercepts close to the contact between fault zone and limestone unit.



**Sokor Gold Project**

*CNMC Goldmine Limited*

**LOCAL GEOLOGY AND DEPOSIT LOCATION  
SOKOR MINING LICENCE**

Figure 2

## **4.0 GEOLOGICAL DATA**

BDA has previously reviewed CNMC's exploration and data collection procedures on site in June and August 2010 for the purpose of completing an independent technical review of the project relating to the recent listing on the SGX-ST. At that time BDA inspected surface trenches, drill sites and drill core, and reviewed drill hole logging, survey, bulk density testing, sampling and data quality procedures.

BDA has not undertaken an audit of the geological data as part of this 2011 review. From previous discussions with project staff and review of geological logs and drill core, BDA considers that the geological investigations have been thorough and the drilling, logging, sampling and assaying procedures adopted are appropriate and in accordance with industry standards. Overall, in BDA's opinion, the geological database forms an appropriate and reasonable basis for resource and reserve estimation.

For the 2011 exploration programme, CNMC has continued to use the same procedures as previously implemented during 2010. The following sections provide a brief summary of the most important aspects of these procedures.

### **4.1 Trenching and Drilling**

The four deposits, Manson's Lode, New Discovery, Ketubong and Rixen's have been evaluated by a total of 27 surface trenches and approximately 19,800m of diamond core drilling. Trenches were excavated by a backhoe to a depth of 3-4m at spacing varying from 50m to 100m. Diamond drilling was completed on all four deposits with a mix of inclined and vertical drill holes with drill sections orientated normal to the strike of the mineralisation. Drill holes were collared with PQ size core, reducing to HQ when competent rock was intersected below the highly weathered zone. Typically core size was reduced to NQ size at around 100m depth.

### **4.2 Survey**

CNMC has completed a topographic survey over a seven square kilometre area covering the four deposits; this local detailed survey has been tied into the Malaysian National Grid ("MNG") using a number of MNG survey control points. This survey work was carried out using electronic distance measurement ("EDM") equipment operated by qualified and experienced surveyors. This survey provided adequate data to produce a digital terrain model ("DTM") for resource estimation and infrastructure layout.

Drill hole collars have been surveyed using EDM equipment and all drill holes have been surveyed using down hole survey equipment. Holes were surveyed at 50m intervals down the hole; hole deviations are reported to be minimal.

### **4.3 Logging, Sampling and Sample Preparation**

Trenches are geologically mapped to differentiate bedrock from eluvial/alluvial intervals prior to sampling. Drill hole cores are logged for lithology, weathering, alteration, structure, mineralisation and for geotechnical data including core recovery, RQD (rock quality designator) and fracture frequency measurements. All drill core is photographed using a digital camera. All potentially mineralised core is marked up for sampling.

Systematic logging of oxidation boundaries (base of oxide and base of transitional) was introduced by CNMC for the 2011 exploration programme. Oxidation boundaries have been interpreted on sections based on logging of the degree of oxidation of sulphide mineralisation observed in the drill core.

Trenches are sampled by continuous channel samples over lengths varying from 1-1.5m. All potentially mineralised core is diamond sawn, with half core dispatched for analysis and half retained in the core box as a permanent record. Sample lengths of drill core take into account geological boundaries but are a minimum length of 0.5m and a maximum of 1.5m.

Sample preparation is undertaken at the ALS Group laboratory in Perth, Australia. Sample weights range from 1-3kilograms ("kg"). Samples are dried, crushed to 6mm and the whole sample pulverized to 85% passing 75 microns. A pulp sample of 200 grams ("g") is split for assay and the pulp reject bagged and retained.

### **4.4 Assaying**

The standard suite of analyses includes Au, Ag, Cu, Pb, and Zn. Gold analyses are by 30g fire assay with atomic absorption spectrometry ("AAS") finish, with a detection limit of 0.01g/t Au. Ag, Cu, Pb and Zn are analysed by four acid digest and ICP Atomic Emission Spectrometry ("ICPAES") using the ALS method ME-OG62.

### **4.5 Quality Assurance/Quality Control**

CNMC's quality assurance/quality control ("QA/QC") protocols consist of insertion of duplicates which are submitted at a rate of approximately one per batch of 20 samples and blanks inserted at a frequency of one in every 40 samples.

