6 November 2013

CNMC
CNMC GOLDMINE HOLDINGS LIMITED
中色金礦有限公司

Company Registration No.: 201119104K

PRESS RELEASE

CNMC INCREASED FINE GOLD PRODUCTION BY MORE THAN NINE-FOLD IN 3Q 2013 AS COMPARED TO THE PREVIOUS CORRESPONDING PERIOD

Highlights:

- **Revenue for fine gold increased by 631.6% to US$6.31 million in 3Q 2013 as compared to 3Q 2012 as production volume of fine gold increased by 921.4% to 4,762.95 ounces in 3Q 2013 as compared to 466.33 ounces in 3Q 2012.**

- **In its efforts to maintain the highest level of corporate transparency, CNMC has provided greater clarity on its cost metrics associated with gold production in accordance with the World Gold Council's recently issued Guidance Note on cost reporting for gold mining companies.**

- **The Group achieved an adjusted operating cost of US$473 per ounce of gold sold and an overall all-in cost of US$775 per ounce of gold sold for 3Q 2013, which is a 29.1% decrease in the all-in cost as compared to 3Q 2012. The economies of scale were achieved with the ramp up in gold production volume and also the significant improvement in production efficiencies through enhanced technology and methodology.**

- **Going forward, the Group is confident that it will be able to achieve further growth in production.**

US$	3 Months ended 30 September 2013 ("3Q 2013")	3 Months ended 30 September 2012 ("3Q 2012")	Change %
Revenue	6,310,391	6,269,723	0.6
Results from Operating Activities	2,804,788	1,122,524	149.9
Net Profit for the Period	1,952,763	1,002,864	94.7
Net Profit attributable to owners of the Company	1,666,291	786,297	111.9

SINGAPORE, 06 November 2013 – CNMC Goldmine Holdings Limited ("中色金矿有限公司") ("CNMC" or the "Company" and together with its subsidiaries, the "Group"), the first Catalist-listed gold mining company on the Singapore Exchange Securities Trading Limited (the "SGX-ST") announced that it had achieved a record set of financial results for 3Q 2013.

	3Q 2013	3Q 2012	Increase / (Decrease) %
Production volume of fine gold (ounces)	4,762.95	466.33	921.4
Sales volume of fine gold (ounces)	4,833.05	538.33	797.8
Revenue from sale of fine gold (US$'000)	6,310.39	862.55	631.6
Revenue from export sale of ore:			
- gold (US$'000)	-	837.83	n.m.
- non-gold metals (US$'000)	-	4,569.34	n.m.
Revenue – Total (US$'000)	6,310.39	6,269.72	0.6
Average selling price – World Gold Council (US$/ounce)	1,327.00	1,652.00	(19.7)

For the financial period under review, despite a 19.7% fall in average gold price for 3Q 2013 as compared to 3Q 2012, the Group's revenue from the sales of fine gold increased by 631.6% to US$6.31 million in 3Q 2013 as compared to 3Q 2012 due to the significant increase in the sales volume of fine gold. The production volume of fine gold at Sokor also increased by 921.4% to 4,762.95 ounces in 3Q 2013 as compared to 466.33 ounces in 3Q 2012.

The Group focused on gold production and did not transact in any export sales of ores in 2013. Despite the absence of export sales of ore in 2013, the Group's revenue increased by 0.6% to US$6.31 million as compared to US$6.27 million in 3Q 2012.

Profitability

Total operating expenses decreased by US$1.72 million from US$5.13 million in 3Q 2012 to US$3.41 million in 3Q 2013 due to the decrease in contractor expenses of US$2.18 million and decrease in travelling and transportation costs of US$0.92 million. Both expenses had declined 99.1% and 96.0% respectively as export ore sales and processing did not recur in 3Q 2013.

The decrease was also due to reduction in the changes in inventories of US$0.15 million in 3Q 2013 due to the realisation of the cost of work-in-progress as of the end of 3Q 2013. In comparison, the changes in inventories were recorded as a credit of US$1.02 million in 3Q 2012 mainly due to the accumulation of work-in-progress in preparation for the first heap leach trial production at the end of the financial year ended 31 December 2012.

The decrease of total operating expenses was partly offset by the increase in amortisation and depreciation expenses of US$0.32 million or 87.7% mainly due to the increase in amortisation of mine properties as a result of the increase in the volume of gold produced.

The Group recorded a tax expense of US$0.83 million in 3Q 2013 as compared to US$0.12 million in 3Q 2012 as a result of higher profit. The Group's effective tax rate was approximately 5.0% higher than the applicable tax rate of 25% due to the withholding of tax arising on management fee and interest income and certain expenses incurred which were not tax deductible.

Due to the reasons stated above, CNMC's net profit increased by 94.7% to US$1.95 million in 3Q 2013 as compared to US$1.0 million in 3Q 2012.

Adopting a Higher Standard of Reporting

On 27 June 2013, the World Gold Council published a Guidance Note on "**all-in sustaining costs**" and "**all-in costs**" metrics, which gold mining companies can use to report their cost as part of their overall reporting disclosure.

