



**CNMC**  
**CNMC GOLDMINE HOLDINGS LIMITED**

中色金礦有限公司

(Company Registration No.: 201119104K)

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## **Unaudited Financial Statement and Dividend Announcement For the Second Quarter Ended 30 June 2017**

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*This announcement 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 Catalyst. The Sponsor has not verified the contents of this announcement.*

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**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			Six Months Ended		
	30 June 2017 US\$ (Unaudited)	30 June 2016 US\$ (Unaudited)	Increase/ (Decrease) %	30 June 2017 US\$ (Unaudited)	30 June 2016 US\$ (Unaudited)	Increase/ (Decrease) %
<b>Revenue</b>	4,859,680	12,624,288	(61.5)	9,585,116	21,028,213	(54.4)
Other operating income	765,800	3,258	n.m.	1,128,142	1,339,466	(15.8)
Changes in inventories	(121,632)	(438,890)	(72.3)	(77,117)	(380,643)	(79.7)
Amortisation and depreciation	(938,184)	(1,319,934)	(28.9)	(1,893,197)	(2,346,030)	(19.3)
Employee benefits expenses	(735,163)	(796,773)	(7.7)	(1,441,473)	(1,523,021)	(5.4)
Key management remuneration	(762,190)	(669,616)	13.8	(1,517,014)	(1,309,116)	15.9
Marketing and publicity expenses	(85,959)	(34,789)	147.1	(152,760)	(56,211)	171.8
Office and administration expenses	(74,748)	(69,321)	7.8	(161,857)	(126,155)	28.3
Professional fees	(209,597)	(115,060)	82.2	(477,584)	(260,625)	83.2
Rental expense on operating lease	(265,992)	(251,132)	5.9	(496,549)	(493,038)	0.7
Royalty and tribute fee expenses	(638,037)	(924,178)	(31.0)	(1,274,854)	(1,552,142)	(17.9)
Site and factory expenses	(1,431,662)	(1,483,721)	(3.5)	(2,794,316)	(2,742,244)	1.9
Travelling and transportation expenses	(59,465)	(56,134)	5.9	(140,029)	(99,267)	41.1
Other operating expenses	(4,564)	(753,507)	(99.4)	(5,933)	(101,100)	(94.1)
<b>Results from operating activities</b>	<b>298,287</b>	<b>5,714,491</b>	<b>(94.8)</b>	<b>280,575</b>	<b>11,378,087</b>	<b>(97.5)</b>
Finance income	202,136	257,167	(21.4)	417,427	447,353	(6.7)
Finance costs	(13,339)	(539)	n.m.	(14,362)	(1,111)	n.m.
<b>Net finance income</b>	<b>188,797</b>	<b>256,628</b>	<b>(26.4)</b>	<b>403,065</b>	<b>446,242</b>	<b>(9.7)</b>
<b>Profit before tax</b>	<b>487,084</b>	<b>5,971,119</b>	<b>(91.8)</b>	<b>683,640</b>	<b>11,824,329</b>	<b>(94.2)</b>
Tax credit/(expenses)	36,727	(119,395)	n.m.	(91,053)	(366,379)	(75.1)
<b>Profit for the period</b>	<b>523,811</b>	<b>5,851,724</b>	<b>(91.0)</b>	<b>592,587</b>	<b>11,457,950</b>	<b>(94.8)</b>
<b>Other comprehensive income/(loss)</b>						
Items that may be reclassified subsequently to profit or loss						
Exchange differences arising from consolidation of foreign subsidiaries	36,336	(6,255)	n.m.	43,101	15,897	171.1
<b>Total comprehensive profit for the period</b>	<b>560,147</b>	<b>5,845,469</b>	<b>(90.4)</b>	<b>635,688</b>	<b>11,473,847</b>	<b>(94.5)</b>
<b>Profit attributable to:</b>						
Owners of the Company	478,381	4,704,789	(89.8)	533,215	9,259,364	(94.2)
Non-controlling interests	45,430	1,146,935	(96.0)	59,372	2,198,586	(97.3)
<b>Profit for the period</b>	<b>523,811</b>	<b>5,851,724</b>	<b>(91.0)</b>	<b>592,587</b>	<b>11,457,950</b>	<b>(94.8)</b>
<b>Total comprehensive income attributable to:</b>						
Owners of the Company	502,022	4,699,557	(89.3)	561,905	9,272,663	(93.9)
Non-controlling interests	58,125	1,145,912	(94.9)	73,783	2,201,184	(96.6)
<b>Total comprehensive income for the period</b>	<b>560,147</b>	<b>5,845,469</b>	<b>(90.4)</b>	<b>635,688</b>	<b>11,473,847</b>	<b>(94.5)</b>

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

	Group					
	Three Months Ended			Six Months Ended		
	30 June 2017 US\$ (Unaudited)	30 June 2016 US\$ (Unaudited)	Increase/ (Decrease) %	30 June 2017 US\$ (Unaudited)	30 June 2016 US\$ (Unaudited)	Increase/ (Decrease) %
<b>Profit for the period is stated after charging/(crediting) the following:</b>						
Finance costs	13,339	539	n.m.	14,362	1,111	n.m.
Amortization and depreciation	938,184	1,319,934	(28.9)	1,893,197	2,346,030	(19.3)
Property, plant and equipment written off	-	99,372	(100.0)	-	100,070	(100.0)
Gain on disposal of property, plant and equipment	(149,238)	-	n.m.	(149,238)	-	n.m.
(Gain)/Loss on foreign exchange						
- Unrealised	(558,863)	636,221	n.m.	(876,599)	(1,320,229)	(33.6)
- Realised	(27,127)	17,312	(256.7)	(52,134)	(13,532)	285.3