Duplicate samples for the 2011 drilling programme consisted of preparing quarter core samples; a total of 81 duplicate samples were included in sample batches submitted to ALS. Statistical analysis of original and duplicate results showed that although arithmetic means showed reasonable agreement (original sample 0.57g/t Au and duplicate 0.61g/t Au), results for assays greater than 1.5g/t Au showed poor correlation. BDA considers the variance in the higher assays is to be expected with quarter core samples and in general BDA does not consider submission of quarter core duplicates an effective QA/QC procedure for gold mineralisation.

CNMC did not insert its own standards prior to dispatch of samples to ALS. Internal laboratory standards were routinely inserted by ALS; these standard samples returned acceptable results with no significant bias or long term drift of standard results. BDA recommends that CNMC inserts its own standards in future drilling programmes rather than relying on ALS internal laboratory standards for monitoring of accuracy and precision of assays.

QA/QC results indicate that the sampling and assaying data are generally reliable and without material bias, although QA/QC procedures could be improved by the submission of company standards and carrying out additional inter-laboratory checks particularly of higher grade samples.

#### **4.6 Bulk Density**

Bulk density measurements are made on selected core samples of approximately 0.2m in length using the water immersion method, weighing in air and water. Samples are dried before measurement. A total of 169 samples of oxide and primary mineralisation have been tested from the four deposits. Average bulk densities for unconsolidated backfill and alluvial mineralisation were determined using samples from 41 hand excavated, small pits with dimensions of 0.5m x 0.5m x 0.5m. Samples were air dried before weighing.

Bulk density values used for the June 2011 resource estimates were: for Rixen's deposit – oxide, transitional and primary 2.65; for Ketubong – oxide 2.20 and primary 2.83.

## 5.0 RESOURCE ESTIMATES

### 5.1 Resource Estimation Methodology

CNMC has completed new mineral resource estimates for the Rixen's and Ketubong deposits using the drill hole results from the March to June 2011 drilling programme including the drill hole assays available at the end of June 2011.

CNMC used the same manual polygonal estimation method that was used for the June 2010 resource estimation.

Resource parameters used by CNMC were as follows:

- a gold cut-off grade of 0.5g/t Au was used to define the mineralisation envelopes for the deposits
- a minimum thickness of mineralisation was set at 1m and maximum internal waste of 4m for Rixen's and 2m for Ketubong
- a minimum block (polygon) grade was set at 1.0g/t Au
- top cuts were applied to statistically anomalous trench and drill hole samples and log probability plots were used to define the cut points; on average, the top 3% of the trench and drill hole samples were affected by the top cutting and weighted average sample grades were reduced on average by 14% for trench samples and by 9% for drill hole samples
- mineralisation volumes were estimated by measuring the area of each mineralisation type on each section and multiplying by the section spacing; average section grades for each section were calculated by weighting the length of each drill intercept with its grade and sectional average grades were weighted by section volumes to obtain a weighted average grade for each mineralisation type in each deposit
- average bulk density values of 2.65 for Rixen's and 2.83 for Ketubong were applied to obtain resource tonnes for each deposit.

CNMC reports its resources under the 1999 Chinese Code. As was done for CNMC's June 2010 resource estimates, BDA has made an assessment of CNMC's reported resources in terms of the comparable resource categories under the Australian JORC Code. The two codes are different. The JORC Code is a non-prescriptive code, in that it does not lay out specific limits for resource classification in terms of such things as drill hole spacing. Instead it emphasises the principles of transparency, materiality and the role of the Competent Person. The Chinese Code is a prescriptive code and does not include the role of the Competent Person. It uses a three component (EFG) system that considers the deposit economics (E), the level of mining feasibility studies that have been completed (F) and the level of geological confidence (G), using a numerical ranking.

An examination of the details of the Chinese Code suggests that in terms of broad categorisation, the levels of geological confidence ascribed to Measured, Indicated and Inferred resources are quite similar in both codes. The ranges of drill hole spacing, thickness cut-offs and quality limitations that are enforced by the Chinese system would generally result in the same resource classification under the JORC Code.

The essential elements of the JORC and Chinese codes are presented in Appendices 1 and 2 respectively.