CNMC has adopted this "**all-in sustaining costs**" and "**all-in costs**" non-GAAP[1] performance measures. We believe these disclosures will provide greater clarity on the economics of gold mining. **All-in sustaining costs** include sustaining capital expenditures, corporate general and administrative expenses, exploration expense, reflecting the full cost of gold production from current operations. **All-in costs** factors in capital exploration and capital expenditure incurred at new operations and costs related to those constructions and/or projects work-in-progress for the existing operations which are expected to materially increase production in future.

	US$ / gold ounce sold		
	3Q 2013	**3Q 2012**	**Increase / (Decrease) %**
Sales volume of fine gold (ounces)	**4,833.05**	**1,094.7**	**341.5**
Mining related costs	369	640	(42.3)
Royalty and tribute expenses	104	92	13.0
Adjusted operating costs[2]	**473**	**732**	**(35.4)**
General and administrative costs	44	8	450
Capital expenditure	49	117	(58.1)
All-in sustaining costs[3]	**566**	**857**	**(34.0)**
Capital exploration (non-sustaining)	24	8	200
Capital expenditure (non-sustaining)	185	228	(18.9)
All-in costs[4]	**775**	**1,093**	**(29.1)**

[1] Generally Accepted Accounting Principles.

[2] Adjusted operating costs includes production costs such as mining production and maintenance costs, royalties, and operating costs such as storage, net of by-product credits. The increase of gold ounces sold resulted in lower cost per gold ounce sold as fixed costs portion remains constant. These costs may vary from quarter to quarter, depending on the seasonal or cyclical factors, including among others, rainy season and and grade of gold grade extracted from the ore.

[3] All-in sustaining costs includes adjusted operating costs and sustaining capital expenditure, corporate general and administrative expenses, exploration expense, reflecting the full cost of gold production from current operations.

[4] Include all-in sustaining costs and non-sustaining costs. Non-sustaining costs are those costs incurred for the new operations and costs related to those construction of the new production facility and the third leaching pad for the existing operations where these projects will materially increase production in future.

Outlook

The Group's performance may be affected if gold prices continue to fall. However, the Group's production capacity is expected to increase by approximately 200% in the second half of 2013 following the completion of the second leach yard.

The construction of the third leach yard is expected to be completed by the fourth quarter of 2013. Installation of new gold de-absorption equipment will also be completed by the fourth quarter of 2013. Upon the completion and operation of the three leach yards, the estimated annual capacity of 1 million ores per annum will be achievable.

Commenting on its outlook, Mr Chris Lim, Executive Director and Chief Executive Officer of CNMC Goldmine Holdings Limited remarked: "**The fluctuation in gold price is beyond our control. Hence, we will focus on enlarging our leaching capacity as well as cost reduction efforts. With the heap leaching and technical services agreement with China Gold in place, we achieved a record single gold pour production in October 2013 of approximately 1,526.09 ounces of gold doré bars since the start of gold production in July 2010. Going forward, we foresee more positive developments particularly in our production efficiencies with China Gold's involvement in our operations. We remain cautiously optimistic of the Group's future performance.**"

CNMC Photo: Construction of third leach yard in progress.

#End of Release#

Note: This press release is to be read in conjunction with the related announcement filed by CNMC Goldmine Holdings Limited on SGXNet.

About CNMC Goldmine Holdings Limited (Bloomberg: CNMC:SP; Reuters: CNMC.SI)

CNMC Goldmine Holdings Limited (the "Company") is the first Catalist-listed gold mining company on the Singapore Exchange Securities Trading Limited (the "SGX-ST").

The Company and its subsidiaries (the "Group"), with its headquarters in Singapore, started its operations in 2006 and is principally engaged in the business of exploration and mining of gold and the processing of mined ore into gold dores. Currently, the Group is focusing on the development of the Sokor Gold Field Project which is located in the State of Kelantan, Malaysia. The first gold pour was achieved on July 21 2010.

The Sokor Gold Field Project covers an area of $10km^2$ and there are 4 identified gold deposits namely, Manson's Lode Vein, New Discovery Vein, Sg. Ketubong Target and Rixen Target. As of December 2012, this project has JORC compliant resources of 7.8 million tonnes at a grade of 1.6 g/t in the Measured, Indicated and Inferred categories for a total of 410,000 oz Au inclusive of JORC compliant reserves of 3.3 million tonnes at a grade of 1.5 g/t in proved and probable categories for a total of 160,000 oz Au.

For more information on the Company, please visit www.cnmc.com.hk

---

ISSUED ON BEHALF OF **CNMC GOLDMINE HOLDINGS LIMITED**

BY CAPITAL ACCESS COMMUNICATIONS PTE LTD:

Neo AikKee
Email: aikkee@capitalaccess.com.sg
Mobile: +65 9703 0504

Edwin Lee
Email: edwinlee@capitalaccess.com.sg
Mobile: +65 9660 7361

This announcement has been prepared by CNMC Goldmine Holdings Limited (the "Company") and its contents have been reviewed by the PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Tradling Limited (the "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.

The contact person for the Sponsor is Mr Mark Liew, Managing Director, Corporate Finance, at 20 Cecil Street, #21-02 Equity Plaza, Singapore 049705, telephone (65) 62298088.