CNMC
CNMC GOLDMINE HOLDINGS LIMITED
中色金礦有限公司
(Company Registration No.: 201119104K)

Unaudited Financial Statement and Dividend Announcement
For the Fourth Quarter and the Financial Year Ended 31 December 2012

*CNMC Goldmine Holdings Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 28 October 2011. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of SGX-ST. The Sponsor has not independently verified the contents of this announcement and has not drawn on any specific technical expertise in its review of this announcement.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

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Background

The Company was incorporated in the Republic of Singapore on 11 August 2011 under the Companies Act (Chapter 50) of Singapore as a private limited company. The Company and its subsidiaries (the "**Group**") were formed pursuant to a restructuring exercise (the "**Restructuring Exercise**") which involved an acquisition of the entire issued share capital of CNMC Goldmine Limited, a company incorporated in Hong Kong, prior to the IPO and listing on Catalist of the SGX-ST on 28 October 2011. The Restructuring Exercise was completed on 14 October 2011.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group					
	Three Months Ended			Twelve Months Ended		
	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Unaudited)	Increase/ (Decrease) %	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Audited)	Increase/ (Decrease) %
Revenue	4,196,646	1,457,193	188.0	16,761,082	5,142,867	225.9
Changes in inventories of finished goods	(665,234)	226,705	n.m.	189,614	130,134	45.7
Other operating income	29,124	98,472	(70.4)	183,862	185,053	(0.6)
Amortization and depreciation	(479,278)	(222,685)	115.2	(1,417,703)	(757,621)	87.1
Contractor expenses	(974,876)	(532,531)	83.1	(4,598,294)	(753,531)	510.2
Employees' compensation	(281,066)	(56,047)	401.5	(1,132,009)	(849,518)	33.3
Key management remuneration	(337,750)	(1,889,625)	(82.1)	(1,074,813)	(2,367,015)	(54.6)
Marketing and publicity expenses	(21,145)	(65,369)	(67.7)	(91,494)	(161,048)	(43.2)
Office and administration expenses	(48,819)	(93,186)	(47.6)	(248,489)	(230,580)	7.8
Professional fees	(202,436)	(1,672,207)	(87.9)	(452,939)	(2,012,611)	77.5
Rental expense on operating lease	(114,385)	(112,107)	2.0	(449,559)	(467,049)	(3.7)
Royalty and tribute fee expenses	(341,027)	(160,885)	112.0	(1,494,502)	(524,575)	184.9
Site and factory expenses	(623,288)	(428,989)	45.3	(2,655,721)	(1,403,454)	89.2
Travelling and transportation expenses	(362,046)	(41,225)	778.2	(2,037,703)	(228,422)	792.1
Other operating expenses	-	(374,553)	n.m.	(13,596)	(613,228)	(97.8)
Results from operating activities	**(225,580)**	**(3,867,039)**	**(94.2)**	**1,467,736**	**(4,910,598)**	**n.m.**
Finance income	332	43	672.1	626	43	1,355.8
Finance expenses	(481)	(98,890)	(99.5)	(8,818)	(338,817)	(97.4)
Net finance costs	**(149)**	**(98,847)**	**(99.8)**	**(8,192)**	**(338,774)**	**(97.6)**
Profit / (Loss) before income tax	**(225,729)**	**(3,965,886)**	**(94.3)**	**1,459,544**	**(5,249,372)**	**n.m.**
Income tax (expense) / credit	(41,879)	194,259	n.m.	(448,820)	111,439	n.m.
Profit / (Loss) for the period	**(267,608)**	**(3,771,627)**	**(92.9)**	**1,010,724**	**(5,137,933)**	**n.m.**
Other comprehensive income / (loss)						
Exchange differences arising from consolidation of foreign subsidiaries	5,058	816	519.9	25,947	(14,894)	n.m.
Total comprehensive income/(loss) for the period	**(262,550)**	**(3,770,811)**	**(93.0)**	**1,036,671**	**(5,152,827)**	**n.m.**
Profit / (Loss) attributable to:						
Owners of the Company	(152,974)	(3,667,491)	(95.8)	743,786	(5,081,322)	n.m.
Non-controlling interests	(114,634)	(104,136)	10.1	266,938	(56,611)	n.m.
Profit / (Loss) for the Period	**(267,608)**	**(3,771,627)**	**(92.9)**	**1,010,724**	**(5,137,933)**	**n.m.**
Total comprehensive income / (loss) attributable to:						
Owners of the Company	(148,742)	(3,666,808)	(95.9)	765,499	(5,093,408)	n.m.
Non-controlling interests	(113,808)	(104,003)	9.4	271,172	(59,419)	n.m.
Total comprehensive income / (loss) for the period	**(262,550)**	**(3,770,811)**	**(93.0)**	**1,036,671**	**(5,152,827)**	**n.m.**

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Group					
	Three Months Ended			Twelve Months Ended		
	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Unaudited)	Increase / (Decrease) %	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Audited)	Increase / (Decrease) %
Profit / (Loss) for the period is stated at after charging / (crediting) the following:						
Borrowing costs	481	98,890	(99.5)	2,101	335,256	(99.4)
Amortization and depreciation	479,278	222,685	115.2	1,417,703	757,621	87.1
(Gain)/Loss on foreign exchange	(11,421)	343,144	n.m.	(165,920)	575,442	n.m.
Impairment on other receivables	-	5,327	n.m.	-	5,327	n.m.
Loss on disposal of property, plant and equipment	-	473	n.m.	-	5,224	n.m.