### 5.2 Rixen's Resource Estimate

#### Geological Model

The geological model for the Rixen's deposit has been interpreted on cross sections and in plan using 35 drill holes totalling 3,338m. Section spacing is 100m with drill holes spaced along sections varying between 60m and 100m. On average, Rixen's deposit is drilled on a 100m x 100m grid. Resource estimation has been completed over a strike length of 800m compared with a 300m strike length for the June 2010 estimate. Drilling extends a further 300m to the north however results for these drill holes were not available for inclusion in the June 2011 estimate.

A cut-off grade of 0.5g/t Au was used to define envelopes for 15 separate mineralisation lenses that can be correlated between drill sections. Oxidation boundaries (base of oxide zone and base of transitional zone) have been interpreted on sections. The oxide zone ranges from 10m to 60m thick, averaging 30-40m. The transitional zone of partially oxidized mineralisation ranges from 5m to 30m. Correlation between sections of interpreted mineralised lenses ranges from moderate to good. The resource categorisation of Indicated and Inferred is considered appropriate. BDA notes that all mineralised lenses supported by a single drill hole have been categorised as Inferred.

The deposit requires additional infill drilling to improve confidence in grade continuity and to better define the extent of the mineralisation, particularly down dip to the east; on most sections mineralisation appears closed off



to the west. The deposit remains open to the north; results for an additional seven drill holes north of section R15 were not available to include in the June 2011 resource estimate.

BDA considers that definition of Measured resources would require section spacing of 50m and drill hole spacing along sections of at least 50m, possibly 25m.

CNMC, in response to the current high gold price, interpreted mineralisation envelopes at a 0.3g/t Au cut-off grade and completed a separate resource estimate at this cut-off grade.

### Resource Estimate

Rixen's June 2011 resource estimate is shown in Table 5.1. Total Indicated and Inferred resources at a 0.5g/t Au cut-off grade are 2.97Mt at a grade of 1.95g/t Au with contained gold of 185,900ozs. Rixen's previous resource estimate at June 2010 is shown in Table 5.2.

The resource estimate for June 2011 indicates an increase in Rixen's gold resources of 1.9Mt at 2.00g/t Au with contained gold of 122,100ozs. This result represents an increase of 191% in contained gold compared with the June 2010 resource estimate; tonnes have increased by 178% and grade by 5%.

Oxide resources, which represent ore feed for the planned heap leach operation, have increased substantially; tonnes have increased by 151%, grade by 5% and contained ounces of gold by 164%.

**Table 5.1**  
**Rixen's Gold Mineral Resources 0.5g/t Au Cut-Off - June 2011**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Rixen's	Oxide	Indicated	122b	1,860	2.03	121.4
	Oxide	Inferred	333	725	1.93	45.0
	<i>Oxide</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>2,585</i>	<i>2.00</i>	<i>166.4</i>
	Transitional	Indicated	122b	63	1.93	3.9
	Transitional	Inferred	333	148	1.62	7.7
	<i>Transitional</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>211</i>	<i>1.71</i>	<i>11.6</i>
	Primary	Indicated	122b	24	2.84	2.2
	Primary	Inferred	333	149	1.20	5.7
	<i>Primary</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>173</i>	<i>1.43</i>	<i>7.9</i>
	<b>Total</b>	<b>Ind/Inf</b>	<b>122b/333</b>	<b>2,969</b>	<b>1.95</b>	<b>185.9</b>

Note: cut off 0.5g/t Au; the gold resources of 2,969kt include gold ore reserves of 785kt

**Table 5.2**  
**Rixen's Gold Mineral Resources 0.5g/t Au Cut-Off - June 2010**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Rixen's	Oxide	Indicated	122b	747	1.93	46.4
	Oxide	Inferred	333	283	1.84	16.7
	<i>Oxide</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>1,030</i>	<i>1.91</i>	<i>63.1</i>
	Primary	Indicated	122b	32	0.55	0.6
	Primary	Inferred	333	6	0.61	0.1
	<i>Primary</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>38</i>	<i>0.56</i>	<i>0.7</i>
	<b>Total</b>	<b>Ind/Inf</b>	<b>122b/333</b>	<b>1,068</b>	<b>1.85</b>	<b>63.8</b>

Note: cut off 0.5g/t Au; the total gold resources of 1,068kt include gold ore reserves of 785kt; transitional resources not estimated separately

CNMC also estimated mineral resources for Rixen's deposit at a 0.3g/t Au cut-off due to the likelihood that an economic cut-off for mining the oxide resource by open pit methods could be around 0.3g/t Au due to the current high gold price.

