



CNMC Goldmine Holdings Limited

2Q2019 Results Briefing

15 August 2019

(These presentation slides are available on the Company's corporate website www.cnmc.com.hk)

2Q 2019

Financial Highlights

Financial Highlights

Income statement	2Q 2019	2Q 2018	Change	1H 2019	1H 2018	Change
Revenue (US\$' million)	10.01	9.32	7.4%	20.38	15.41	32.3%
Results from operating activities (US\$' million)	1.74	(0.39)	n.m.	4.04	0.04	n.m.
Net profit/(loss) (US\$' million)	1.10	(0.18)	n.m.	2.86	0.43	563.9%
Net profit/(loss) margin	11.0%	-1.9%	n.m.	14.0%	2.8%	11.2%
Net profit (excluding FX Impact and other one-off expenses) (US\$' million)	1.32	1.80	-26.7%	2.80	1.69	65.7%
Net profit margin (excluding FX Impact and other one-off expenses)	13.2%	19.3%	-6.1%	13.7%	11.0%	2.7%
Earnings/(loss) per share (US cents)	0.20	(0.08)	n.m.	0.54	0.05	n.m.
Earnings/(loss) per share (SG cents)	0.27	(0.11)	n.m.	0.73	0.07	n.m.

Note: Other one-off expenses in 2018 include listing expenses in relation to the dual primary listing on HKEX and share performance expenses which subsequently terminated on 4 July 2018 whereas there were no such other one-off expenses in 2019.