n.m. -- not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Audited)	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Audited)
ASSETS				
Non-current assets				
Exploration and evaluation assets	1,895,666	1,987,167	-	-
Mine properties	4,791,433	4,297,260	-	-
Property, plant and equipment	4,731,303	2,800,523	73,234	132,514
Investment in subsidiaries	-	-	7,856,177	7,887,644
Deferred tax assets	175,459	470,284	175,459	-
Total non-current assets	11,593,861	9,555,234	8,104,870	8,020,158
Current assets				
Inventories	1,024,281	287,870	-	-
Trade and other receivables	802,778	145,328	5,121,680	1,734,269
Fixed deposits	871,055	-	871,055	-
Cash and cash equivalents	1,815,474	5,407,393	575,793	4,544,649
Total current assets	4,513,588	5,840,591	6,568,528	6,278,918
Total assets	**16,107,449**	**15,395,825**	**14,673,398**	**14,299,076**
EQUITY				
Share capital	18,032,233	16,934,840	18,032,233	16,934,840
Capital reserve	2,824,635	2,824,635	-	-
Accumulated losses	(8,993,665)	(9,737,450)	(3,574,087)	(2,998,286)
Translation reserve	20,716	(997)	-	-
	11,883,919	10,021,028	14,458,146	13,936,554
Non-controlling interests	59,098	(212,074)	-	-
Total equity	**11,943,017**	**9,808,954**	**14,458,146**	**13,936,554**
LIABILITIES				
Non-current liabilities				
Interest-bearing borrowings	25,494	32,936	-	-
Deferred tax liabilities	67,919	-	-	-
Total non-current liabilities	93,413	32,936	-	-
Current liabilities				
Interest-bearing borrowings	9,504	8,414	-	-
Trade and other payables	3,850,086	5,443,110	215,252	362,522
Accrued rehabilitation costs	205,919	102,305	-	-
Current tax liabilities	5,510	106	-	-
Total current liabilities	4,071,019	5,553,935	215,252	362,522
Total liabilities	**4,164,432**	**5,586,871**	**215,252**	**362,522**
Total equity and liabilities	**16,107,449**	**15,395,825**	**14,673,398**	**14,299,076**

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 December 2012		As at 31 December 2011	
Secured US$	**Unsecured US$**	**Secured US$**	**Unsecured US$**
9,504	-	8,414	-

Amount repayable after one year

As at 31 December 2012		As at 31 December 2011	
Secured US$	**Unsecured US$**	**Secured US$**	**Unsecured US$**
25,494	-	32,936	-

Details of any collateral

The Group's borrowings comprised finance lease liabilities, which were secured on the Group's motor vehicles. These vehicles had been fully depreciated before 31 December 2012.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group			
	Three Months Ended		Twelve Months Ended	
	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Unaudited)	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Audited)
Operating activities				
Profit / (Loss) for the period	(267,608)	(3,771,627)	1,010,724	(5,137,933)
Adjustments for:				
Depreciation of property, plant and equipment	375,146	160,217	1,215,800	534,377
Amortization of mine properties	104,132	62,468	201,902	223,244
Plant and equipment written off	-	5,697	-	5,697
Unwinding of discount on derivative financial instrument	-	(8,647)	-	(95,228)
Unwinding of discount on rehabilitation provision	-	710	-	3,561
Goodwill on consolidation written off	-	23,275	-	23,275
Impairment loss on other receivables	-	5,327	-	5,327
Gain on disposal of property, plant and equipment	-	(473)	-	(473)
Interest income	(332)	(43)	(626)	(43)
Interest expense	433	95,329	1,849	335,256
Equity-settled share-based payments	-	1,814,367	-	1,814,367
Income tax expense / (credit)	41,879	(194,259)	448,820	(111,439)
Operating profit / (loss) before working capital changes	253,650	(1,807,659)	2,878,469	(2,400,012)
Changes in working capital:				
Inventories	655,205	(263,498)	(736,411)	(167,156)
Trade and other receivables	(456,083)	122,632	(657,452)	283,531
Trade and other payables	(158,730)	626,069	(1,173,503)	2,055,424
Cash (used in) / generated from operations	294,042	(1,322,456)	311,103	(228,213)
Interest received	332	43	626	43
Interest paid	(433)	(9,079)	(1,849)	(249,006)
Net cash (used in) / generated from operating activities	**293,941**	**(1,331,492)**	**309,880**	**(477,176)**
Investing activities				
Purchases of property, plant and equipment	(437,540)	(444,549)	(2,674,437)	(1,252,994)
Proceeds from disposal of property, plant and equipment	-	18,044	-	18,044
Payment for exploration and evaluation assets	(173,795)	(394,542)	(375,902)	(1,163,535)
Net cash used in investing activities	**(611,335)**	**(821,047)**	**(3,050,339)**	**(2,398,485)**
Financing activities				
Deposits pledged	-	1,606	(871,055)	1,606
Acquisition of non-controlling interests on subsidiaries	-	(71,650)	-	(71,650)
Net proceeds from issue of share capital	-	7,264,496	-	7,264,296
Payment of finance lease liabilities	(2,011)	(1,869)	(6,352)	(8,305)
Net cash (used in) / generated from financing activities	**(2,011)**	**7,192,583**	**(877,407)**	**7,185,947**