Total Indicated and Inferred resources at Rixen's deposit at a 0.3g/t Au cut-off are 5.1Mt at 1.41g/t Au with contained gold of 231,500ozs (Table 5.3). This represents an increase of 2.1Mt at 0.66g/t Au with contained gold of 45,600ozs compared with the resource at a 0.5g/t Au cut-off; tonnes increase by 72% and contained gold by 25%. Compared with the Rixen's 2010 resources at 0.5g/t Au cut-off, the 2011 resources at a 0.3g/t Au cut-off represent an increase of 4.0Mt at 1.29g/t Au with contained gold of 167,700ozs.

**Table 5.3**  
**Rixen's Gold Mineral Resources 0.3g/t Au Cut-Off - June 2011**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Rixen's	Oxide	Indicated	122b	3,251	1.48	154.8
	Oxide	Inferred	333	1,122	1.33	47.9
	<i>Oxide</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>4,373</i>	<i>1.44</i>	<i>202.7</i>
	Transitional	Indicated	122b	320	1.16	11.9
	Transitional	Inferred	333	133	1.07	4.6
	<i>Transitional</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>453</i>	<i>1.13</i>	<i>16.5</i>
	Primary	Indicated	122b	84	2.36	6.4
	Primary	Inferred	333	191	0.98	6.0
	<i>Primary</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>275</i>	<i>1.40</i>	<i>12.4</i>
	<b>Total</b>	<b>Ind/Inf</b>	<b>122b/333</b>	<b>5,100</b>	<b>1.41</b>	<b>231.5</b>

Note: cut off 0.3g/t Au; the total gold resources of 5,100kt include gold ore reserves of 785kt

### 5.3 Ketubong Resource Estimate

#### Geological Model

The Ketubong deposit is now defined by 12 surface trenches and 30 drill holes totalling 4,599m over a strike length of 600m. Section spacing averages 50m with two to three drill holes per section. The base of oxidation is at a shallow depth in Ketubong, thus limiting the potential for a substantial oxide resource. The transitional zone is limited to a few metres and hence has not been interpreted separately; mineralisation with more than 50% complete oxidation has been assigned to the oxide zone and mineralisation with less than 50% oxidation to the primary zone.

Resource estimation has been completed for oxide and primary mineralisation over a strike length of 400m. Drilling extends a further 100m to the north and to the south however results for these drill holes were not available for inclusion in the June 2011 estimate.

A cut-off grade of 0.5g/t Au was used to define envelopes for 11 separate mineralisation lenses that can be correlated between drill sections. Correlation between sections is generally moderate with most mineralised lenses narrow and low grade except where replacement base metal and gold mineralisation is present in the limestone unit to the east of the Ketubong fault. The resource categorisation into Indicated and Inferred is considered appropriate.

Currently Inferred resources represent 70% of the resource tonnage and 60% of the contained gold hence the deposit requires additional infill drilling to improve confidence in grade continuity and to better define the extent of the mineralisation, particularly down dip to the east to test potential for high grade replacement mineralisation in the limestone unit.

#### Resource Estimate

The Ketubong updated mineral resource estimate for June 2011 is shown in Table 5.4. Total Indicated and Inferred resources are 0.42Mt at a grade of 3.15g/t Au with contained gold of 42,800ozs. The previous June 2010 resource estimate for Ketubong is shown in Table 5.5.

The resource estimate for June 2011 indicates an increase in Ketubong's gold resources of 0.20Mt at 3.75g/t Au with contained gold of 23,300ozs. This result represents an increase of 120% in contained gold compared with the June 2010 resource estimate; tonnes have increased by 84% and grade by 19%.

**Table 5.4**  
**Ketubong Gold Mineral Resources 0.5g/t Au Cut-Off - June 2011**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Ketubong	Oxide	Inferred	333	16	2.72	1.4
	Primary	Indicated	122b	126	4.33	17.6
	Primary	Inferred	333	280	2.64	23.8
	<i>Primary</i>	<i>Subtotal</i>	<i>122b/333</i>	<i>406</i>	<i>3.17</i>	<i>41.3</i>
	<b>Total</b>	<b>Ind/Inf</b>	<b>122b/333</b>	<b>422</b>	<b>3.15</b>	<b>42.8</b>