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	
	30 June 2017 US\$ (Unaudited)	31 December 2016 US\$ (Audited)	30 June 2017 US\$ (Unaudited)	31 December 2016 US\$ (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Exploration and evaluation assets	7,867,287	2,200,202	-	-
Mine properties	13,759,492	14,129,175	-	-
Property, plant and equipment	6,328,266	6,383,824	20,986	49,139
Investment in subsidiaries	-	-	12,215,026	8,306,587
<b>Total non-current assets</b>	<b>27,955,045</b>	<b>22,713,201</b>	<b>12,236,012</b>	<b>8,355,726</b>
<b>Current assets</b>				
Inventories	646,624	660,183	-	-
Trade and other receivables	3,358,804	1,396,635	8,824,419	14,595,386
Cash and cash equivalents	21,728,175	26,954,685	180,017	289,721
<b>Total current assets</b>	<b>25,733,603</b>	<b>29,011,503</b>	<b>9,004,436</b>	<b>14,885,107</b>
<b>Total assets</b>	<b>53,688,648</b>	<b>51,724,704</b>	<b>21,240,448</b>	<b>23,240,833</b>
<b>EQUITY</b>				
Share Capital	18,032,233	18,032,233	18,032,233	18,032,233
Treasury shares	(75,092)	(75,092)	(75,092)	(75,092)
Capital Reserve	2,824,635	2,824,635	-	-
Retained earnings/(Accumulated losses)	17,310,255	18,919,936	(3,544,278)	(769,255)
Translation reserves	(40,762)	(69,452)	-	-
	38,051,269	39,632,260	14,412,863	17,187,886
Non-controlling interest	6,591,733	5,914,349	-	-
<b>Total equity</b>	<b>44,643,002</b>	<b>45,546,609</b>	<b>14,412,863</b>	<b>17,187,886</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Loans and borrowings	765,135	57,689	-	-
Deferred tax liabilities	1,459,718	1,580,834	-	-
<b>Total non-current liabilities</b>	<b>2,224,853</b>	<b>1,638,523</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Loans and borrowings	41,236	38,514	-	-
Trade and other payables	5,888,497	2,791,469	6,827,585	5,489,579
Accrued rehabilitation costs	723,762	602,198	-	-
Dividend payable	-	1,029,647	-	563,368
Current tax liabilities	167,298	77,744	-	-
<b>Total current liabilities</b>	<b>6,820,793</b>	<b>4,539,572</b>	<b>6,827,585</b>	<b>6,052,947</b>
<b>Total Liabilities</b>	<b>9,045,646</b>	<b>6,178,095</b>	<b>6,827,585</b>	<b>6,052,947</b>
<b>Total equity and liabilities</b>	<b>53,688,648</b>	<b>51,724,704</b>	<b>21,240,448</b>	<b>23,240,833</b>

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**1(b)(ii) Aggregate amount of group's borrowings and debt securities****Amount repayable in one year or less, or on demand**

<b>As at 30 June 2017</b>		<b>As at 31 December 2016</b>	
<b>Secured US\$</b>	<b>Unsecured US\$</b>	<b>Secured US\$</b>	<b>Unsecured US\$</b>
41,236	-	38,514	-

**Amount repayable after one year**

<b>As at 30 June 2017</b>		<b>As at 31 December 2016</b>	
<b>Secured US\$</b>	<b>Unsecured US\$</b>	<b>Secured US\$</b>	<b>Unsecured US\$</b>
39,378	725,757	57,689	-

**Details of any collateral**

The Group's secured borrowings as at 30 June 2017 comprised finance lease liabilities, which were secured on the Group's motor vehicles. The net carrying amounts of the motor vehicles as at 30 June 2017 amounted to US\$2,968 (31 December 2016: US\$50,555).