	Group			
	Three Months Ended		Twelve Months Ended	
	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Unaudited)	31 December 2012 US$ (Unaudited)	31 December 2011 US$ (Audited)
Net (decrease) / increase in cash and cash equivalents	**(319,405)**	**5,039,844**	**(3,617,866)**	**4,310,286**
Cash and cash equivalents at beginning of the period	2,136,876	366,161	5,407,393	1,112,065
Effect of exchange rate fluctuations on cash held	(1,997)	1,388	25,947	(14,958)
Cash and cash equivalents at end of the period[1]	**1,815,474**	**5,407,393**	**1,815,474**	**5,407,393**

Note:-

(1) Cash and cash equivalents as at 31 December 2012 did not include pledged fixed deposits of S$1.07 million which was equivalent to US$0.87 million.

During the three months period ended 31 December 2012 (“4Q 2012”), the Group acquired property, plant and equipment with an aggregate cost of US$536,046 as compared to US$461,394 for the three months period ended 31 December 2011 (“4Q 2011”) of which US$ Nil relates to accrued rehabilitation cost (4Q 2011: US$16,845). As at 31 December 2012, a total consideration of US$98,506 for the acquisitions made in 4Q 2012 had yet to be paid as compared to nil consideration as at 31 December 2011 for the acquisitions in 4Q 2011.

The Group also acquired exploration and evaluation assets, and mine properties at an aggregate cost of US$342,459 in 4Q 2012 (4Q 2011: US$502,701) of which US$120,124 relates to accrued rehabilitation cost (4Q 2011: US$40,158). As at 31 December 2012, a total consideration of US$48,540 for the acquisitions made in 4Q 2012 had yet to be paid, as compared to US$68,001 as at 31 December 2011 for the acquisitions in 4Q 2011.

During the financial year ended 31 December 2012 (“FY2012”), the Group acquired property, plant and equipment with an aggregate cost of US$3,146,580 as compared to US$1,398,929 for the financial year ended 31 December 2011 (“FY2011”) of which US$ Nil relates to accrued rehabilitation cost (FY2011: US$16,845). As at 31 December 2012, a total consideration of US$472,143 for the acquisitions made in FY2012 had yet to be paid, as compared to US$154,431 as at 31 December 2011 for the acquisitions in FY2011.

The Group also acquired exploration and evaluation assets, and mine properties at an aggregate cost of US$604,573 in FY2012 (FY2011: US$2,087,850) of which US$120,124 relates to accrued rehabilitation cost (FY2011: US$40,158). As at 31 December 2012, a total consideration of US$108,548 for the acquisitions made in FY2012 had yet to be paid, as compared to US$1,696,990 as at 31 December 2011 for the acquisitions made in FY2011.

As at 31 December 2012, the Group’s cash and cash equivalents amounted to US$1.82 million, which comprised currencies denominated in MYR and SGD. This did not include the fixed deposits pledged with the banks of S$1.07 million, which was equivalent to US$0.87 million. Please refer to item 8(b) on cash flows analysis for further details.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Share capital	Capital reserve	Translation reserves	Accumulated losses	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	US$	US$	US$	US$	US$	US$	US$
Balance as at 1 January 2011	7,291,308	-	11,089	(4,577,383)	2,725,014	(159,750)	2,565,264
Total comprehensive income for the period							
Loss for period	-	-	-	(1,413,831)	(1,413,831)	47,525	(1,366,306)
Other comprehensive income							
Exchange difference	-	-	(12,769)	-	(12,769)	(2,941)	(15,710)
Total comprehensive income for the period	-	-	(12,769)	(1,413,831)	(1,426,600)	44,584	(1,382,016)
Balance as at 30 September 2011	**7,291,308**	**-**	**(1,680)**	**(5,991,214)**	**1,298,414**	**(115,166)**	**1,183,248**
Total comprehensive income for the period							
Loss for period	-	-	-	(3,667,491)	(3,667,491)	(104,136)	(3,771,627)
Other comprehensive income							
Exchange difference	-	-	683	-	683	133	816
Total comprehensive income for the period	-	-	683	(3,667,491)	(3,666,808)	(104,003)	(3,770,811)
Transactions with owners of the Company, recognised directly in equity							
Contributions by and distributions to owners							
Issue of ordinary shares	1	-	-	-	1	-	1
Share-based payment transactions	1,814,367	-	-	-	1,814,367	-	1,814,367
Issuance of new shares pursuant to Initial Public Offering exercise	7,617,408	-	-	-	7,617,408	-	7,617,408
Reclassification relating to the restructuring exercise	(10,680,812)	10,680,812	-	-	-	-	-
Issue of shares pursuant to the restructuring exercise	7,856,177	(7,856,177)	-	-	-	-	-
Share issue expenses	(353,113)	-	-	-	(353,113)	-	(353,113)
Conversion of convertible notes and derivative financial instrument to shares	3,389,504	-	-	-	3,389,504	-	3,389,504

Group	Share capital	Capital reserve	Translation reserves	Accumulated losses	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	US$	US$	US$	US$	US$	US$	US$
Total contribution by owners	9,643,532	2,824,635	-	-	12,468,167	-	12,468,167
Change in ownership interests in subsidiaries							
Acquisition of non-controlling interests without a change in control	-	-	-	(78,745)	(78,745)	7,095	(71,650)
Total changes in ownership interests in subsidiaries	-	-	-	(78,745)	(78,745)	7,095	(71,650)
Total transactions with owners	9,643,532	2,824,635	-	(78,745)	12,389,422	7,095	12,396,517
Balance as at 31 December 2011	**16,934,840**	**2,824,635**	**(997)**	**(9,737,450)**	**10,021,028**	**(212,074)**	**(9,808,954)**