**Net asset
value of
US\$43.24
million**

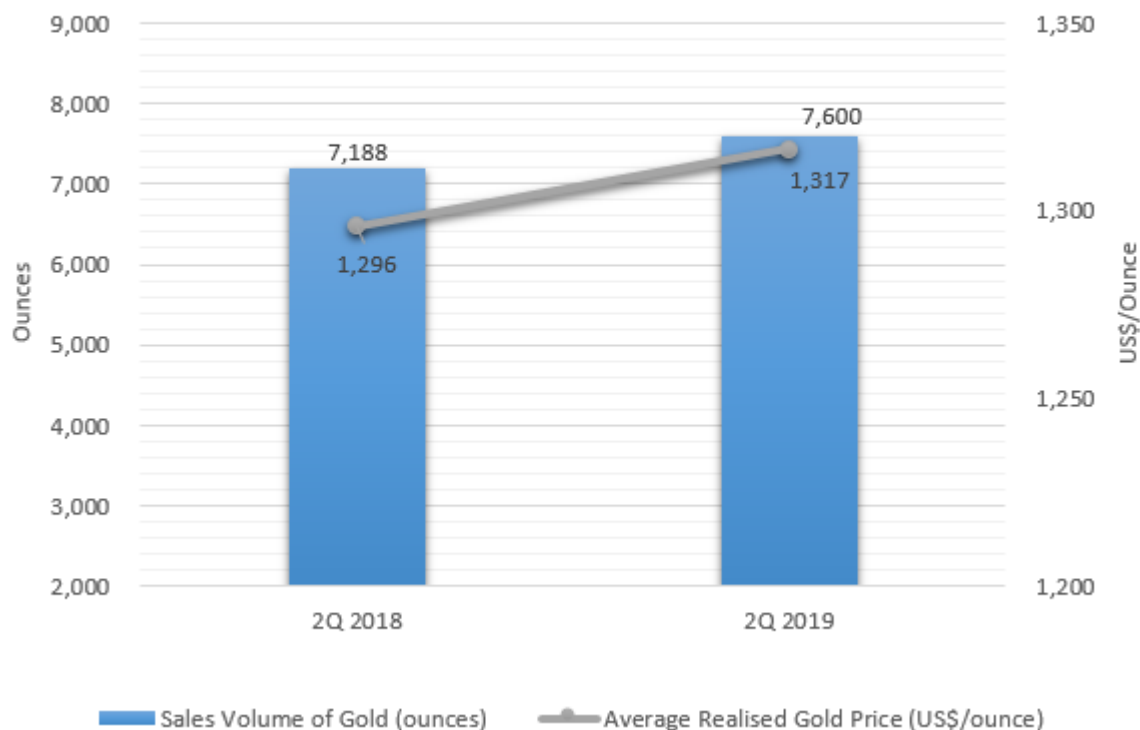
**Current
ratio of
2.33**

**Debt/Equity
ratio of
0.02**

**Net cash
position of
US\$13.8
million**

Revenue

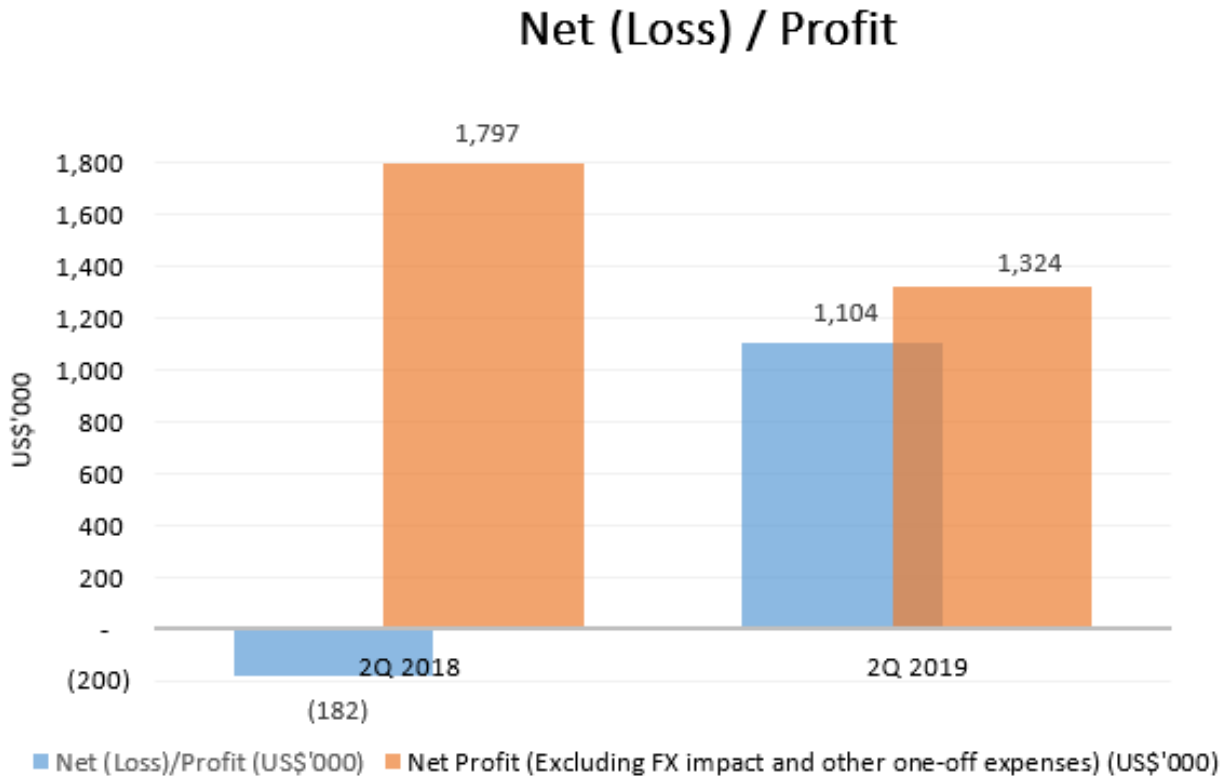
Sales Volume and Average Realised Gold Price



Revenue up 7.4%:

- ↑ Sales volume of fine gold, from 7,188 ounces to 7,600 ounces
- ↑ Average realized gold price, from US\$1,296/ounce to US\$1,317/ounce

Net (Loss) / Profit



Recorded a net profit of US\$1.10 million in 2Q2019 compared to a net loss of US\$0.18 million in 2Q2018 mainly due to foreign exchange impact and other one-off expenses, i.e. listing expenses and share performance expenses incurred in 2Q 2018.

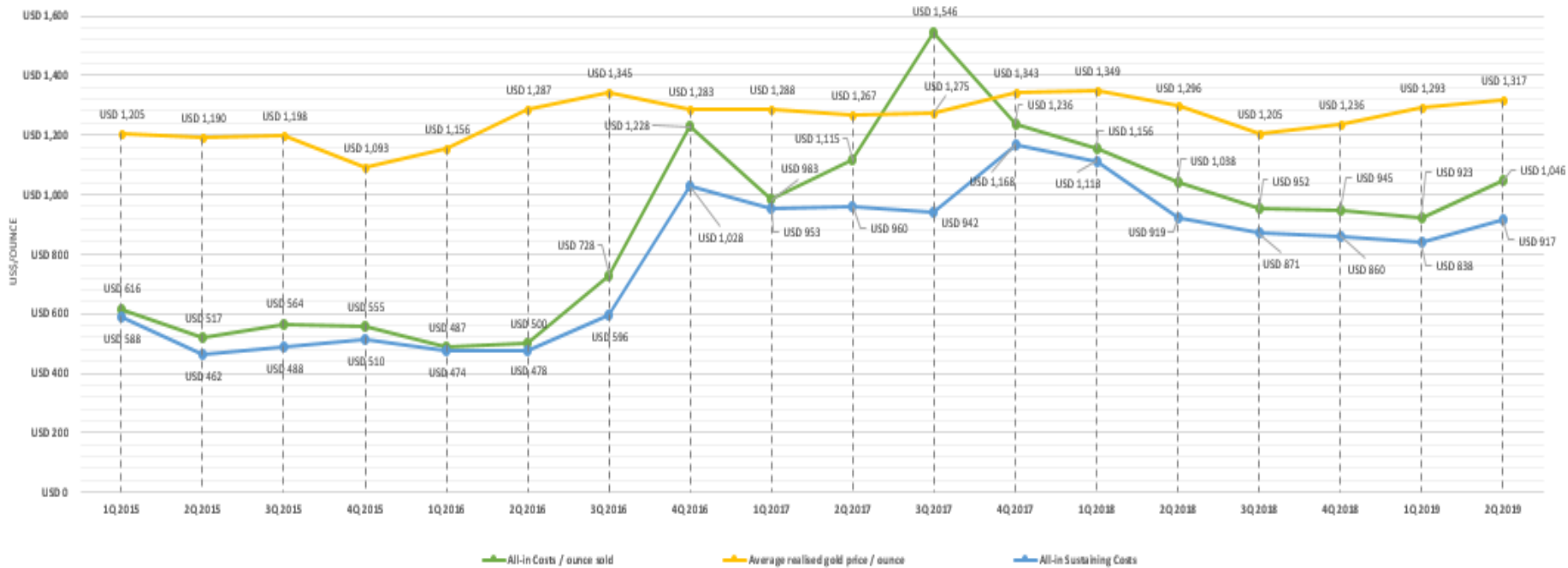
Excluding the abovementioned impact, lower net profit in 2Q2019 as compared to 2Q2018 was mainly due to the tax expenses incurred in 2Q2019 when the tax exemption expired on 30 June 2018.

