

CNMC Reports Higher Revenue and Profit in 2Q2017 vs 1Q2017

- *Carbon-in-leach plant, a major investment to enhance gold recovery, expected to start trial production later this year*
- *Cash and cash equivalents remains strong at US\$21.73 million as at 30 June 2017*

US\$	2Q2017	1Q2017	Change (%)	2Q2017	2Q2016	Change (%)
Revenue	4,859,680	4,725,436	2.8	4,859,680	12,624,288	(61.5)
Results from operating activities	298,287	(17,712)	N.M.	298,287	5,714,491	(94.8)
Earnings before interest, taxation, depreciation, amortization	1,236,471	937,301	31.9	1,236,471	7,034,425	(82.4)
Net profit	523,811	68,776	661.6	523,811	5,851,724	(91.0)
Net profit attributable to owners of the Company	478,381	54,834	772.4	478,381	4,704,789	(89.8)

N.M. – Not Meaningful

SINGAPORE, 14 August 2017 – On a quarter-on-quarter basis, CNMC Goldmine Holdings Limited (“**CNMC**” or the “**Company**”) said today it produced and sold more gold in the second quarter of 2017 (“**2Q2017**”) than in the first three months of the year (“**1Q2017**”), and reaffirmed its commitment to getting its third processing plant up and running by year-end.

Output at CNMC’s flagship Sokor gold field (“**Sokor**”) in Malaysia’s Kelantan state rose to 3,835.50 ounces of fine gold in 2Q2017 from 3,669.90 ounces in 1Q2017. The increase offset a slight drop in average selling price – US\$1,267.03 per ounce in 2Q2017 compared to US\$1,287.62 per ounce in 1Q2017 – and lifted the Company’s revenue to US\$4.86 million for 2Q2017 from US\$4.73 million for 1Q 2017.

The increase in revenue, coupled with an unrealised foreign-exchange gain on its ringgit-denominated cash deposits, enabled the Company to generate a net profit of US\$523,811 in 2Q2017, compared to a net profit of US\$68,776 in 1Q2017. Amid low ore grades, net profit attributable to shareholders came in at US\$478,381 for 2Q2017, up from US\$54,834 for 1Q2017



Company Registration No.: 201119104K

In an update on its upcoming carbon-in-leach (“**CIL**”) plant at Sokor, CNMC said construction is progressing according to schedule. Trial production at the CIL plant, which is a major investment by the Company to enhance gold recovery and boost output, is likely to start in the fourth quarter of 2017, with commercial production expected to begin after trial production, barring unforeseen circumstances.

As previously disclosed, the CIL plant is expected to be able to process approximately 500 tonnes of ore daily. CIL is the industry’s standard method of efficiently extracting gold from ground ore, with recovery rates as high as 95%, according to industry norms, compared to an average of 65% at CNMC’s existing heap leaching facility.

The investment in the CIL plant, which will be CNMC’s third processing facility in Kelantan, mainly drove up all-in costs in 2Q2017. All-in costs came to US\$1,115 per ounce of gold during the quarter, up from US\$983 in 1Q2017. The Company, which had US\$21.73 million in cash and cash equivalents as at 30 June 2017, is funding the construction of the CIL plant using internal resources.

Compared to the corresponding quarter last year (“**2Q2016**”), revenue and profits in 2Q2017 were down as production declined due to lower ore grades, which have been weighing on CNMC since the fourth quarter of 2016.

Earnings per share for 2Q2017 amounted to 0.12 US cents, compared to 1.16 US cents a year earlier. Net asset value per share was 9.34 US cents as at 30 June 2017, compared to 9.73 US cents as at 31 December 2016.

Apart from its Sokor project, the Group has been carrying out geochemistry survey work at the concession site of KelGold Mining Sdn Bhd (“**KelGold**”), which has rights to explore gold, iron ore and/or other minerals in Jeli area, Kelantan. CNMC acquired full control of KelGold in May this year. Elsewhere in Kelantan, geological exploration including diamond drilling is ongoing at the brownfield site of CNMC Pulau Mining Sdn Bhd (“**CNMC Pulau**”), the Company’s 51%-owned subsidiary.

Mr Chris Lim, CNMC’s Chief Executive Officer, said: “Our plans for the CIL plant at Sokor are progressing well and we are busy trying to get KelGold and CNMC Pulau off the ground. We believe that, barring unforeseen circumstances, these projects should contribute to production volume once they are up and running.”

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Media & Investor Contact Information

WeR1 Consultants Pte Ltd
3 Phillip Street, #12-01, Royal Group Building
Singapore 048693
Tel: (65) 6737 4944
Frankie Ho - frankieho@wer1.net
Grace Yew - graceyew@wer1.net

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 “SGXST”).

Headquartered in Singapore, the Company and its subsidiaries (the “Group”) started operations in 2006 and are principally engaged in the exploration and mining of gold and the processing of mined ore into gold dores.

The Group is currently focused on developing the Sokor Gold Field Project, located in the State of Kelantan, Malaysia. Spanning an area of 10km², the project has identified five gold deposit regions, namely Manson’s Lode, New Discovery, New Found, Sg. Ketubong and Rixen.

As of December 2016, the Sokor Gold Field Project had JORC-compliant gold resources (inclusive of ore reserves) of 13.25 million tonnes at a grade of 1.5 g/t in the Measured, Indicated and Inferred categories for a total of 623,000 ounces. The project achieved its first gold pour on 21 July 2010.

On 24 February 2017, the Company completed the acquisition of a 51% stake in Pulai Mining Sdn. Bhd. (now renamed “CNMC Pulai Mining”), which is authorised to mine gold, iron ore and feldspar on an approximately 38.4km² brownfield site in Kelantan. CNMC Pulai Mining has 11 exploration and mining licences. The Company also owns KelGold Mining Sdn. Bhd., which has rights to explore for gold, iron ore and/or other minerals in two concession sites in Kelantan.

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

This press release has been prepared by CNMC Goldmine Holdings Limited (the “Company”) and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.



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The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, E-Mail: sponsorship@ppcf.com.sg).