Group	Share capital	Capital reserve	Translation reserves	Accumulated losses	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	US$	US$	US$	US$	US$	US$	US$
Balance as at 1 January 2012	16,934,840	2,824,635	(997)	(9,737,450)	10,021,028	(212,074)	9,808,954
Total comprehensive income for the period							
Profit for period	-	-	-	896,759	896,759	381,572	1,278,331
Other comprehensive income							
Exchange difference	-	-	17,481	-	17,481	3,408	20,889
Total comprehensive income for the period	-	-	17,481	896,759	914,240	384,980	1,299,220
Transactions with owners of the Company, recognized directly in equity							
Contributions by and distributions to owners							
Issue of ordinary shares	1,097,393	-	-	-	1,097,393	-	1,097,393
Total transaction with owners	1,097,393	-	-	-	1,097,393	-	1,097,393
Balance as at 30 September 2012	**18,032,233**	**2,824,635**	**16,484**	**(8,840,691)**	**12,032,661**	**172,906**	**12,205,567**
Total comprehensive income for the period							
Loss for the period	-	-	-	(152,974)	(152,974)	(114,634)	(267,608)
Other comprehensive income							
Exchange difference	-	-	4,232	-	4,232	826	5,058
Total comprehensive income for the period	-	-	4,232	(152,974)	(148,742)	(113,808)	(262,550)
Balance as at 31 December 2012	**18,032,233**	**2,824,635**	**20,716**	**(8,993,665)**	**11,883,919**	**59,098**	**11,943,017**

Company	Share Capital US$	Accumulated losses US$	Total equity US$
Balance as at 1 January 2011	-	-	-
Issuance of ordinary share [(1)]	1	-	1
Balance as at 30 September 2011	**1**	**-**	**1**
Issuance of shares pursuant to the restructuring purpose	7,856,177	-	7,856,177
Share-based payment transactions	1,814,367	-	1,814,367
Issuance of new shares pursuant to Initial Public Offering exercise	7,617,408	-	7,617,408
Share issue expenses	(353,113)	-	(353,113)
Loss for the period	-	(2,998,286)	(2,998,286)
Balance as at 31 December 2011	**16,934,840**	**(2,998,286)**	**13,936,554**
Balance as at 1 January 2012	16,934,840	(2,998,286)	13,936,554
3,000,000 shares issued as performance bonus [(2)]	1,097,393	-	1,097,393
Loss for the period	-	(888,253)	(888,253)
Balance as at 30 September 2012	**18,032,233**	**(3,886,539)**	**14,145,694**
Profit for the period	-	312,452	312,452
Balance as at 31 December 2012	**18,032,233**	**(3,574,087)**	**14,458,146**

Notes:-

(1) The Company was incorporated on 11 August 2011 with an issued and paid-up capital of S$1.00. The Restructuring Exercise was completed on 14 October 2011.

(2) Pursuant to the approval obtained at the extraordinary general meeting held on 27 April 2012, the Company issued 3,000,000 new ordinary shares at issue price of S$0.475 per share to three employees and a consultant on 16 May 2012 as performance bonus.

1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares of the issuer, if any, against total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	Number of shares	Share capital (S$)	Share capital (US$)
As at 30 September 2012	**407,693,000**	**22,890,024**	**18,032,233**
As at 31 December 2012	**407,693,000**	**22,890,024**	**18,032,233**

There was no change in the Company's share capital from 30 September 2012 to 31 December 2012.

The Company did not have any outstanding options, convertibles or treasury shares as at 31 December 2012 and 31 December 2011.

1(d)(iii) To show the number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	Company As at 31 December 2012	Company As at 31 December 2011
Total number of issued shares excluding treasury shares	407,693,000	404,693,000

The Company did not have any treasury shares as at 31 December 2012 and 31 December 2011.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company did not have any treasury shares during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Other than the adoption of the new and revised Financial Reporting Standards (FRS) which took effect from the beginning of the current financial year, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements for the financial year ended 31 December 2011.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The adoption of the new and revised FRSs since the beginning of the current financial year is assessed to have no material impact on the results of the Group and of the Company for the current financial period reported on.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Group			
	Three months ended 31 December		Twelve months ended 31 December	
	2012	2011	2012	2011
Profit / (Loss) attributable to owners of the Company (US$)	(152,974)	(3,667,491)	743,786	(5,081,322)
Weighted average number of ordinary shares [(1)]	407,693,000	380,509,992	406,575,192	380,509,992
Basic and diluted earnings / (loss) per ordinary share in US cents[(2)]	(0.04)	(0.96)	0.18	(1.34)

Notes:-

(1) The Company was incorporated on 11 August 2011.