Analysis Of All-In Costs And Margin

	2Q 2019	2Q 2018	Changes
	US\$ / gold ounce sold		%
Mining related costs	548	566	-3.2%
Royalty and tribute expenses	167	170	-1.8%
Adjusted operating costs	715	736	-2.9%
General and administrative costs	151	125	20.8%
Capital expenditure	51	58	-12.1%
All-in sustaining costs	917	919	-0.2%
Capital exploration (non-sustaining)	16	12	33.3%
Capital expenditure (non-sustaining)	113	107	5.6%
All-in costs (A)	1,046	1,038	0.8%
Average realised gold price (B)	1,317	1,296	2%
All-in Margin (C= B - A)	271	258	5%
All-in Margin (%) (C / B)	21%	20%	1%

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

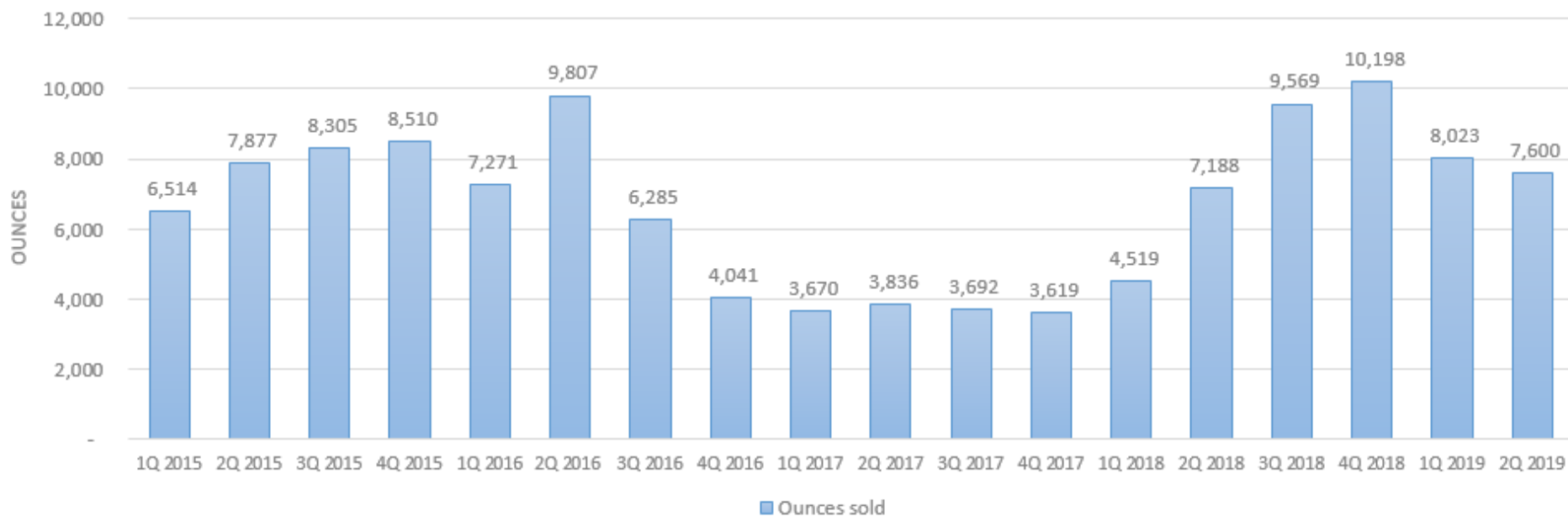
Summary Of All-In Costs And Margin



The all-in costs of US\$1,046 per ounce in 2Q 2019 were slightly higher than the all-in costs of US\$1,038 per ounce in 2Q 2018.

Quarterly Production Volume

Fine gold sold



2Q 2019

Exploration Progress

Sokor Exploration Progress

- Began geophysics surveys at Sg. Amang and Sejana areas to explore lead-zinc potential beneath the surface;
- Two drillholes were completed in New Discovery lode to determine eastward extension of orebody for mining purpose; and
- Extension drilling in Southeastern Rixen deposit continues with 29 meters of trench logging and three drillholes completed.

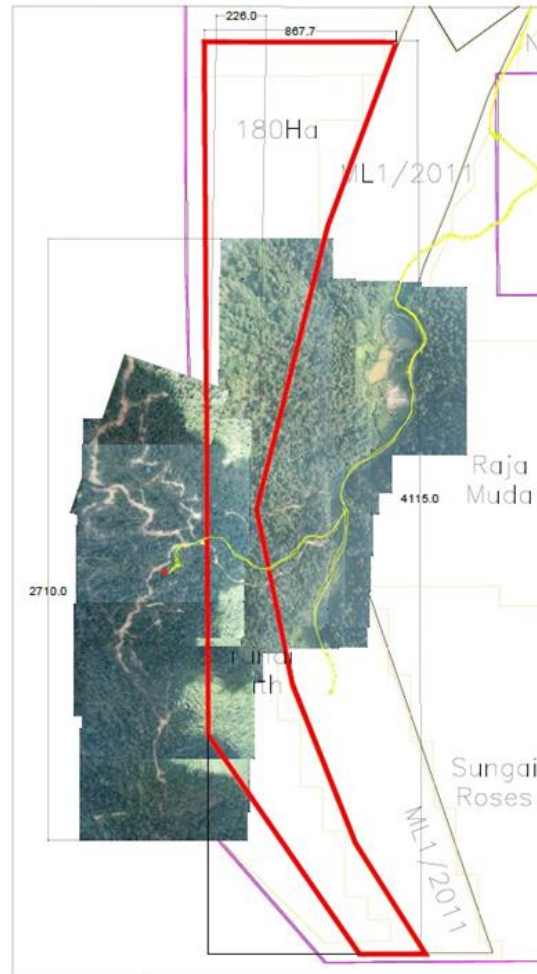
Kelgold Exploration Progress

- Trenching activities in Southwestern anomaly zone were carried out during 2Q2019; and
- Fourteen trenches with total footage of 1,378 metres were completed.