**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		Six Months ended	
	30 June 2017 US\$ (Unaudited)	30 June 2016 US\$ (Unaudited)	30 June 2017 US\$ (Unaudited)	30 June 2016 US\$ (Unaudited)
<b>Operating activities</b>				
Profit for the period	523,811	5,851,724	592,587	11,457,950
Adjustments for:				
Depreciation of property, plant and equipment	547,272	656,059	1,167,837	1,280,738
Amortisation of mine properties	356,172	663,875	690,620	1,065,292
Amortisation of exploration and evaluation assets	34,740	-	34,740	-
Property, plant and equipment written off	-	99,372	-	100,070
Gain on disposal of property, plant and equipment	(149,238)	-	(149,238)	-
Finance income	(202,136)	(257,167)	(417,427)	(447,353)
Finance costs	13,339	539	14,362	1,111
Unrealised (gain)/loss on foreign exchange	(558,863)	636,221	(876,599)	(1,320,229)
Tax (credit)/expense	(36,727)	119,395	91,053	366,379
<b>Operating profit before working capital changes</b>	<b>528,370</b>	<b>7,770,018</b>	<b>1,147,935</b>	<b>12,503,958</b>
Changes in working capital:				
Inventories	115,818	390,908	13,559	235,269
Trade and other receivables	(2,051,913)	335,561	(1,702,028)	(1,119,712)
Trade and other payables	222,839	249,060	299,441	267,689
Cash generated from operations	(1,184,886)	8,745,547	(241,093)	11,887,204
Tax paid	(140,793)	(1,590)	(181,021)	(837)
Finance income received	202,136	257,167	417,427	447,353
Finance costs paid	(13,339)	(539)	(14,362)	(1,111)
<b>Net cash (used in)/generated from operating activities</b>	<b>(1,136,882)</b>	<b>9,000,585</b>	<b>(19,049)</b>	<b>12,332,609</b>
<b>Investing Activities</b>				
Purchases of property, plant and equipment	(446,632)	(316,529)	(601,442)	(629,729)
Proceed from disposal of property, plant and equipment	149,932	-	149,932	-
Payment for exploration and evaluation assets, and mine properties	(116,668)	(63,395)	(128,154)	(67,920)
Acquisition of subsidiaries, net of cash acquired (Note A)	(169,787)	-	(1,406,501)	-
<b>Net cash used in investing activities</b>	<b>(583,155)</b>	<b>(379,924)</b>	<b>(1,986,165)</b>	<b>(697,649)</b>
<b>Financing activities</b>				
Dividend paid to equity holders of the Company	(2,142,896)	(1,761,742)	(2,714,247)	(2,280,649)
Dividend paid to non-controlling interests	-	-	(468,787)	(401,337)
Repayment of borrowings	-	-	(985,556)	-
Payment of finance lease liabilities	(9,873)	(12,773)	(19,389)	(24,766)
<b>Net cash used in financing activities</b>	<b>(2,152,769)</b>	<b>(1,774,515)</b>	<b>(4,187,979)</b>	<b>(2,706,752)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3,872,806)</b>	<b>6,846,146</b>	<b>(6,193,193)</b>	<b>8,928,208</b>
Cash and cash equivalents at beginning of the period	24,986,562	26,234,511	26,954,685	22,134,539
Effect of exchange rate fluctuations on cash held	614,419	(604,869)	966,683	1,413,041
<b>Cash and cash equivalents in the statement of financial position</b>	<b>21,728,175</b>	<b>32,475,788</b>	<b>21,728,175</b>	<b>32,475,788</b>

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During the three months period ended 30 June 2017 (“2Q 2017”), the Group acquired property, plant and equipment at an aggregate cost of US\$1,057,282, compared to US\$361,510 for the corresponding three months period ended 30 June 2016 (“2Q 2016”). As at 30 June 2017, a total consideration of US\$610,650 for the acquisitions made in 2Q 2017 had yet to be paid, compared to US\$44,981 as at 30 June 2016 for the acquisitions in 2Q 2016 .

The Group also acquired exploration and evaluation assets, as well as mine properties in 2Q 2017 at an aggregate cost of US\$908,280 (2Q 2016: US\$299,194), of which US\$47,223 (2Q2016: US\$112,183) relates to accrued rehabilitation costs. As at 30 June 2017, a total consideration of US\$744,389 for the acquisitions made in 2Q 2017 had yet to be paid, compared to US\$123,616 as at 30 June 2016 for the acquisitions made in 2Q 2016.

As at 30 June 2017, the Group’s cash and cash equivalents amounted to US\$21.73 million (30 June 2016: US\$32.48 million), comprising currencies denominated in MYR, SGD and USD. Please refer to item 8(b) on cash-flow analysis for further details.

The Group has no bank loans other than hire purchase facilities.

#### Note A

On 24 February 2017, the Company completed the subscription of new shares representing 51% of the enlarged issued and paid-up share capital of CNMC Pulau Mining Sdn. Bhd. (formerly known as Pulau Mining Sdn. Bhd.) (“CNMC Pulau”) for an aggregate consideration of RM13.8 million (“Completion”). Following the Completion, CNMC Pulau had also on the same day completed the acquisition of shares representing 70% of the issued and paid-up share capital of Sumberjaya Land & Mining Sdn. Bhd. at an aggregate consideration of RM4.5 million.

On 16 May 2017, the Company completed the acquisition of 100% of the issued and paid-up share capital of Kelgold Mining Sdn. Bhd. (“Kelgold”). The total consideration for this acquisition is RM2.5 million (approximately US\$566,000), of which RM750,000 (approximately US\$170,000) has been paid as of 30 June 2017.

**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 (Unaudited)	Share capital US\$	Treasury Shares US\$	Capital reserve US\$	Translation reserves US\$	Retained earnings US\$	Total attributable to equity holders of the Company US\$	Non-controlling interests US\$	Total equity US\$
<b>Balance as at 1 January 2016</b>	18,032,233	(75,092)	2,824,635	(60,624)	12,773,507	33,494,659	4,551,057	38,045,716
<b>Total comprehensive income for the period:</b>								
Profit for the period	-	-	-	-	4,554,575	4,554,575	1,051,651	5,606,226
<b>Other comprehensive income for the period</b>								
Exchange difference	-	-	-	18,531	-	18,531	3,621	22,152
<b>Total comprehensive income for the period</b>	-	-	-	18,531	4,554,575	4,573,106	1,055,272	5,628,378
<b>Balance as at 31 March 2016</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>2,824,635</b>	<b>(42,093)</b>	<b>17,328,082</b>	<b>38,067,765</b>	<b>5,606,329</b>	<b>43,674,094</b>
<b>Total comprehensive income for the period:</b>								
Profit for the period	-	-	-	-	4,704,789	4,704,789	1,146,935	5,851,724
<b>Other comprehensive income for the period</b>								
Exchange difference	-	-	-	(5,232)	-	(5,232)	(1,023)	(6,255)
<b>Total comprehensive income for the period</b>	-	-	-	(5,232)	4,704,789	4,699,557	1,145,912	5,845,469
<b>Transactions with owners, recognized directly in equity</b>								
2016 First dividend declared by subsidiary to non-controlling interest	-	-	-	-	-	-	(277,362)	(277,362)
2015 Final and Special dividend declared and paid	-	-	-	-	(1,761,742)	(1,761,742)	-	(1,761,742)
<b>Total transaction with owners</b>	-	-	-	-	(1,761,742)	(1,761,742)	(277,362)	(2,039,104)
<b>Balance as at 30 June 2016</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>2,824,635</b>	<b>(47,325)</b>	<b>20,271,129</b>	<b>41,005,580</b>	<b>6,474,879</b>	<b>47,480,459</b>