(2) The basic and diluted earnings or loss per ordinary share were the same for the periods under review as the Company did not have potentially dilutive ordinary shares as at 31 December 2012 and 31 December 2011.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the**
(a) current period reported on; and
(b) immediately preceding financial year

	Group		Company	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011
Net asset value (US$)	11,883,919	10,021,028	14,458,146	13,936,554
Number of shares at the end of the period	407,693,000	404,693,000	407,693,000	404,693,000
Net asset value per share (US cents)	2.91	2.48	3.55	3.44

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors;

Revenue

In 4Q 2012, the Group's revenue increased significantly by 188.0% to US$4.20 million from US$1.46 million in 4Q 2011. The increase was mainly due to the increase in production volume of gold as the Group had commenced its heap leach operation in 4Q 2012. The increase in revenue was also attributable to higher gold price in 4Q 2012 as compared to 4Q 2011. According to the World Gold Council, the quarterly average gold price was US$1,721.8 per ounce in 4Q 2012 and US$1,688.0 per ounce in 4Q 2011.

For FY2012, revenue also increased significantly by 225.9% to US$16.76 million from US$5.14 million for FY2011. The increase was mainly due to the increase in production volume of gold and the higher yearly average gold price, as well as contribution from the export of non-gold ore.

The yearly average gold price was US$1,669.0 per ounce in FY2012 and US$1,571.5 per ounce in FY2011. In 4Q 2012 and FY2012, the Group exported a total of approximately 14,790 tonnes and 46,791 tonnes of ore respectively to a Chinese party for processing in China. The ore consisting of gold and non-gold metals including silver, lead and zinc were subsequently sold to the said Chinese party. Non-gold metals contributed a total of US$1.75 million and US$9.26 million to the Group's revenue in 4Q 2012 and FY2012 respectively. No revenue was generated from sales of non-gold ore in 4Q 2011 and FY2011.

	4Q 2012	4Q 2011	Increase / (Decrease) %	FY 2012	FY 2011	Increase / (Decrease) %
Production volume (ounces of gold)	1,481.42	911.51	62.5	4,641.86	3,097.35	49.9
Sales volume (ounces of gold)	1,481.42	869.16	70.5	4,684.21	3,055.00	53.3
Revenue from sales of gold (US$'000)	2,442.42	1,457.19	67.6	7,506.28	5,142.87	45.4
Revenue from sales of non-gold ore (US$'000)	1,754.23	-	100.0	9,254.80	-	100.0
Revenue – total (US$'000)	4,196.65	1,457.19	189.2	16,761.08	5,142.87	226.2

Other operating income or expenses

In 4Q 2012 and FY2012, the Group recorded net other operating income of US$0.03 million and US$0.18 million respectively, mainly as a result of net foreign exchange gain.

Operating expenses

Operating expenses comprised mainly costs incurred for site and factory expenses, amortization costs for mine properties, depreciation expenses for property, plant and equipment, rental expenses on operating lease, contractor expenses, royalty and tribute fees paid to the Kelantan State authorities, remuneration for employees and management and other general administrative expenses.

Total operating expenses decreased by US$0.60 million or 11.9% from US$5.05 million in 4Q 2011 to US$4.45 million in 4Q 2012. In contrast, the total operating expenses increased by US$5.83 million or 60.5% from US$9.63 million in FY2011 to US$15.46 million in FY2012.

The decrease in total operating expenses in 4Q 2012 was mainly because of a decrease in key management compensation of US$1.55 million and a decrease in professional fees of US$1.47 million The above decreases were partially offset by the increased operating costs from the Group's expanded business activities.

The increase in total operating expenses in FY2012 was a result of the Group's expanded business activities which have resulted in an increase of traveling and transportation expenses, employees' compensation, contractor expenses, royalty and tribute fees, site and factory expenses and amortization and depreciation. The increase was partly offset by the decrease in key management personnel expenses.

Traveling and transportation expenses increased by US$0.32 million from US$0.04 million in 4Q 2011 to US$0.36 million in 4Q 2012, as a result of US$0.32 million transportation charges incurred for the transportation of 14,790 tonnes of mineral ore from the Group's mine in Malaysia to processing facilities in China. For the similar reason, traveling and transportation expenses increased by US$1.81 million in FY2012 as compared to FY2011.

Employees' compensation and key management remuneration decreased by US$1.33 million and US$1.01 million in 4Q 2012 and FY2012 respectively, mainly due to the one-off share issuance and ex-gratia payments totaling US$1.41 million in 4Q 2011 which did not recur in 4Q 2012 and FY2012.

Contractor expenses increased significantly by US$0.44 million and US$3.84 million in 4Q 2012 and FY2012 respectively, mainly due to ore processing expenses related to the Group's production of non-gold minerals.

Professional fees decreased by US$1.47 million and US$1.56 million in 4Q 2012 and FY2012 respectively, mainly as a result of listing expenses incurred in 4Q 2011 for the Company's initial public offering which did not recur in 4Q 2012 and FY2012.

Amortization and depreciation increased by US$0.26 million and US$0.66 million in 4Q 2012 and FY2012 respectively. The increase in amortization of mine properties was due to the increased production volume whereas the increase in depreciation of properties, plant and equipment was due to the addition in property, plant and equipment for heap leach facility in FY2012.

As a result of new revenue streams from non-gold ore and higher gold production, the Group registered profit from operating activities of US$1.47 million in FY2012, as compared to a loss of US$4.91 million in FY2011.

<u>Finance expenses</u>

Finance expenses, comprising interest on finance lease, were insignificant in 4Q 2012 and FY2012. Finance expenses for 4Q 2011 and FY2011 mainly comprised interests on convertible loans issued by the Company's subsidiary. The convertible loans were fully converted at the time of the Company's listing during 4Q 2011.

