



**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 Fourth Quarter and the Financial Year Ended 31 December 2013**

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

**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			Twelve Months Ended		
	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Unaudited)	Increase/ (Decrease) %	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Audited)	Increase/ (Decrease) %
<b>Revenue</b>	7,377,877	4,196,646	75.8	16,625,532	16,761,082	(0.8)
Changes in inventories	(494,637)	(665,234)	(25.6)	(72,915)	189,614	n.m.
Other operating income	-	29,124	n.m.	7,693	183,862	(95.8)
Amortization and depreciation	(340,085)	(479,278)	(29.0)	(1,806,691)	(1,417,703)	27.4
Contractor expenses	19,109	(974,876)	n.m.	(8,440)	(4,598,294)	(99.8)
Employees' compensation	(422,924)	(281,066)	50.5	(1,213,665)	(1,209,800)	0.3
Key management remuneration	(771,025)	(337,750)	128.3	(1,542,292)	(997,022)	54.7
Marketing and publicity expenses	(34,429)	(21,145)	62.8	(99,882)	(91,494)	9.2
Office and administration expenses	(61,945)	(48,819)	26.9	(266,169)	(248,489)	7.1
Professional fees	(344,953)	(202,436)	70.4	(722,025)	(452,939)	59.4
Rental expense on operating lease	(40,796)	(114,385)	(64.3)	(263,602)	(449,559)	(41.4)
Royalty and tribute fee expenses	(575,460)	(341,027)	68.7	(1,302,940)	(1,494,502)	(12.8)
Site and factory expenses	(791,146)	(623,288)	26.9	(3,517,287)	(2,655,721)	32.4
Travelling and transportation expenses	(35,676)	(362,046)	(90.1)	(157,588)	(2,037,703)	(92.3)
Other operating expenses	(394,965)	-	n.m.	(441,556)	(13,596)	n.m.
<b>Results from operating activities</b>	<b>3,088,945</b>	<b>(225,580)</b>	<b>n.m.</b>	<b>5,218,173</b>	<b>1,467,736</b>	<b>255.5</b>
Finance income	-	332	n.m.	410	626	(34.5)
Finance costs	(20,974)	(481)	n.m.	(46,226)	(8,818)	424.2
<b>Net finance costs</b>	<b>(20,974)</b>	<b>(149)</b>	<b>n.m.</b>	<b>(45,816)</b>	<b>(8,192)</b>	<b>459.3</b>
<b>Profit / (Loss) before tax</b>	<b>3,067,971</b>	<b>(225,729)</b>	<b>n.m.</b>	<b>5,172,357</b>	<b>1,459,544</b>	<b>254.4</b>
Tax expense	(978,712)	(41,879)	n.m.	(1,738,764)	(448,820)	287.4
<b>Profit / (Loss) for the period</b>	<b>2,089,259</b>	<b>(267,608)</b>	<b>n.m.</b>	<b>3,433,593</b>	<b>1,010,724</b>	<b>239.7</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	(8,848)	5,058	n.m.	(29,192)	25,947	n.m.
<b>Total comprehensive income/(loss) for the period</b>	<b>2,080,411</b>	<b>(262,550)</b>	<b>n.m.</b>	<b>3,404,401</b>	<b>1,036,671</b>	<b>228.4</b>
<b>Profit / (Loss) attributable to:</b>						
Owners of the Company	1,635,689	(152,974)	n.m.	2,679,449	743,786	260.2
Non-controlling interests	453,570	(114,634)	n.m.	754,144	266,938	182.5
<b>Profit / (Loss) for the period</b>	<b>2,089,259</b>	<b>(267,608)</b>	<b>n.m.</b>	<b>3,433,593</b>	<b>1,010,724</b>	<b>239.7</b>
<b>Total comprehensive income / (loss) attributable to:</b>						
Owners of the Company	1,631,239	(148,742)	n.m.	2,657,981	765,499	247.2
Non-controlling interests	449,172	(113,808)	n.m.	746,420	271,172	175.3
<b>Total comprehensive income / (loss) for the period</b>	<b>2,080,411</b>	<b>(262,550)</b>	<b>n.m.</b>	<b>3,404,401</b>	<b>1,036,671</b>	<b>228.4</b>

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

	Group					
	Three Months Ended			Twelve Months Ended		
	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Unaudited)	Increase / (Decrease) %	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Audited)	Increase / (Decrease) %
<b>Profit / (Loss) for the period is stated at after charging / (crediting) the following:</b>						
Borrowing costs	20,974	481	n.m.	46,226	8,818	424.2
Amortization and depreciation	340,085	479,278	(29.0)	1,806,691	1,417,703	27.4
Loss/(Gain) on foreign exchange	115,723	(11,421)	n.m.	(7,273)	(165,920)	(95.6)
Property, plant and equipment written off	-	-	-	61,912	-	n.m.
Loss/(Gain) on disposal of property, plant and equipment	1,870	-	n.m.	1,870	(480)	n.m.
Deposit written off	15,287	-	n.m.	15,287	-	n.m.