Group (Unaudited)	Share capital US\$	Treasury Shares US\$	Capital reserve US\$	Translation reserves US\$	Retained earnings US\$	Total attributable to equity holders of the Company US\$	Non-controlling interests US\$	Total equity US\$
<b>Balance as at 1 January 2017</b>	18,032,233	(75,092)	2,824,635	(69,452)	18,919,936	39,632,260	5,914,349	45,546,609
<b><u>Total comprehensive income for the period:</u></b>								
Profit for the period	-	-	-	-	54,834	54,834	13,942	68,776
<b>Other comprehensive income for the period</b>								
Exchange difference	-	-	-	5,049	-	5,049	1,716	6,765
<b>Total comprehensive income for the period</b>	-	-	-	5,049	54,834	59,883	15,658	75,541
<b><u>Transactions with owners, recognized directly in equity</u></b>								
<b>Changes in ownership interests in subsidiaries</b>								
Acquisition of subsidiaries with non-controlling interests	-	-	-	-	-	-	603,601	603,601
<b>Total transaction with owners</b>	-	-	-	-	-	-	603,601	603,601
<b>Balance as at 31 March 2017</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>2,824,635</b>	<b>(64,403)</b>	<b>18,974,770</b>	<b>39,692,143</b>	<b>6,533,608</b>	<b>46,225,751</b>
<b><u>Total comprehensive income for the period:</u></b>								
Profit for the period	-	-	-	-	478,381	478,381	45,430	523,811
<b>Other comprehensive income for the period</b>								
Exchange difference	-	-	-	23,641	-	23,641	12,695	36,336
<b>Total comprehensive income for the period</b>	-	-	-	23,641	478,381	502,022	58,125	560,147
<b><u>Transactions with owners, recognized directly in equity</u></b>								
2016 Final and Special dividend declared and paid	-	-	-	-	(2,142,896)	(2,142,896)	-	(2,142,896)
<b>Total transaction with owners</b>	-	-	-	-	(2,142,896)	(2,142,896)	-	(2,142,896)
<b>Balance as at 30 June 2017</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>2,824,635</b>	<b>(40,762)</b>	<b>17,310,255</b>	<b>38,051,269</b>	<b>6,591,733</b>	<b>44,643,002</b>

Company	Share capital US\$	Treasury shares US\$	Accumulated losses US\$	Total equity US\$
<b>Balance as at 1 January 2016</b>	18,032,233	(75,092)	(1,228,256)	16,728,885
Loss for the period	-	-	(178,326)	(178,326)
<b>Balance as at 31 March 2016</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>(1,406,582)</b>	<b>16,550,559</b>
Profit for the period	-	-	994,483	994,483
2015 Final and special dividend declared and paid	-	-	(1,761,742)	(1,761,742)
<b>Balance as at 30 June 2016</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>(2,173,841)</b>	<b>15,783,300</b>
<b>Balance as at 1 January 2017</b>	18,032,233	(75,092)	(769,255)	17,187,886
Loss for the period	-	-	(382,361)	(382,361)
<b>Balance as at 31 March 2017</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>(1,151,616)</b>	<b>16,805,525</b>
Loss for the period	-	-	(249,766)	(249,766)
2016 Final and special dividend declared and paid	-	-	(2,142,896)	(2,142,896)
<b>Balance as at 30 June 2017</b>	<b>18,032,233</b>	<b>(75,092)</b>	<b>(3,544,278)</b>	<b>14,412,863</b>

**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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 (\$)	Share capital (US\$)
As at 30 June 2017 and 31 March 2017	407,293,000	22,890,024	18,032,233

As at 30 June 2017, the Company held 400,000 ordinary shares as treasury shares (30 June 2016: 400,000). The total number of issued shares of the Company (excluding treasury shares) as at 30 June 2017 and 30 June 2016 was 407,293,000.

Save as stated above, the Company did not have any outstanding options, convertible securities, treasury shares or subsidiary holdings as at 30 June 2017 and 30 June 2016.

The percentage of the aggregate number of treasury shares held against the total number of shares issued as at 30 June 2017 is 0.1% (30 June 2016: 0.1%).

**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 30 June 2017 (Unaudited)	Company As at 31 December 2016 (Audited)
Total number of issued shares	407,693,000	407,693,000
Treasury shares	(400,000)	(400,000)
Total number of issued shares, excluding treasury shares	<u>407,293,000</u>	<u>407,293,000</u>

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

Not applicable. No treasury shares had been sold, transferred, cancelled or used in any other manner as at the end of the current financial period reported on.

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. The Company did not have any subsidiary holdings 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**

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as those of the audited financial statements for the year ended 31 December 2016.

**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 Group adopted a number of new Financial Reporting Standards, amendments to standards and interpretations that are effective for annual periods beginning on 1 January 2017. The adoptions of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group 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 30 June (Unaudited)		Six months ended 30 June (Unaudited)	
	2017	2016	2017	2016
Profit attributable to owners of the Company (US\$)	478,381	4,704,789	533,215	9,259,364
Weighted average number of ordinary shares	407,293,000	407,293,000	407,293,000	407,293,000
Basic earnings per ordinary share:				
- US cents	0.12	1.16	0.13	2.27
- SG cents <sup>(1)</sup>	0.17	1.61	0.18	3.15

Note:-

(1) Basic earnings per ordinary share translated at an exchange rate of USD/SGD 1.4085 and 1.3862 for period ended 30 June 2017 and 30 June 2016 respectively.