<u>Income tax expense</u>

The Group's effective tax rate for FY2012 was approximately 31%, higher than the applicable tax rate of 25% for the Group. This was mainly due to over provision of deferred tax assets in previous financial year.

<u>Profit / (Loss) after income tax</u>

For 4Q 2012, the Group had reduced its loss after income tax to US$0.27 million from a loss of US$3.77 million in 4Q 2011 due to the reasons stated above.

The Group's profitability improved significantly in FY2012, from a loss after tax of US$5.14 million in FY2011 to a profit after tax of US$1.01 million in FY2012.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Assets

Exploration and evaluation assets decreased by US$0.09 million from US$1.99 million as at 31 December 2011 to US$1.90 million as at 31 December 2012 mainly due to the transfer of US$0.57 million from exploration and evaluation assets to mine properties when further gold reserves, as a result of these exploration and evaluation activities, were established in June 2012. The transfer was partly offset by an increase in exploration and evaluation assets of US$0.48 million during the financial year. Accordingly, the increase in mine properties of US$0.57 million coupled with the increase in rehabilitation costs of US$0.12 million which was partially offset by amortization, have resulted in a net increase in mine properties of US$0.49 million to US$4.79 million.

Property, plant and equipment increased by US$1.93 million from US$2.80 million as at 31 December 2011 to US$4.73 million as at 31 December 2012, mainly as a result of additional production and processing equipment acquired for the heap leach production.

The Group's inventories as at 31 December 2012 comprised work in progress of US$0.41 million and consumables of US$0.61 million. Inventories increased by US$0.73 million from 31 December 2011 to 31 December 2012. The increase in consumables of US$0.54 million was due to the management's intention of increasing the chemical stocks level to cater for heap leach production's requirements. The increase in the work in progress of US$0.26 million was mainly attributable to the work in progress of heap leach division. These increases were partly offset by the decrease in finished goods as the Group did not have any finished goods as at 31 December 2012.

Trade and other receivables increased by US$0.66 million, mainly due to the trade receivables on proceeds of the gold pour on 30 December 2012 amounting to US$0.54 million.

Liabilities

Total liabilities of the Group decreased by US$1.43 million from US$5.59 million as at 31 December 2011 to US$4.16 million as at 31 December 2012, mainly due to a decrease in trade and other payables arising from the settlement of liabilities in relation to the drilling and exploration activities for FY2011. Trade and other payables as at 31 December 2012 comprised mainly trade payables and accrued operating expenses of US$1.08 million related to outstanding payments for chemical consumables, equipment and machines purchased; US$0.32 million due to contractors for exploration and evaluation works performed; US$0.84 million of outstanding royalty fees payable to Kelantan State authorities, and US$0.77 million of loans and remuneration payable to directors.

As at 31 December 2012, the Group's net working capital improved to US$0.44 million from US$0.29 million as at 31 December 2011.

Cash flows

Net cash generated from operating activities amounted to US$0.29 million in 4Q 2012, as compared to a net cash used in operating activities of US$1.33 million in 4Q 2011. Net cash generated from operating activities in 4Q 2012 was a result of operating profit before working capital changes amounting to US$0.25 million, adjusted for working capital outflows of US$0.04 million.

For FY2012, net cash generated from operating activities amounted to US$0.31 million as compared to a net cash used in operating activities of US$0.48 million in FY2011. Net cash generated from operating activities in FY 2012 was a result of operating profit before working capital changes amounting to US$2.88 million, partially offset by working capital outflow of US$2.57 million.

Net cash used in investing activities amounted to US$0.61 million and US$3.05 million in 4Q 2012 and FY2012 respectively, which comprised mainly payments for property, plant and equipment as well as payments for exploration and evaluation activities.

Net cash used in financing activities in 4Q 2012 was insignificant and comprised interest payment of finance lease. Net cash used in financing activities in FY2012 comprised mainly fixed deposits pledged for overdraft facility which was not utilized during the financial year.

As at 31 December 2012, the Group had cash and cash equivalents of US$1.82 million, which excluded the pledged fixed deposit of approximately US$0.87 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

The Group had initially expected to obtain the approval for its heap leach facilities to commence its gold production in the first quarter of FY2012. However, the Group did not receive the final approval for the commencement of its heap leach operations until November 2012 and pursuant to which the Group had conducted its inaugural gold pour from heap leach facilities on 30 December 2012. In addition, the Group had in FY2012 diverted part of its efforts and resources to venture into non-gold production.

The Group produced a total of 4,641.86 ounces of fine gold in FY2012. The Group did not achieve the forecasted production level of 31,500 ounces of fine gold as stated in the Company's Offer Document of 18 October 2011, mainly due to the delay in approval for its heap leach facilities.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Board is optimistic that there will be continued demand for gold as an alternative investment.

The management will continue to improve the efficiency of its heap leach facilities. In addition, the Group had recently entered into an agreement with China Gold Guizhou Jinxing Gold Mining Industry Co., Ltd, a subsidiary of China's largest gold producer; China National Gold Group Corporation（中国黄金集团公司）("China Gold") to manage, plan, design, construct and oversee CNMC's gold production expansion program for a one year period from 1 March 2013 to 28 February 2014.

With the commencement of its heap leach production and assistance with China Gold, barring any unforeseen circumstances, the Group expects to further increase its gold production in the first half of 2013.