Note: cut off 0.5g/t Au

**Table 5.5**  
**Ketubong Gold Mineral Resources 0.5g/t Au Cut-Off - June 2010**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Ketubong	Oxide	Inferred	333	7	2.21	0.6
	Primary	Indicated	122b	56	2.50	4.5
	Primary	Inferred	333	166	2.69	14.4
	Primary	<i>Subtotal</i>	<i>122b/333</i>	<i>222</i>	<i>2.64</i>	<i>18.9</i>
	<b>Total</b>	<b>Ind/Inf</b>	<b>122b/333</b>	<b>229</b>	<b>2.64</b>	<b>19.5</b>

*Note: cut off 0.5g/t Au*

#### 5.4 Sokor Block Resource and Reserve Estimates

##### Mineral Resources

The total Measured, Indicated and Inferred gold resources at a 0.5g/t Au cut-off for the Sokor Block at June 2011 are 4.3Mt at 2.39g/t Au with contained gold of 327,100ozs (Table 5.6). These resources consist of new estimates for the Rixen's and Ketubong deposits and June 2010 figures for the Manson's Lode and New Discovery deposits. This represents an increase in resources from June 2010 of 2.1Mt at 2.15g/t Au with contained gold of 143,600ozs.

The total Measured, Indicated and Inferred gold resources for the Sokor Block at June 2011 including Rixen's resources at a 0.3g/t Au cut-off and the other three deposits at a 0.5g/t Au cut-off are 6.4Mt at 1.81g/t Au with contained gold of 372,700ozs. This represents an increase in resources from June 2010 of 4.2Mt at 1.39g/t Au with contained gold of 189,200ozs.

**Table 5.6**  
**Sokor Gold Mineral Resources 0.5g/t Au Cut-Off - June 2011**

Deposit	Type	Category JORC Code	Category Chinese Code	Tonnage kt	Gold Grade Au g/t	Contained Au kozs
Manson's Lode	Backfill	Measured	121b	101	1.73	5.6
	Backfill	Inferred	333	29	1.86	1.7
	Oxide	Measured	121b	31	6.44	6.5
	Oxide	Inferred	333	39	4.57	5.7
	Primary	Measured	121b	108	3.67	12.8
	Primary	Inferred	333	122	4.07	16.0
			<i>Subtotal</i>		<i>430</i>	<i>3.49</i>
New Discovery	Alluvial	Measured	121b	22	1.10	0.8
	Alluvial	Inferred	333	13	0.82	0.3
	Oxide	Measured	121b	26	10.77	9.2
	Oxide	Inferred	333	9	5.53	1.6
	Primary	Measured	121b	325	3.30	34.5
	Primary	Inferred	333	46	2.62	3.7
		<i>Subtotal</i>		<i>441</i>	<i>3.53</i>	<i>50.1</i>
Rixen's	Oxide	Indicated	122b	1,860	2.03	121.4
	Oxide	Inferred	333	725	1.93	45.0
	Transitional	Indicated	122b	63	1.93	3.9
	Transitional	Inferred	333	148	1.62	7.7
	Primary	Indicated	122b	24	2.84	2.2
	Primary	Inferred	333	149	1.20	5.7
			<i>Subtotal</i>		<i>2,969</i>	<i>1.95</i>
Ketubong	Oxide	Inferred	333	16	2.72	1.4
	Primary	Indicated	122b	126	4.33	17.6
	Primary	Inferred	333	280	2.64	23.8
			<i>Subtotal</i>		<i>422</i>	<i>3.15</i>
All	Backfill	Meas/Indicated	121b/122b	101	1.73	5.6
		Inferred	333	29	1.86	1.7
All	Alluvial	Meas/Indicated	121b/122b	22	1.10	0.8
		Inferred	333	13	0.82	0.3
All	Oxide	Meas/Indicated	121b/122b	1,917	2.22	137.1
		Inferred	333	789	2.12	53.7
All	Bck/All/Ox	Meas/Indicated	121b/122b	2,040	2.18	143.5
		Inferred	333	831	2.09	55.7
All	Transitional	Indicated	122b	63	1.93	3.9
		Inferred	333	148	1.62	7.7
All	Primary	Meas/Indicated	121b/122b	583	3.57	67.1
		Inferred	333	597	2.57	49.2
<b>All</b>	<b>Total</b>	<b>Meas/Ind</b>	<b>121b/122b</b>	<b>2,686</b>	<b>2.48</b>	<b>214.5</b>
<b>All</b>	<b>Total</b>	<b>Inferred</b>	<b>333</b>	<b>1,576</b>	<b>2.23</b>	<b>112.6</b>
<b>All</b>	<b>Total</b>	<b>Meas/Ind/Inf</b>	<b>121b/122b/333</b>	<b>4,262</b>	<b>2.39</b>	<b>327.1</b>