**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	
	30 June 2017 (Unaudited)	31 December 2016 (Audited)	30 June 2017 (Unaudited)	31 December 2016 (Audited)
	Net asset value (US\$) <sup>(1)</sup>	38,051,269	39,632,260	14,412,863
Number of shares at the end of the period	407,293,000	407,293,000	407,293,000	407,293,000
Net asset value per share:				
- US cents	9.34	9.73	3.54	4.22
- SG cents <sup>(2)</sup>	12.89	14.07	4.89	6.10

Note:-

(1) Net asset value represents total assets less total liabilities and non-controlling interests.

(2) Net asset value per share translated at an exchange rate of USD/SGD 1.3803 and 1.4459 as at 30 June 2017 and 31 December 2016 respectively.

**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

Illustrated below is a summary of the financial performance of the Group for 2Q 2017 and the comparative financial performance for 2Q 2016:

	2Q 2017	2Q 2016	Increase / (Decrease) %
Production volume of fine gold (ounces)	3,835.50	9,807.37	(60.9)
Sales volume of gold (ounces)	3,835.50	9,807.37	(60.9)
Revenue – Total (US\$'000)	4,859.68	12,624.29	(61.5)
Average realised gold price (US\$/ounce)	1,267.03	1,287.22	(1.6)

The Group's revenue decreased 61.5% to US\$4.86 million in 2Q 2017 from US\$12.62 million in 2Q 2016. The fall was mainly due to a decrease in the production and sales volume of fine gold in 2Q 2017 compared to 2Q 2016, as a result of lower ore grades.

## Other income or expenses

In 2Q 2017, the Group recorded net other operating income of US\$0.76 million, compared to net other operating expenses of US\$0.75 million in 2Q 2016. This was due to an unrealised foreign exchange gain of US\$0.56 million in 2Q 2017, mainly arising from MYR-denominated cash deposits, compared to an unrealised foreign exchange loss of US\$0.64 million in 2Q 2016. The unrealised foreign exchange gain was mainly due to the appreciation of MYR against USD.

## Operating expenses

Operating expenses comprised mainly costs incurred for changes in inventories, site and factory expenses, amortisation costs for mine properties, amortisation costs for exploration and evaluation assets, depreciation expenses for property, plant and equipment, rental expense on operating lease, 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\$0.84 million to US\$5.32 million in 2Q 2017 from US\$6.16 million in 2Q 2016.

The decrease was mainly due to the following:-

- Decrease in amortisation and depreciation by US\$0.38 million incurred, due to lower production;
- Decrease in royalty and tribute expenses by US\$0.29 million, due to lower production; and
- Decrease in changes in inventories by US\$0.32 million, mainly due to the lower realisation of the cost of work-in-progress as at 30 June 2017.

## Non-FRS Performance Measures

The Group adopts adjusted operating costs per ounce, all-in sustaining costs per ounce and all-in costs per ounce as non-FRS performance measures in accordance with the World Gold Council guidelines. The Company believes these performance measures better define the total costs associated with its gold production. However, these performance measures have no standardised meaning. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with FRS. The Company reports these measures on sales volume of fine gold.

Summarised below is the information on the Group's all-in sustaining costs and all-in costs in 2Q 2017 and 2Q 2016:

	US\$ / gold ounce sold		
	2Q 2017	2Q 2016	Increase / (Decrease) %
<b>Sales volume of fine gold (ounces)</b>	<b>3,835.50</b>	<b>9,807.37</b>	<b>(60.9)</b>
Mining related costs	625	315	98.4
Royalty and tribute expenses	166	94	76.6
<b>Adjusted operating costs<sup>(1)</sup></b>	<b>791</b>	<b>409</b>	<b>93.4</b>
General and administrative costs	147	53	177.4
Capital expenditure	22	16	37.5
<b>All-in sustaining costs<sup>(2)</sup></b>	<b>960</b>	<b>478</b>	<b>100.8</b>
Capital exploration (non-sustaining)	17	6	183.3
Capital expenditure (non-sustaining)	138	16	762.5
<b>All-in costs<sup>(3)</sup></b>	<b>1,115</b>	<b>500</b>	<b>123.0</b>

- (1) Adjusted operating costs include production costs such as mining production and maintenance costs, royalties, and operating costs such as storage, net of by-product credits. The decrease of gold ounces sold resulted in higher 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 grade of gold extracted from the ore.
- (2) 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.
- (3) Include all-in sustaining costs and non-sustaining costs. Non-sustaining costs are costs incurred for the new operations and costs related to construction of the new production facility for the existing operations where these projects will materially increase production in future.

The all-in costs of US\$1,115 per ounce in 2Q 2017 were higher than the all-in costs of US\$500 in 2Q 2016. This was mainly due to lower production and sales volume of fine gold arising from lower ore grades mined and the construction of a carbon-in-leach ("CIL") plant.

## Finance income and costs

Finance income and costs comprised interest income from fixed deposits and interest on finance lease. The Group generated net finance income of US\$0.19 million in 2Q 2017, mainly due to the interest income earned from the placement of fixed deposits.

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### Tax credit/(expenses)

The tax credit mainly related to the decrease of deferred tax liabilities, offset by the tax on interest income earned from the placement of fixed deposits and withholding taxes accrued on management fees charged by the Company in 2Q 2017.