11. Dividend

(a) Current Financial Period Reported On: Any dividend declared for the current financial period reported on?

None.

(b) Corresponding Period of the Immediately Preceding Financial Year: Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable:

Not applicable.

(d) Books closure date:

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividends have been declared or recommended for 4Q 2012 and FY 2012.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from its shareholders for IPT.

In 4Q 2012 and FY2012, the Group did not enter into any IPT.

14. Use of IPO proceeds

As at the date of this announcement, the IPO proceeds have been utilized as follows:-

Use of proceeds	Amount allocated S$'000	Amount utilized S$'000	Balance S$'000
Further resource definition and continuing exploration activities	2,490	817	1,673
Construction of a heap leach facility	2,110	2,110	-
Working capital	4,052	4,052	-
Expenses incurred in connection with listing	908	908	-
	9,560	7,887	1,673

15. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

	Gold mining US$	Other operations US$	Inter-segment eliminations US$	Total US$
Year ended 31 December 2011				
Revenue from external customers	5,142,867	-	-	5,142,867
Interest expense	(2,676)	(246,330)	-	(249,006)
Amortization and depreciation	(745,787)	(11,834)	-	(757,621)
Reportable segment losses before tax	(435,058)	(4,814,314)	-	(5,249,372)
Segment assets	10,304,306	22,302,127	(17,680,892)	14,925,541
Capital expenditure*	3,287,809	141,967	-	3,429,776
Reportable segment liabilities	(12,644,576)	(2,262,329)	9,320,034	(5,586,871)

	Gold mining US$	Other operations US$	Inter-segment eliminations US$	Total US$
Year ended 31 December 2012				
Revenue from external customers	16,761,082	-	-	16,761,082
Interest income	18,197	594,820	(613,017)	-
Management fee	-	172,416	(172,416)	-
Interest expense	(615,133)	-	613,032	(2,101)
Amortization and depreciation	(1,344,155)	(73,548)	-	(1,417,703)
Reportable segment profit/ (losses) before tax	1,783,746	(360,309)	36,107	1,459,544
Segment assets	15,786,054	22,921,438	(22,775,502)	15,931,990
Capital expenditure*	3,739,054	12,100	-	3,751,154
Reportable segment liabilities	(16,314,418)	(2,220,838)	14,438,743	(4,096,513)

* Capital expenditure consists of additions of property, plant and equipment, mine properties and, exploration and evaluation assets.

Reconciliation of reportable segments assets and liabilities	2012 US$	2011 US$
Assets		
Total assets for reportable segments	15,931,990	14,925,541
Unallocated assets	175,459	470,284
Combined total assets	16,107,449	15,395,825
Liabilities		
Total liabilities for reportable segments	(4,096,513)	(5,586,871)
Unallocated liabilities	(67,919)	-
Combined total liabilities	(4,164,432)	(5,586,871)

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

The Group has one reportable business segment which is gold mining - exploration, development, mining and marketing of gold.

Other operations include investment holding and provision of corporate services.

Please refer to item (8) for analysis of increase in revenue in FY2012, as contributed by the gold mining segment. The export sale of non-gold ore of US$9.18 million was also included under gold mining segment because management is of the view that this activity is more of a short-term arrangement.

Gold mining segment had recorded a profit before income tax of US$1.78 million in FY2012 as compared to a loss before income tax of US$0.44 million in FY2011, as a result of the increase in revenue in FY2012.

Revenue of other operations segment consists mainly of inter-company interest and management fee charged by the holding company to gold mining segment in FY2012.

In FY 2012, loss before income tax of other operations segment was US$0.36 million as compared to US$4.81 million in FY2011. This was mainly due to the listing related expenses incurred in FY2011 which did not recur in FY2012. The improvement was also due to the charging of inter-company interest and management fee by the holding company to the gold mining segment in FY2012.

17. Breakdown of Group's revenue and profit/(loss) after tax for first half year and second half year

	FY2012 US$'000	FY2011 US$'000	Increase/ (Decrease) %
(a) Revenue			
- first half	6,294.1	1,734.5	262.9
- second half	10,467.0	3,408.3	207.1
	16,761.1	5,142.8	225.9
(b) Profit/(Loss) after income tax			
- first half	275.5	(1,282.0)	n.m.
- second half	735.2	(3,856.0)	n.m.
	1,010.7	(5,138.0)	n.m.

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable.

19. Person occupying a managerial position who is a relative of a director, pursuant to Rule 704 (10)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Sharon Ting Shu Hwei	34	Niece of Mr Choo Chee Kong, Executive Vice Chairman of the Company	Information Technology ("IT") and Administration Manager, responsible for the Company's IT and administrative functions, first appointed in 2011	No change during the year

Additional Disclosure Required for Mineral, Oil and Gas companies

20a. Rule 705 (6)(a) of the Catalist Listing Manual

i. Use of funds/cash for the quarter:-

For 4Q 2012, funds / cash were mainly used for the following production activities, as compared to the projections:-

Purpose	Amount (US$ million) *Actual Usage*	Amount (US$ million) *Projected Usage*
Exploration and evaluation activities	0.28	0.40
Payment for machinery	0.38	0.44
Payment for diesel and other production materials	0.81	0.75
Royalty and tribute fees to government	0.10	0.88
Rental of equipment	0.11	0.13
Upkeep of equipment and motor vehicles	0.09	0.06
General working capital	0.57	0.65
Total	**2.34**	**3.31**

ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter (period from 1 January to 31 March 2013), the Group's use of funds/cash for production activities is expected to be as follows:-

Purpose	Amount (US$ million)
Exploration and evaluation activities	0.30
Payment for machinery purchased in current and prior quarters	0.41
Payment for diesel and other production materials purchased in current and prior quarters	0.46
Royalty and tribute fees to government	1.06
Rental of equipment	0.09
Upkeep of equipment and motor vehicles	0.14
General working capital	0.43
Total	**2.89**

The Group’s exploration plans from 1 January to 31 March 2013 are as follows:-

(a) Geological Investigation

Geological investigation will be focused on the outcrops revealed during mining activity at Rixen Deposit, Sungai Taba prospecting area and partly in the Sungai Among and Sungai Sejana prospecting area. Rock chip and float samples will be routinely collected and tested by the Group's in-house laboratory. Hand-held global positioning system (“GPS”) units will be used to locate the geological points and positions of sampling.

(b) Trenching and Channel Sampling

Designed trenches will be dug by excavators. Three trenches are located in the Sg Taba area and another three in Sejana area. The total length of trenches is 240 meters, with an average depth of 5.0 meters.

(c) Diamond drilling program

Diamond drilling will be fulfilled by Sinomine Resource Exploration Sdn. Bhd., using three diamond rigs capable of drilling NQ drill core size to 1,000 meters in depth. The Company plans to finish another 1,500 meters in 1Q 2013, including 1,100 meters in Rixen and 400 meters in Sungai Among prospecting area.

(d) Half core sampling and channel sampling analysis

The half core from the diamond drilling program and channel samples are expected be delivered to SGS Lab, Malaysia for sample preparation followed by gold analysis using Au Fire Assay finished by AAS method and Ag, Cu, Pb & Zn analysis by 4 Acid Digestion finished by AAS method.

(e) Data Compiling

All field data including geological points, trenches and log sheets, channel sampling and location and analysis results will be sorted and compiled.

20b. Rule 705 (6)(b) of the Catalist Listing Manual

The Board confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

21a. Rule 705 (7)(a) of the Catalist Listing Manual

Details of exploration (including geophysical surveys), mining development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanation for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated;

During 4Q 2012, the Group capitalized a total of US$0.22 million for exploration and evaluation expenditures activities carried out during the period.
The Group carried out the following exploration activities in 4Q 2012:-

(a) Geological Investigation

The geological team carried out geological mapping of creeks and track exposures in the northern section of the mining area, i.e. around Rixen and Sg. Among. Rock chip and float samples were collected during the course of mapping. Geological points for mapping and location of sampling were provided by hand-held global positioning system ("GPS") units.

The purpose of geological mapping and reconnaissance was to clarify geological conditions related to gold and base metal mineralization and to try to find evidence of mineralization or significant structures. The total area investigated was about 1.0 square kilometer and a total of 36 points were recorded.

(b) Drilling Program

The diamond drilling program commenced on 22 October 2012, in accordance with the drilling contractor's new schedule. A total of 18 holes, comprising total footage of 1,551.59 meters were finished in Rixen (see Table 1 for details). Several sections of mineralized and altered zones were revealed in these holes and the cores were split for sampling after geologic logging. After each drill hole was finished, the collar locations were accurately surveyed by electronic distance measurement (EDM) equipment using *NTS662* total station instruments.

Table 1: Drill holes and Footage Finished in Rixen

Seq. No	Drillhole No	Depth(m)
1	ZKR 13-5	100.34
2	ZKR 13-6	76.74
3	ZKR 11-4	115.63
4	ZKR 11-5	70.73
5	ZKR 0-4	93.43
6	ZKR 7-5	95.48
7	ZKR 7-6	82.00
8	ZKR 5-7	168.18
9	ZKR 3-1	50.28
10	ZKR 3-2	66.05
11	ZKR 3-3	69.58
12	ZKR 3-4	106.68
13	ZKR 3-5	91.21
14	ZKR 3-6	80.81
15	ZKR 1-5	71.03
16	ZKR 1-6	96.03
17	ZKR 0-1	65.14
18	ZKR 0-2	52.25
	Total Footage	***1,551.59***

(c) Half core sampling and analysis

A total of 619 half core and 305 soil samples were delivered to *SGS Lab*, Malaysia for Au analysis by using Au Fire Assay finished by AAS method for the 619 half core samples. Au by Aqua Regia finished by AAS method and Ag, Cu, Pb & Zn analysis by 4 Acid Digestion finished by AAS method for the 305 soil samples.

(d) Data compiling

All field data, including geological points, trenches and log sheets, drilling core log and sampling and analysis results were sorted and compiled for the Group's geological team to better understand gold mineralization, structure and ore-controlling factors and to make proper exploration plan for further exploration work.

21b. Rule 705 (7)(b) of the Catalist Listing Manual

Update on its reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

The Company had on 23 April 2012 and 29 June 2012 made announcements on the SGXNET to update its resource and reserve information respectively.

The Company will provide updates on its reserves and resources in due course, in particular, in accordance with Rules 1204(23)(a) and 1204(23)(c) of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST, which requires the inclusion of a qualified person's report dated no earlier than the end of the Company's financial year, and a summary of reserves and resources in its annual report for the financial year ended 31 December 2012.

By Order of the Board

Lim Kuoh Yang
Chief Executive Officer

28 February 2013