Pulai Exploration Progress

- Geophysics survey team arrived during mid-June period and will conduct geophysics work in Serunai South to explore for gold.



Milestones

2019 Milestones

	Milestone
2 April 2019	Gold resources amounted to 17.91 million tonnes at 1.6g/t gold as at 31 December 2018. This translates into 914,000 ounces of contained gold, up 26% compared to 31 December 2017
28 June 2019	Acquisition of 51% of issued share capital of CNMC Mining Sdn. Bhd.
23 July 2019	Taken delivery of all machineries and equipment needed for setting up flotation plant at Sokor. Installation work to commence shortly

Expansion Plans

Growth Initiatives For Sokor

- Ultimate objective is to enable the Group to:
 - *Further boost gold production;*
 - *Better manage operating expenses; and*
 - *Diversify mining portfolio to include lead and zinc production*



Growth Initiatives For Sokor

- Further boost gold production:
 - *Additional gold de-absorption and smelting facility next to the existing CIL plant to scale up operations and boost production efficiency;*
 - *Underground mining to begin in 3Q2019 to complement existing open-pit mining to ensure continuous supply of high-grade ore to CIL plant; and*
 - *Exploring the possibility of expanding CIL plant as part of efforts to double production capacity.*

Growth Initiatives For Sokor

- Better manage operating expenses:
 - *Two new heap leaching pads to enable continuous leaching and eliminate the process of removing ore from the pads after being processed; and*
 - *Liaising with relevant authorities to erect a power line to reduce dependence on third-party suppliers of diesel, one of CNMC's main mining consumables.*

Growth Initiatives For Sokor

- Diversify mining portfolio:
 - *Currently constructing a flotation facility for processing approximately 500 tonnes of ore a day to monetise silver, lead and zinc resources.*



Additional Growth Drivers

- Expedite exploration at the two Kelantan-based mining assets acquired in 2017 with a view to preparing them for production:
 - *KelGold has rights to explore for gold, iron ore and other minerals at a 15.5km² site in Kelantan.*
 - *51%-owned by CNMC; 11 licences to explore for and mine gold, iron ore and feldspar in 38.4km² brownfield site*
- Continue to explore acquisition opportunities in Malaysia:
 - *In-house team regularly reviews potential deals*

Company Outlook

1

Barring unforeseen circumstances, revenue to increase in 2019 compared to 2018, driven by higher gold production

2

Potential new source of income from sales of lead and zinc concentrate once flotation plant starts commercial operation during first half of 2020 *(subject to commercial operation permits from relevant authorities)*

Stock Data & Dividend

Stock Data & Dividend

(SGX: 5TP) (Reuters: CNMC.SI) (Bloomberg: CNMC:SP)	8 August 2019
Price per share	S\$0.305
Market capitalisation	S\$124.35 Million
Share issued	407.69 Million
P/E ratio (Note 1)	24.80
Dividend Yield (YTD) (Note 2)	-

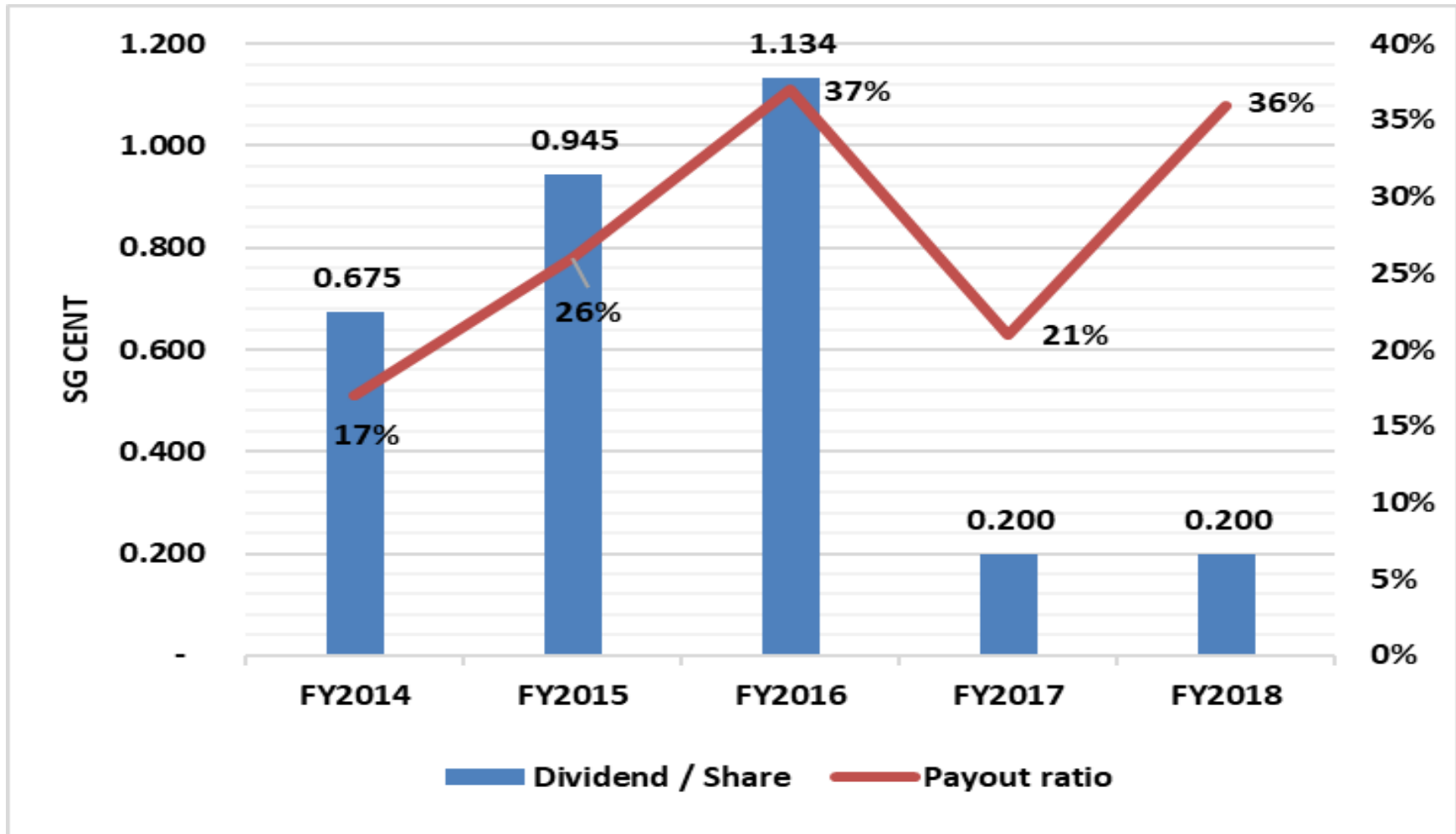
Note 1 :