### Profit after tax

The Group's profit after tax declined 91.0% or US\$5.33 million to US\$0.52 million in 2Q 2017 from US\$5.85 million in 2Q 2016 due to the reasons stated above. Excluding the unrealised foreign exchange gain, the Group made a loss of US\$0.04 million in 2Q 2017.

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

The comparative performance of the assets and liabilities listed below is based on financial statements as at 31 December 2016 and 30 June 2017.

### Assets

Exploration and evaluation assets increased by US\$5.67 million to US\$7.87 million as at 30 June 2017 from US\$2.20 million as at 31 December 2016, due mainly to assets of US\$5.00 million acquired and recognised in connection with the newly acquired subsidiaries, and exploration and evaluation activities of US\$0.65 million undertaken during the period. The increase was partially offset by amortisation expenses of US\$0.03 million.

Mine properties decreased by US\$0.37 million to US\$13.76 million as at 30 June 2017 from US\$14.13 million as at 31 December 2016. The decrease was due to amortisation expenses of US\$0.69 million, partially offset by the increase in rehabilitation costs of US\$0.09 million and drilling costs of US\$0.23 million.

Trade and other receivables increased by US\$1.96 million to US\$3.35 million as at 30 June 2017 from US\$1.39 million as at 31 December 2016. This was mainly due to an increase in trade receivables from US\$0.12 million as at 31 December 2016 to US\$1.61 million as at 30 June 2017. The Group subsequently received full payment for the balance of US\$1.61 million in July 2017.

### Liabilities

Total liabilities increased by US\$2.87 million to US\$9.05 million as at 30 June 2017 from US\$6.18 million as at 31 December 2016. This was mainly due to:

- An increase in loans and borrowings of US\$0.71 million, mainly arising from the newly acquired subsidiaries; and
- An increase in trade and other payables of US\$3.10 million, mainly arising from the acquisition of new subsidiaries, and accrual of performance bonuses.

The increase in total liabilities was partly offset by the Company's payment of the 2<sup>nd</sup> interim dividend of S\$733,127 (equivalent to US\$571,351) for the financial year ended 31 December 2016 and the Group's payment of the 3<sup>rd</sup> interim dividend of US\$468,787 to non-controlling interests for the financial year ended 31 December 2016.

As at 30 June 2017, the Group had positive working capital of US\$18.91 million compared to US\$24.47 million as at 31 December 2016.

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## Cash flows

Net cash used in operating activities amounted to US\$1.14 million in 2Q 2017, compared to net cash of US\$9.00 million generated from operating activities in 2Q 2016. The net operating cash outflow was mainly due to an operating profit before working capital changes of US\$0.53 million, adjusted for working capital outflows of US\$1.71 million, mainly attributable to the increase in trade and other receivables of US\$2.05 million, partially offset by an increase in trade and other payables of US\$0.22 million and decrease in inventories of US\$0.12 million.

Net cash used in investing activities in 2Q 2017 amounted to US\$0.58 million, comprising acquisition of subsidiaries, payments to acquire property, plant and equipment as well as mine properties and exploration and evaluation assets.

Net cash used in financing activities in 2Q 2017 amounted to US\$2.15 million. This was mainly for dividends of US\$2.14 million paid to equity holders of the Company.

As at 30 June 2017, the Group had cash and cash equivalents of US\$21.73 million representing a decline of US\$10.75 million from US\$32.48 million as at 30 June 2016.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

**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 Group is expediting the construction of a CIL plant at its flagship Sokor gold field in Kelantan. This investment will enable the Group to extract and process higher-grade gold ore and hence boost gold production and stabilize overall gold production volume, which is presently limited at the heap leaching facility due to low ore grades.

Based on industry's norms, CIL is a widely used method of efficiently extracting gold from ground ore with recovery rates of as high as 95% compared to an average of 65% at CNMC's existing heap leaching facility. As announced on 15 May 2017, this will be CNMC's third processing plant in Kelantan.

Trial production at the CIL plant is planned to start in 4Q2017, after which commercial production is expected to begin, barring unforeseen circumstances. Once operational, it is expected to be able to process approximately 500 tonnes of ore daily. The Company believes that the new facility will enable it to extract gold from higher grade ore and hence boost gold production. Besides gold, the Group is also looking to monetise other minerals such as silver, lead and zinc at the Sokor mine.

Following the completion of the acquisition of Kelgold Mining Sdn Bhd ("Kelgold") on 16 May 2017, the Group has been busy conducting geochemistry survey work within the concession under this new wholly-owned subsidiary. As previously disclosed, Kelgold has rights to explore for gold, iron ore and other minerals in Kelantan. Kelgold's concession site is about two hours' drive from Sokor.



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Meanwhile, geological exploration is ongoing at CNMC Pulai's brownfield site in Kelantan, with a focus on gold and iron. The Group is committed to locating mineral resources at this site and to securing a JORC-compliant report on these resources.

**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?

Yes.

Name of Dividend	1 <sup>st</sup> Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share	S\$0.0020 per ordinary shares
Tax Rate	Tax-exempt one-tier

**(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 dividend has been declared or recommended for 2Q 2017.

**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 2Q 2017, the Group did not enter into any IPT of more than S\$100,000 in value.