*Note: cut off 0.5g/t Au; resource estimates for Manson's Lode and New Discovery deposits estimated in June 2010, adjusted for mining depletion for period July 2010 to June 2011; resource estimates for Rixen's and Ketubong deposits estimated in June 2011; the total gold resources of 4,262kt include gold ore reserves of 976kt*

## Ore Reserves

Mine planning and ore reserve estimation is currently being undertaken by CNMC on the updated mineral resources for Rixen's and Ketubong deposits; updated ore reserves will be reported by CNMC on completion of this work.

Current ore reserves were estimated and reported in June 2010 and are shown in Table 5.7. Total ore reserves at June 2011 are 0.98Mt at 2.18g/t Au with contained gold of 68,500ozs. These ore reserves have been adjusted for mining depletion for the period July 2010 to June 2011.

CNMC reported that the ore reserve depletion for the period July 2010 to June 2011 for the Sokor Block gold ore reserves totalled 13,600t at 4.43g/t Au with contained gold of 1,900ozs.

**Table 5.7**  
**Sokor Gold Ore Reserves - June 2011**

<b>Deposit</b>	<b>Type</b>	<b>Category JORC Code</b>	<b>Tonnage kt</b>	<b>Gold Grade Au g/t</b>	<b>Contained Au kzs</b>
Manson's Lode	Backfill	Proved	106	1.65	5.6
Manson's Lode	Oxide	Proved	33	6.11	6.5
<i>Sub-Total</i>	<i>All</i>	<i>Proved</i>	<i>139</i>	<i>2.71</i>	<i>12.1</i>
New Discovery	Alluvial	Proved	24	1.05	0.8
New Discovery	Oxide	Proved	28	10.02	9.2
<i>Sub-Total</i>	<i>All</i>	<i>Subtotal</i>	<i>52</i>	<i>5.91</i>	<i>10.0</i>
Rixen's	Oxide	Probable	785	1.84	46.4
<i>Sub-Total</i>	<i>Oxide</i>	<i>Subtotal</i>	<i>785</i>	<i>1.84</i>	<i>46.4</i>
<b>Total</b>	<b>All</b>	<b>Proved</b>	<b>191</b>	<b>3.58</b>	<b>22.1</b>
<b>Total</b>	<b>All</b>	<b>Probable</b>	<b>785</b>	<b>1.84</b>	<b>46.4</b>
<b>Total</b>	<b>All</b>	<b>Prov/Prob</b>	<b>976</b>	<b>2.18</b>	<b>68.5</b>

*Note: cut off 0.5g/t Au; mining recovery 100%, mining dilution 5% at zero grade; ore reserves estimated in June 2010 and adjusted for mining depletion for the period July 2010 to June 2011*

### 5.5 Recommendations

BDA recommends that CNMC considers using a computer-based estimation methodology for its next resource estimation update. This would entail creating a three dimensional block model of each deposit and applying geostatistical methods for the resource estimation. BDA believes that this would provide CNMC with a more robust global estimate of the gold resources at Sokor. It would allow more flexibility in assessing resources at various cut-off grades for mine planning purposes in a far simpler manner than the present method of manually re-interpreting mineralised lenses at various cut-off grades. It would also facilitate calculation of monthly/annual resource depletion figures which would allow CNMC to monitor the accuracy of the resource estimates compared with actual recovered mined tonnes and grade.

BDA also recommends that CNMC uses an Australian resource consultant to work with the CNMC geological team to create geological block models for each of the Sokor deposits and work with the company on future resource estimation updates. BDA suggests that BDA participates in the initial site visit of the selected resource consultant to assist with the consultant's introduction to the Sokor project.

## 6.0 STATEMENT OF CAPABILITY

This report has been prepared by Mr George Brech, Senior Associate of Behre Dolbear Australia Pty Limited, and reviewed by Mr Malcolm Hancock, Executive Director of BDA.