Market price per share @ 8 August 2019 / Trailing earnings per share (S\$) for the year ended 30 June 2019.

Note 2 :

The Company aspires to pay dividends of up to 30% of its net profits for each financial year based on the recommendations of the Board. Please refer to the Company's FY2018 annual report for more details.

Dividend Payout Ratio Track Record



Peer Comparison

How CNMC Compares with Other Gold Miners Listed on SGX

Company	Ticker	Exchange	Market cap (mil)	Operating status	Profitable: Yes/No	Latest annual output (oz)	P/E	P/B	Dividend yield (%)	Share price YTD gain/loss (%)
CNMC	5TP	Singapore	S\$124.4	Production, exploration	Yes	31,473	24.8	2.1	0.7	41.9
Anchor Resources	43E	Singapore	S\$16.2	Exploration	No	N.A.	N.A.	2.2	N.A.	-43.5
Wilton Resources	5F7	Singapore	S\$73.1	Production, exploration	No	529	N.A.	4.5	N.A.	-14.3
LionGold Corp	A78	Singapore	S\$17.4	Production, exploration	Yes	41,830	14.3	1.3	N.A.	100.0

Source: Companies, MarketWatch, ShareInvestor.com

All figures based on close of trading on 8 August 2019



About CNMC

About CNMC

- Involved in exploration and mining of gold, and processing of mined ore into gold dores
- Commenced operations in 2007; first Catalist-listed gold producer on SGX-ST (listed in October 2011)
- Current flagship project – Sokor Gold Field in Kelantan, Malaysia
- CNMC founded by Prof Lin Xiang Xiong, Chief Advisor for China International Trade to Kelantan State Government



Asset Portfolio

3 projects in Malaysia's Kelantan state

Sokor
(10km²)

Flagship project

- Producing gold since 2010

KelGold
Mining
(15.5km²)

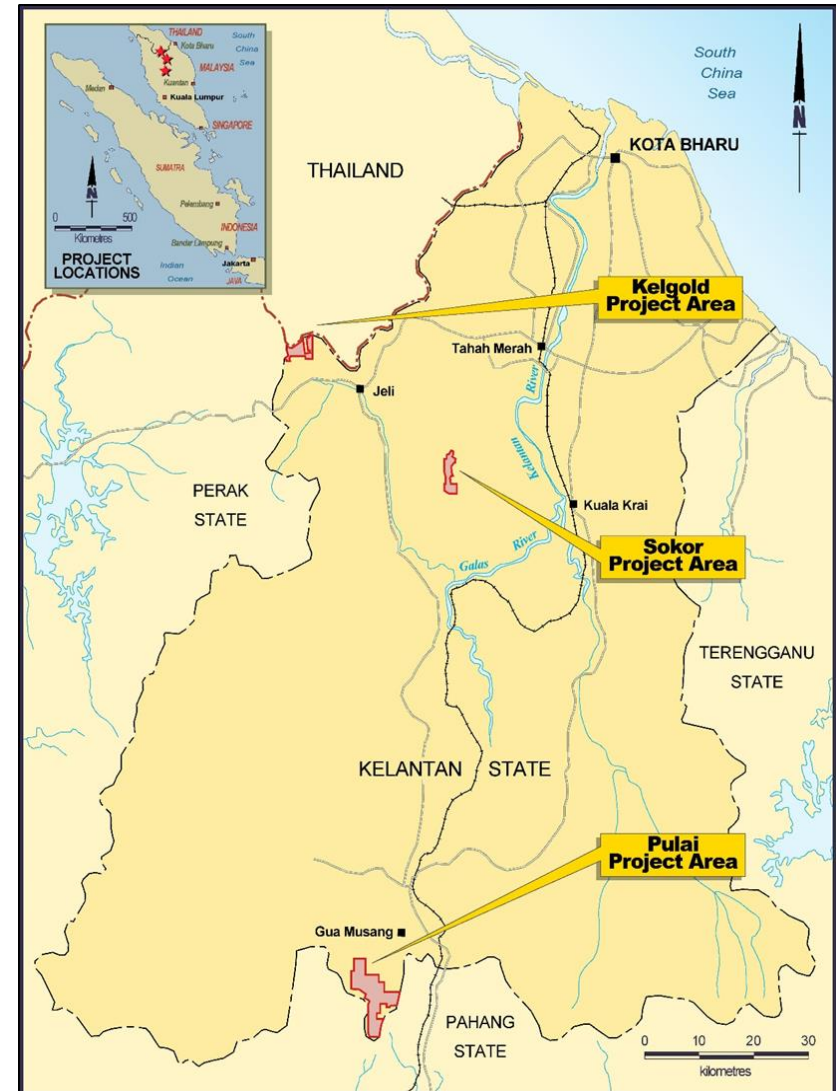
Greenfield asset

- Acquired in 2017
- In exploration phase

Pulai
Mining
(38.4km²)

