



CNMC

CNMC GOLDMINE HOLDINGS LIMITED

中起金礦有限公司

(Co. Reg. No. 201119104K)

(Incorporated in the Republic of Singapore)

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES FOR THE FIRST QUARTER ENDED 31 MARCH 2020

The Board of Directors of CNMC Goldmine Holdings Limited (the “**Company**”), and together with its subsidiaries (the “**Group**”), wishes to provide information required under the Catalist Listing Manual as follows:

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

Use of funds/cash for 1Q2020

In 1Q2020, funds/cash was mainly used for the following production activities, as compared to the projected usage:-

Purpose	Amount (US\$ million) Actual Usage	Amount (US\$ million) Projected Usage
Exploration and evaluation activities	0.38	0.76
Payments for plant and machinery	0.11	0.21
Payments for diesel and other production materials	1.74	2.71
Royalty and tribute fees to government	0.77	1.18
Rental of equipment	0.49	0.55
Upkeep of equipment and motor vehicles	0.29	0.43
General working capital	2.36	3.20
Total	6.14	9.04

Rule 705(7) of the Catalist Listing Manual

In 1Q2020, the variance between budgeted and actual costs were mainly due to the Coronavirus Disease 2019 (“**COVID-19**”) pandemic including but not limited to the movement control order (“**MCO**”) implemented by the Government of Malaysia.

In 1Q2020, the Group capitalised a total of US\$0.15 million for exploration and evaluation expenditures.

The Group carried out the following exploration activities in 1Q2020:-

- (a) Geological Investigation

Ulu Sokor concession:

During 1Q2020, the Geology Department compiled exploration data from 2019 and underground face sampling data to produce an updated geological and orebody models for interpretation and drillhole planning.

During the MCO period, the Geology Department held home-based internal trainings focusing on software application.

CNMC Pulai concession:

The results of Pulai feldspar drilling are available in the Independent Qualified Person's Report prepared by Optiro Pty Ltd, an independent resources and reserves estimation consultant, which was released together with announcement released by the Company on 2 April 2020. After reviewing the results, more drillings are planned at northern section of the feldspar concession with the aim to upgrade the resource classification.

Extensive surface sampling for ore beneficiation testwork purpose were carried out before MCO.

Kelgold concessions:

No exploration activity was carried out in Kelgold concession during 1Q2020.

(b) Drilling Program

No drilling was carried during 1Q2020.

(c) Half core sampling and analysis

A total of 104 core samples from Pulai feldspar site was sent to SGS laboratory for analysis, and 24 pulp samples and 20 float samples were sent to ALS Perth laboratory for quality check purpose.

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

Having considered the consequential impact from the MCO which had been in place from 18 March 2020 to 12 May 2020 for mining operations, the Group's use of funds/cash for production activities for the next immediate quarter (financial period from 1 April 2020 to 30 June 2020 ("2Q2020")), is expected to be as follows:-

Purpose	Amount (US\$ million)
Exploration and evaluation activities	0.27
Payments for plant and machinery	0.07
Payments for diesel and other production materials	1.46
Royalty and tribute fees to government	0.60
Rental of equipment	0.29
Upkeep of equipment and motor vehicles	0.22
General working capital	1.37
Total	4.28

The Group's exploration plans for 2Q2020 are as follows:-

(a) Geological Investigation

As the Covid-19 pandemic is affecting 210 countries and territories around the world, the Federal Government of Malaysia ("**Government**") implemented a MCO on 18 March 2020 as a preventive measure to contain the Covid-19 outbreak. In line with the MCO, all our site and offices have stopped all activities temporarily until 6 May 2020 when the Group's mining activities at Sokor project restarted following approval from Kelantan State Government. The MCO had affected exploration in 1Q2020. Geology Department shall continue with planned exploration activities after the MCO is lifted. Explorations in New Found lode of Ulu Sokor concession and feldspar mine at CNMC Pulau concession shall be the Company's main focus.

Ulu Sokor concession:

Exploration activities will be focused in four known orebodies (namely, Amang area, Rixen Central, Ketubong and New Found lode) and two prospects (Sejana area and Tiger area). Diamond drilling will be carried out as soon as practical after the MCO is lifted, with some trenching to verify the anomaly found on the surface.

i) Amang area

Drilling activity will be focused on controlling the southern part of lead-zinc mineralization;

ii) Rixen Central

Geology Department plans to conduct drilling to verify the base metal mineralization at shallow limestone layer, and to explore the possible gold mineralization at the deeper silicified zone;

iii) Ketubong deposit

Two drillholes are planned at 160m eastwards of major orebody to verify the reoccurrence of orebody;

iv) New Found lode

Two drillholes are designed at the western boundary of New Found lode to determine the cause of change in occurrence;

v) Sejana area

Drilling activity will be carried out 50m – 100m eastwards from the center of geochemistry anomalies; and

vi) Tiger area

Three drillholes are designed to verify the lead-zinc anomalies.

CNMC Pulau concession:

Geology department has plans for infill drilling to be carried out as soon as practicable after the MCO is lifted, with the aim of upgrading the resource classification in northern section of Pulau feldspar mine.

Kelgold concession:

No exploration activities are planned for 2Q2020 as previous exploration data are currently under review.

(b) Diamond drilling program

Diamond core drilling will be fulfilled by exploration drilling sub-contractor, using two diamond rigs capable of drilling NQ drill core size to 1,000 meters in depth.

Drilling activity for 2Q2020 will be carried out in Sokor area and Pulai feldspar mine. Geology Department will revise the drilling plan from time to time based on the assay result of each drillhole.

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

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the information provided above for the purposes of Rule 705(6)(a) to be false or misleading in any material aspect.

By Order of the Board

Lim Kuoh Yang

Chief Executive Officer

8 May 2020

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. 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 Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).