## Additional Disclosure Required for Mineral, Oil and Gas companies

### 14a. Rule 705 (6)(a) of the Catalyst Listing Manual

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

In 2Q 2017, funds / cash were mainly used for the following production activities:-

Purpose	Amount (US\$ million) Actual Usage	Amount (US\$ million) Projected Usage
Exploration and evaluation activities	0.18	0.19
Payments for machinery purchased in current and prior periods	1.06	0.14
Payments for diesel and other production materials	1.36	1.47
Royalty and tribute fees to government	0.61	0.65
Rental of equipment	0.23	0.23
Upkeep of equipment and motor vehicles	0.22	0.21
General working capital	0.88	0.84
<b>Total</b>	<b>4.54</b>	<b>3.73</b>

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

For the next immediate quarter (financial period from 1 July 2017 to 30 September 2017 ("3Q 2017")), the Group's use of funds/cash for production activities are expected to be as follows:-

Purpose	Amount (US\$ million)
Exploration and evaluation activities	1.46
Payments for machinery purchased in current and prior periods	2.17
Payments for diesel and other production materials	1.41
Royalty and tribute fees to government	0.73
Rental of equipment	0.23
Upkeep of equipment and motor vehicles	0.45
General working capital	0.84
<b>Total</b>	<b>7.29</b>

The Group's exploration plans from 1 July 2017 to 30 September 2017 are as follows:-

#### (a) Geological Investigation

In the 3<sup>rd</sup> quarter of 2017, Geology Department plans to continue the exploration activities on three concessions: Ulu Sokor area, Pulai area and Jeli area. Diamond drilling and geochemistry survey will be employed. Details of exploration activities are as follows:

Ulu Sokor area:

- i) Diamond drilling in Sg. Amang, Ketubong, New Found and New Discovery areas.

- ii) The 1<sup>st</sup> phase diamond drilling program for Ulu Sokor area is approaching the end, drillhole data will be analyzed before the 2<sup>nd</sup> phase of exploration begins

Pulai mining concession:

- i) Diamond drilling in potential iron deposit. Based on the magnetic survey results and previous studies, 11 drillholes are designed to verify the northern anomalies.

Kg. Kalai, Jeli area:

- i) Continuation of geochemistry soil sampling which is expected to be completed before end of August 2017.

Rock chip and float samples will be routinely collected and tested by the Group's in-house laboratory. The geological investigation points and drillhole collars will be accurately surveyed by Real Time Kinematic (RTK) satellite investigation, using *CHC X91* GNSS receivers.

(b) Diamond drilling program

Diamond core drilling will be fulfilled by Sinomine Resource Exploration Sdn. Bhd., using diamond rig capable of drilling NQ drill core size to 1,000 meters in depth.

Drilling activity for 3Q 2017 will be carried out in both Sokor and Pulai areas. Table 1 shows the drilling plan for Sokor area, Table 2 shows the drilling plan for Pulai area, and Table 3 showing drilling plan for potential iron deposit in Pulai. These plans involve a total of 49 drillholes and footage of 4061m are planned for both areas.

Table 1. Drilling plan for Sokor area, 2 holes in total with footage of 403m.

Drillholes	Designed locations		Designed depths (m)	Dip(°)	Remarks
	Easting	Northing			
ZKSA12-3	444939	617772	203.0	60	Sg. Amang
ZKT01-01	445375	612683	200.0	70	Tiger

Table 2. Year 2017 Drilling plan for Peninsula area in Pulai concession, 36 holes in total with footage of 2558m.

Drillholes	Designed locations		Designed depths (m)	Dip(°)	Remarks
	Easting	Northing			
ZKP00-02	818895.920	520444.176	78	60	
ZKP00-03	818838.084	520465.227	101	60	
ZKP03-01	818984.702	520518.280	62	60	
ZKP03-02	818924.696	520540.120	89	60	
ZKP03-03	818864.691	520561.960	117	60	
ZKP04-03	818810.935	520368.690	86	60	
ZKP07-01	819017.819	520612.644	64	60	
ZKP07-02	818963.781	520632.312	79	60	
ZKP07-03	818907.573	520652.770	99	60	
ZKP08-01	818885.351	520235.187	55	60	
ZKP08-02	818832.398	520254.461	67	60	
ZKP08-03	818778.903	520273.931	81	60	

Drillholes	Designed locations		Designed depths (m)	Dip(°)	Remarks
	Easting	Northing			
ZKP11-01	819061.786	520703.059	43	60	
ZKP11-02	819009.376	520722.135	55	60	
ZKP11-03	818959.679	520740.223	60	60	
ZKP12-01	818850.064	520141.613	57	60	
ZKP12-02	818797.654	520160.689	68	60	
ZKP12-03	818744.159	520180.159	82	60	
ZKP15-01	819095.988	520797.028	43	60	
ZKP15-02	819046.291	520815.117	49	60	
ZKP15-03	818999.306	520832.218	49	60	
ZKP16-01	818815.319	520047.841	58	60	
ZKP16-02	818762.909	520066.917	70	60	
ZKP16-03	818710.499	520085.993	81	60	
ZKP20-01	818781.660	519953.675	57	60	
ZKP20-02	818729.250	519972.750	68	60	
ZKP20-03	818675.212	519992.418	84	60	
ZKP24-01	818742.032	519861.680	68	60	
ZKP24-02	818689.622	519880.756	80	60	
ZKP24-03	818635.585	519900.424	95	60	
ZKP28-01	818692.615	519773.702	52	60	
ZKP28-02	818640.205	519792.778	64	60	
ZKP28-03	818579.657	519814.816	93	60	
ZKP32-01	818632.706	519690.710	45	60	
ZKP32-02	818576.498	519711.168	65	60	
ZKP32-03	818515.950	519733.205	94	60	

Table 3. Drilling plan for potential iron deposit, 11 holes in total with footage of 1100m.