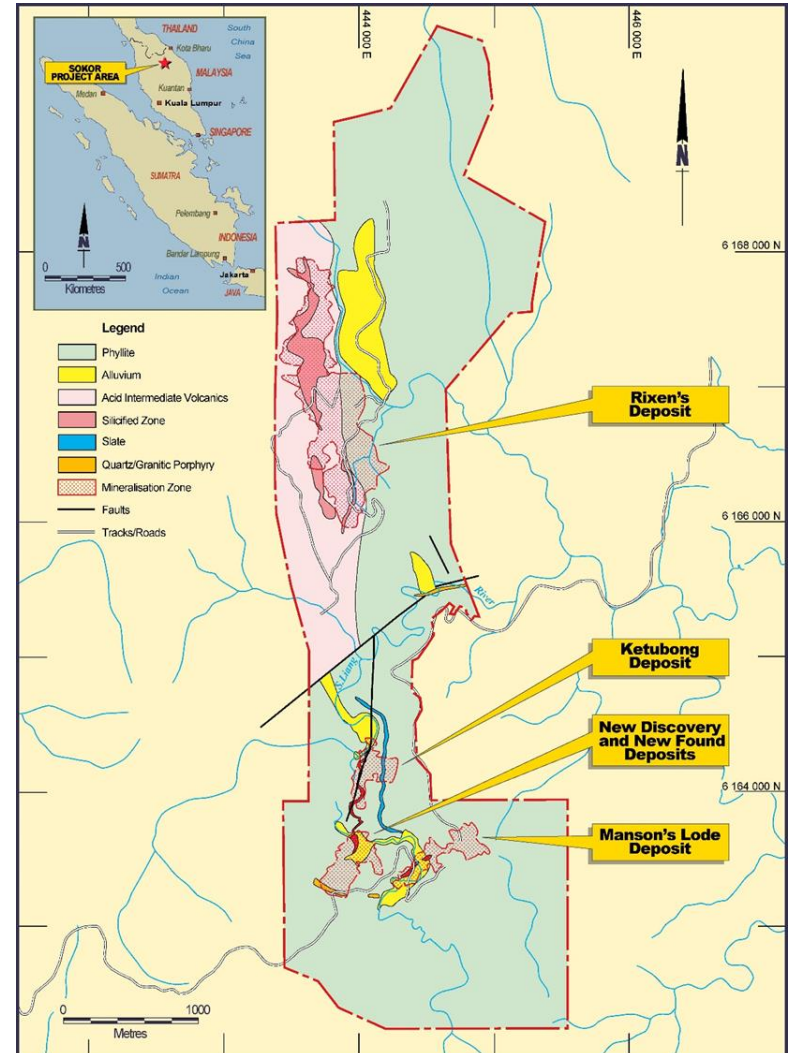
Brownfield asset

- Acquired in 2017
- In exploration phase
- Producing feldspar

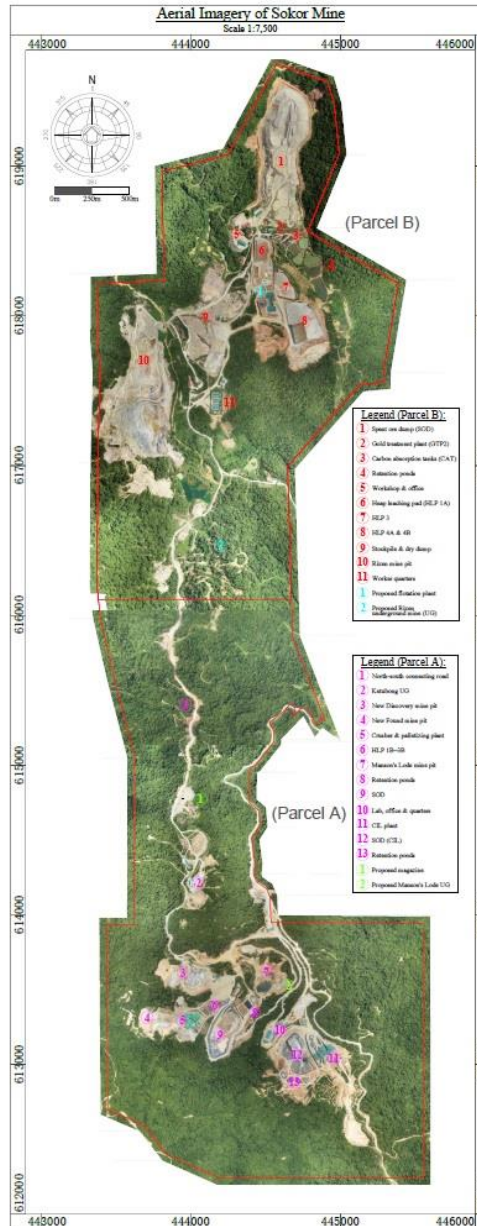


Sokor Gold Field Project

- Spanning an area of 10km², Sokor has 914,000 ounces of JORC-compliant gold resources (including ore reserves) as at 31 December 2018
- Achieved first gold pour on 21 July 2010
- Produced more than four and a half metric tonnes of fine gold bullion since production commenced
- Five identified areas: Manson's Lode, New Discovery, New Found, Sg. Ketubong, Rixen
- Mining licences obtained with full support from Kelantan State Government