Behre Dolbear has offices in Denver, New York, Toronto, Vancouver, Hong Kong, London, Sydney, Guadalajara and Santiago. The parent company, Behre Dolbear & Company Inc., was founded in 1911 and is the oldest continuously operating mineral industry consulting firm in North America. The firm specialises in mineral evaluations, due diligence assessments, independent expert reports and strategic planning as well as technical geological, mining and process consulting.

The principal consultants engaged in the review on behalf of BDA are as follows:

**Mr Malcolm Hancock** (BA. MA. FAusIMM, FGS, MIMM, MGSA, MMICA) is Executive Director of BDA and a geologist with over 40 years experience of exploration and mining projects principally in Australia, Africa and South East Asia. He has extensive experience in the areas of resource/reserve estimation, reconciliation, project feasibility and review, independent expert and due diligence reports, mine geology and mining operations. He has been involved in the feasibility, construction, and commissioning of several mining operations. He has worked on both open pit and underground mines.

**Mr John McIntyre** (BEng. (Hon. Mining), FAusIMM, MMICA, CPMin) is Managing Director of BDA and a mining engineer who has been involved in the mining industry for more than 30 years, with operational and management experience in base metals, gold and coal. He has been involved in numerous mining projects and operations, feasibility studies and technical and operational reviews in Australia, West Africa, New Zealand, North and South America, PNG and South East Asia.

**Mr George Brech** (BSc. MSc. (Eng. Geol.), MAusIMM) is a Senior Associate of BDA and a geologist with over 35 years experience in exploration and mining projects in Australia, Southeast Asia and Africa. He has extensive experience in the areas of resource/reserve estimation, project feasibility and development, exploration and mine geology. For the last 20 years he has been involved with exploration, mining project evaluation and feasibility studies in Southeast Asia and Australia.

BDA confirms that its Directors and Associates listed above who have contributed to the report in accordance with their specific technical qualifications are appropriately qualified and experienced to act as Qualified Persons for the purposes of this report. Mr Hancock and Mr Brech are qualified geologists and a Fellow and Member respectively of the Australasian Institute of Mining and Metallurgy and have in excess of five years of relevant experience in gold and precious metal deposits, mineralisation and mining; Mr McIntyre is a qualified mining engineer and a Fellow of the Australasian Institute of Mining and Metallurgy and has in excess of five years of relevant experience in gold and precious metal deposits, mineralisation and mining. Mr Hancock, Mr Brech and Mr McIntyre are professionally qualified and have the experience to act as Competent Persons under the JORC Code and Qualified Persons under the SGX-ST listing rules.

## 7.0 STATEMENT OF INDEPENDENCE

Neither the principals nor associates of BDA have any material interest or entitlement in the securities or assets of CNMC. BDA will be paid a fee for this report comprising its normal professional rates and reimbursable expenses. The fee is not contingent on the conclusions of this report.

## 8.0 LIMITATIONS AND CONSENT

This mineral resource update report has been based on data, reports and other information made available to BDA by CNMC. BDA has been advised that the information is complete as to material details and is not misleading. A draft copy of this report has been provided to CNMC for comment as to any errors of fact, omissions or incorrect assumptions.

BDA has reviewed the data, reports and information provided and has used consultants with appropriate experience and expertise relevant to the various technical aspects. The opinions stated herein are given in good faith. BDA believes that the basic assumptions are factual and correct and the interpretations reasonable.

BDA does not accept any liability other than its statutory liability to any individual, organisation or company and takes no responsibility for any loss or damage arising from the use of this report, or information, data, or assumptions contained therein. With respect to the BDA report and use thereof, CNMC agrees to indemnify and

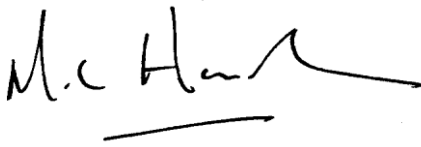
hold harmless BDA, its shareholders, directors, officers, and associates against any and all losses, claims, damages, liabilities or actions to which they or any of them may become subject under any securities act, statute or common law and will reimburse them on a current basis for any legal or other expenses incurred by them in connection with investigating any claims or defending any actions.

The report is provided to the Directors of CNMC for the purpose of assisting them in preparing their planned announcement to the SGX-ST in November 2011 relating to an update in gold resources for the Sokor Gold Project; it should not be used or relied upon for any other purpose. The report does not constitute a technical or legal audit. Neither the whole nor any part of this report nor any reference thereto may be included in, or with, or attached to any document or used for any purpose without BDA's written consent to the form and context in which it appears.