Drillholes	Designed locations		Designed depths (m)	Dip(°)	Remarks
	Easting	Northing			
ZKPL0-1	436370	516990	100	90	
ZKPL0-2	436370	517090	100	90	
ZKPL0-3	436370	517190	100	90	
ZKPL0-4	436370	517290	100	90	
ZKPL0-5	436370	517390	100	90	
ZKPL0-6	436370	517490	100	90	
ZKPL0-7	436370	517590	100	90	
ZKPL2-1	436470	517200	100	90	
ZKPL2-2	436470	517300	100	90	
ZKPL2-3	436470	517400	100	90	
ZKPL2-4	436470	517500	100	90	

**14b. Rule 705 (6)(b) of the Catalyst Listing Manual**

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the information provided in item 14b above to be false or misleading in any material aspect.

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## 15a. 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;**

In 2Q 2017, the Group capitalised a total of US\$0.65 million for exploration and evaluation expenditures activities carried out during the financial period.

The Group carried out the following exploration activities in 2Q 2017:-

(a) Geological Investigation

Ulu Sokor area:

The exploration in Ulu Sokor area was focused in re-studying previous works done in the endeavour to extend the existing mineralization and searching for primary ore. The drillings were mostly done in New Discovery, Manson's Lode and Ketubong deposits.

Pulai concession:

Magnetic survey was carried out in the iron deposit potential area. The survey commenced on 27 April 2017 and completed on 18 May 2017. The results showed magnetic anomalies in certain areas.

Drilling activity in Peninsula area for gold was temporarily suspended as the results from three pilot drill holes indicated further analysis was needed before pursuing a detailed drilling programme. The Geological Department will continue to analyze all available data with the aim to formulate new exploration plans before re-starting the drilling program for gold.

Kg. Kalai, Jeli area:

Since the start of field reconnaissance from February 2017, geochemistry survey work was carried out in Jeli area. The soil sampling program commenced on 17<sup>th</sup> May and is currently ongoing. The soil sampling program is estimated to be completed before end of August 2017. As of 30 June 2017, a total of 2560 samples were collected and 48.24km of designed tracks were surveyed.

(b) Drilling Program

Ulu Sokor area:

26 drillholes were completed in 2Q 2017 with a total footage of 4065.67m. Drillholes details are shown in Table 4.

Table 4: Completed drillholes in Ulu Sokor area for 2Q 2017.

Drillhole	Designed locations		Completed depths (m)	Dip(°)	Remarks
	Easting	Northing			
ZKNF0-2	443963	613239	118.07	60	Disqualified
ZKNF0-2'	443963	613239	118.07	60	
ZKNF0-1	443915	613261	129.71	60	
ZKNF0-3	444017	613212	159.05	60	
ZKF101-6	443733	613238	114.51	65	
ZKF0-6	443791	613235	148.41	74	
ZKNF1-1	443891	613233	76.73	60.7	
ZKSA8-3	444932	617852	202.75	59	
ZKSA12-2	445025	617773	109.72	60	
ZKSA12-1	444984	617770	145.75	60	
ZKSA8-1	444984	617847	141.24	60	
ZKSA10-4	445030	617812	120	60	
ZKK11-3	444088	614049	109.65	60	
ZKK101-3	444135	6143352	182.05	90	
ZKK1-3	444161	614283	181.95	72	
ZKK3-5	444223	614240	313.92	73	
ZKK5-5	444179	614189	253.65	60	
ZKK7-5	444180	614127	168.15	60	
ZKK9-5'	444088	614090	199.9	70	
ZKM114-6	444961	613526	114.23	65	
ZKM114-8	444903	613623	162.73	90	
ZKN4-12	444176	613603	232.55	90	
ZKN4-13	444131	613602	214.55	90	
ZKN10-3	444051	613479	120.05	90	
ZKN10-4	444133	613485	108.05	90	
ZKT0-3	445375	612683	120.23	65	

Pulai concession:

3 drillholes were completed in 2Q 2017 with a total footage of 353.45m. Drillholes details are shown in Table 5.

Table 5: Completed drillholes in Pulai concession for 2Q 2017.

Drillhole	Designed locations		Completed depths (m)	Dip(°)	Remarks
	Easting	Northing			
ZKP00-01	818953.755	520423.126	122.65	60	
ZKP04-01	818921.180	520328.564	122.67	60	
ZKP04-02	818866.058	520348.627	108.13	60	

(c) Half core sampling and analysis

A total of 803 half-core samples and 89 rock chip/soil samples were analyzed by the Group's in-house laboratory. 666 half-core samples are from Sokor drill holes with 68 rock chips from outcrop samples. 137 half-core samples are from Pulai concession with 21 rock chip samples.

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**15b. 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 13 April 2017 despatched the qualified person's report on the updated mineral resource and ore reserve estimates as at 31 December 2016 ("QPR 2016") to update shareholders on its resource and reserve information. The QPR 2016 is contained in the Company's annual report for FY2016 ("AR 2016"). A soft copy of the AR 2016 is available for download on SGXNET and the Company's website.

There are no material updates on the QPR 2016 as at 30 June 2017.

**16. Confirmation pursuant to Rule 705(5) 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 unaudited financial results for the second quarter ended 30 June 2017 to be false or misleading in any material aspect.

**17. Confirmation pursuant to Rule 720(1) of the Catalist Listing Manual**

The Company has procured undertakings from all its directors and executive officers under Rule 720(1).

**By Order of the Board**

Lim Kuoh Yang  
Chief Executive Officer

14 August 2017