Aerial View of Sokor Project



Production Facilities

3 production plants at Sokor for processing all types of gold ore

Carbon-in-leach plant

- For higher-grade ore
- Gold recovery rate of more than 90%



Heap leaching plant

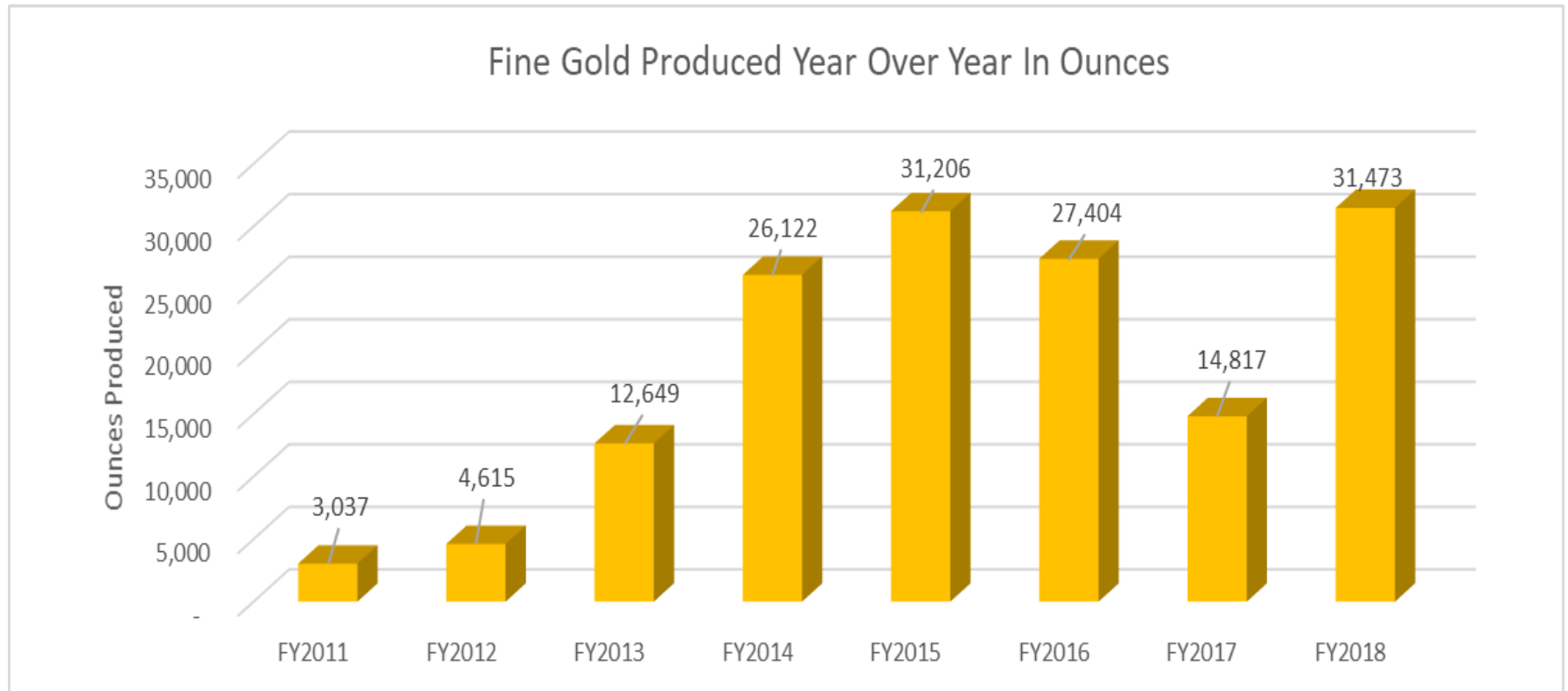
- For low-grade ore
- Gold recovery rate of up to 65%

Vat leaching plant

- For muddier/clayey ore
- Gold recovery rate of up to 80%



Fine-Gold Production



- Commenced gold production in July 2010 and has since successfully produced more than 100,000 ounces (3 metric tonnes) of fine gold
- Fine gold production increased 112.4% to 31,473 ounces in FY2018 from 14,817 ounces in FY2017