*Report prepared by George Brech*

Yours faithfully

**BEHRE DOLBEAR AUSTRALIA PTY LTD**



**Malcolm C Hancock**  
**Executive Director - BDA**



**John S McIntyre**  
**Managing Director - BDA**

**APPENDIX 1**

**AUSTRALASIAN CODE FOR REPORTING EXPLORATION RESULTS,  
MINERAL RESOURCES AND ORE RESERVES**



## AUSTRALASIAN CODE FOR REPORTING

### EXPLORATION RESULTS, MINERAL RESOURCES AND ORE RESERVES

The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia - December 2004 (JORC Code) is a non-prescriptive code, in that it does not lay out specific limits for resource classification in terms of such things as drill hole spacing. Instead it emphasises the principles of transparency, materiality and the role of the Competent Person. Some guidelines do exist (e.g. the Australian Guidelines for the Estimation of Coal Resources and Reserves) however they are not mandatory and classification is left in the hands of the Competent Person.

The JORC Code incorporates an important distinction between Mineral Resources, which are a measure of in-situ material, and Ore Reserves, which provide an estimate of material which is planned to be mined and which incorporate allowances for estimated mining dilution and mining recovery or mining losses.

The JORC Code uses the following definitions for Mineral Resources and Ore Reserves:

**Measured Mineral Resource** is that part of Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a **high** level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity.

**Indicated Mineral Resource** is that part of Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a **reasonable** level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

**Inferred Mineral Resource** is that part of Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a **low** level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

**Proved Ore Reserve** is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified

A Proved Ore Reserve represents the highest confidence category of Ore Reserve estimates.

**Probable Ore Reserve** is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistic ally assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

A Probable Ore Reserve has a lower level of confidence than a Proved Ore Reserve but has adequate reliability to provide the basis of mining studies.

**APPENDIX 2**

**CHINESE RESOURCES AND RESERVES REPORTING STANDARD 1999**

## CHINESE RESOURCES AND RESERVES REPORTING STANDARDS 1999

The Chinese 1999 Classification of Resources/Reserves for Solid Fuels and Mineral Commodities (GB/T 17766-1999) replaced the previous code (GB 13908-1992) which was essentially a geological classification, taking little account of a deposit's economics or the level of mining studies that had been carried out on it. The 1999 code attempts to address this deficiency by using a three component system (EFG) that considers the deposit economics (E), the level of mining feasibility studies that have been carried out (F) and the level of geological confidence (G) using a numerical ranking.

The EFG system produces a three digit code for a deposit that reflects the three variables and can be represented in three dimensional form as shown in Figure 1. For example, a deposit classified as 121 is economically viable (1), has had pre-feasibility studies carried out (2) and is well understood geologically (1).

The Chinese Code uses three terms – Resource, Basic Reserve and Extractable Reserve. Extractable Reserves include mining recovery factors (mining losses and dilution) whereas Basic Reserves do not include these factors and hence are comparable to resources under the JORC code. Suffix (b), e.g. 121(b), is used to distinguish Basic Reserves from Extractable Reserves; suffixes (S) and (M) are used to identify assumed economic viability. Certain categories are not allowed, e.g. pre-feasibility or feasibility study level studies cannot be conducted on Inferred Resources, and so 123 and 113 are invalid classifications. Also Extractable Reserves are not estimated for marginally economic (or lesser) deposits so the (b) suffix is considered redundant. The term Intrinsically Economic indicates that while the deposit may be economic, insufficient studies have been carried out to clearly determine its status.

Unlike the old code, the new 1999 code does not specify drill hole spacing for each category. In the case of gold, copper and cobalt (and other metals), there is an accompanying Chinese Professional Standard (DZ/T 0214-2002) that lays out rules for determining the level of geological confidence.

Table 1 outlines an approximate conversion guideline of the Chinese Code to the JORC Code based on the controlling variables discussed above.

**Table 1**  
**Chinese Code to JORC Code Conversion Guidelines**

Chinese Category	111, 121	112, 122	111b, 121b 2M11, 2M21, 2S11, 2S21, 331	122b, 2M22, 2S22, 332	333	334
JORC Category	Proved Reserve	Probable Reserve	Measured Resource	Indicated Resource	Inferred Resource	Exploration Potential

**Figure 1 Chinese Resource/Reserve Classification Matrix (1999)**