JORC-Compliant Gold Resources

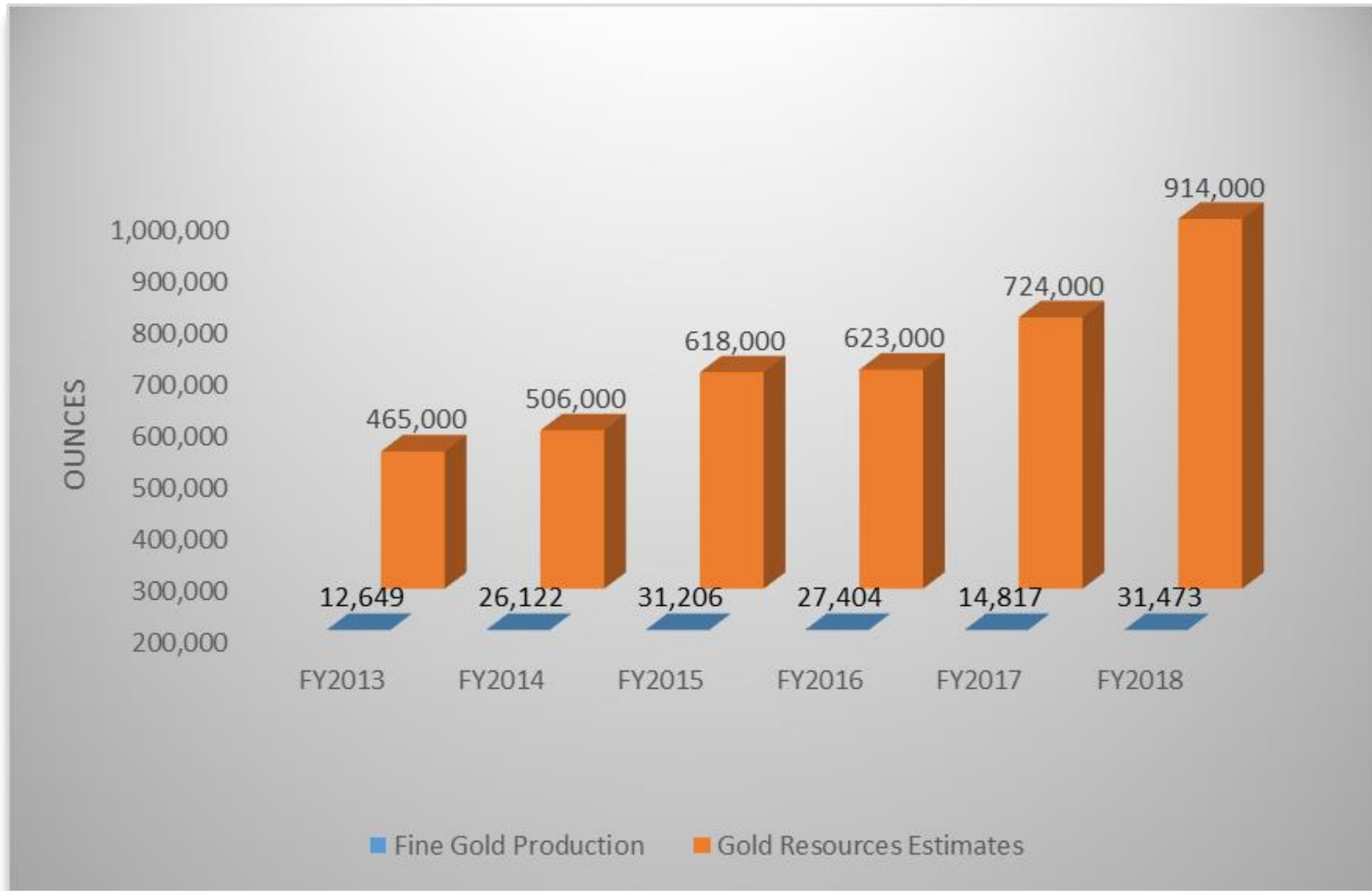
Category	Mineral type	Gross attributable to licence			Gross attributable to CNMC			Change from previous update (%)
		Tonnes (millions)	Grade (Au g/t, Ag g/t, Pb%, Zn%)	Contained metal (Au koz, Ag koz, Pb t, Zn t)	Tonnes (millions)	Grade (Au g/t, Ag g/t, Pb%, Zn%)	Contained metal (Au koz, Ag koz, Pb t, Zn t)	
Measured	Gold	0.41	2.8	37	0.33	2.8	30	-25%
Indicated	Gold	9.22	1.5	438	7.47	1.5	355	56%
Inferred	Gold	8.27	1.7	439	6.70	1.7	355	12%
Total	Gold	17.91	1.6	914	14.50	1.6	740	26%
Measured	Silver	0.34	63	683	0.27	63	553	0%
Indicated	Silver	0.17	74	407	0.14	74	330	0%
Inferred	Silver	0.90	29	838	0.73	29	679	0%
Total	Silver	1.41	42	1,928	1.14	42	1,562	0%
Measured	Lead	0.34	1.5	5,058	0.27	1.5	4,097	0%
Indicated	Lead	0.17	1.5	2,560	0.14	1.5	2,074	0%
Inferred	Lead	0.90	1.7	15,407	0.73	1.7	12,480	0%
Total	Lead	1.41	1.6	23,025	1.14	1.6	18,650	0%
Measured	Zinc	0.34	1.9	6,370	0.27	1.9	5,160	0%
Indicated	Zinc	0.17	2.0	3,365	0.14	2.0	2,726	0%
Inferred	Zinc	0.90	1.5	13,770	0.73	1.5	11,154	0%
Total	Zinc	1.41	1.7	23,505	1.14	1.7	19,039	0%

Table extracted from Sokor Project – updated Mineral Resources and Ore Reserves Estimate as at 31 December 2018.

As at 31 December 2018, total measured, indicated and inferred gold resources for the Sokor Project (above a 0.5 g/t gold cut-off grade at Manson's Lode and for the transitional and fresh rock at Ketubong, New Discovery and New Found, and above a 0.17 g/t gold cut-off grade at Rixen) were 17.91 million tonnes at 1.6 g/t gold grade, which would amount to 914,000 ounces of contained gold (31 December 2017: 13.86 million tonnes at 1.6 g/t gold with contained gold of 724,000 ounces).

Resources and Production

Gold Resources Versus Fine Gold Production



Disclaimer

The materials used herein and this presentation (collectively, the “Presentation”) have been prepared by CNMC Goldmine Holdings Limited (“CNMC”) solely for use at the presentation to be made to qualified investors and investment professionals. By viewing the Presentation, or by reading the materials used at the Presentation, you agree to be bound by the following limitations:

- The Presentation is strictly confidential and may not be copied, published, distributed or transmitted or disclosed by recipients to third parties.
- The Presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities or an inducement to enter into any investment activity, nor shall any part or all of the Presentation form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities.
- The Presentation contains forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in our opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, viewers of the Presentation are cautioned not to place undue reliance on these forward-looking statements.
- The Presentation is only directed at qualified investors and investment professionals and other persons should not rely on or act upon the Presentation or any of its contents.
- The Presentation does not constitute a recommendation regarding the securities of the Company. By attending this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.
- The Presentation reflects the affairs of the Company as at the date it is presented to the investors. Any further discussions of the Company or any of their respective affiliates with any of the recipients shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.



Thank You

Media and Investor Contact Information:

ir@cnmc.com.hk