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	
	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Audited)	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Audited)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Exploration and evaluation assets	3,990,897	1,895,666	-	-
Mine properties	5,579,285	4,791,433	-	-
Property, plant and equipment	6,219,314	4,731,303	10,115	73,234
Investment in subsidiaries	-	-	8,202,036	7,856,177
Deferred tax assets	207,461	175,459	207,461	175,459
<b>Total non-current assets</b>	<b>15,996,957</b>	<b>11,593,861</b>	<b>8,419,612</b>	<b>8,104,870</b>
<b>Current assets</b>				
Inventories	1,092,095	1,024,281	-	-
Trade and other receivables	1,250,942	802,778	7,697,619	5,121,680
Pledged fixed deposits	788,500	871,055	788,500	871,055
Cash and cash equivalents	2,207,225	1,815,474	195,959	575,793
<b>Total current assets</b>	<b>5,338,762</b>	<b>4,513,588</b>	<b>8,682,078</b>	<b>6,568,528</b>
<b>Total assets</b>	<b>21,335,719</b>	<b>16,107,449</b>	<b>17,101,690</b>	<b>14,673,398</b>
<b>EQUITY</b>				
Share capital	18,032,233	18,032,233	18,032,233	18,032,233
Capital reserve	2,824,635	2,824,635	-	-
Accumulated losses	(6,639,065)	(8,993,664)	(3,059,898)	(3,574,087)
Translation reserve	(752)	20,716	-	-
	14,217,051	11,883,920	14,972,335	14,458,146
Non-controlling interests	325,046	59,098	-	-
<b>Total equity</b>	<b>14,542,097</b>	<b>11,943,018</b>	<b>14,972,335</b>	<b>14,458,146</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Loans and borrowings	14,014	25,494	-	-
Deferred tax liabilities	331,913	67,919	-	-
<b>Total non-current liabilities</b>	<b>345,927</b>	<b>93,413</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Loans and borrowings	1,062,746	9,504	1,053,599	-
Derivative financial instrument	91,031	-	91,031	-
Trade and other payables	3,425,822	3,850,085	659,875	215,252
Accrued rehabilitation costs	317,124	205,919	-	-
Dividend payable	324,850	-	324,850	-
Current tax liabilities	1,226,122	5,510	-	-
<b>Total current liabilities</b>	<b>6,447,695</b>	<b>4,071,018</b>	<b>2,129,355</b>	<b>215,252</b>
<b>Total liabilities</b>	<b>6,793,622</b>	<b>4,164,431</b>	<b>2,129,355</b>	<b>215,252</b>
<b>Total equity and liabilities</b>	<b>21,335,719</b>	<b>16,107,449</b>	<b>17,101,690</b>	<b>14,673,398</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**

As at 31 December 2013		As at 31 December 2012	
Secured US\$	Unsecured US\$	Secured US\$	Unsecured US\$
9,147	1,053,599	9,504	-

**Amount repayable after one year**

As at 31 December 2013		As at 31 December 2012	
Secured US\$	Unsecured US\$	Secured US\$	Unsecured US\$
14,014	-	25,494	-

**Details of any collateral**

The Group's borrowings comprised finance lease liabilities, which were secured on the Group's motor vehicles. These vehicles had been fully depreciated before 31 December 2013.

**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		Twelve Months Ended	
	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Unaudited)	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Audited)
<b>Operating activities</b>				
Profit / (Loss) for the period	2,089,259	(267,608)	3,433,593	1,010,724
Adjustments for:				
Depreciation of property, plant and equipment	328,011	375,146	1,367,812	1,215,801
Amortization of mine properties	12,074	104,132	438,879	201,902
Plant and equipment written off	-	-	61,912	-
Deposit written off	15,287	-	15,287	-
Loss/(Gain) on disposal of property, plant and equipment	1,870	-	1,870	(480)
Interest income	-	(332)	(410)	(626)
Interest expense	20,974	433	46,226	2,101
Tax expense	978,712	41,879	1,738,764	448,820
<b>Operating profit before working capital changes</b>	<b>3,446,187</b>	<b>253,650</b>	<b>7,103,933</b>	<b>2,878,242</b>
Changes in working capital:				
Inventories	404,379	655,205	(67,814)	(736,411)
Trade and other receivables	212,732	(456,083)	(463,451)	(657,450)
Trade and other payables	(1,021,072)	(158,730)	(1,672,175)	(1,164,859)
Cash generated from operations	3,042,226	294,042	4,900,493	319,522
Interest received	-	332	410	626
Interest paid	(5,492)	(433)	(30,744)	(2,101)
<b>Net cash generated from operating activities</b>	<b>3,036,734</b>	<b>293,941</b>	<b>4,870,159</b>	<b>318,047</b>
<b>Investing activities</b>				
Purchases of property, plant and equipment	(713,150)	(437,540)	(3,056,029)	(2,682,604)
Proceeds from disposal of property, plant and equipment	12,580	-	12,580	-
Payment for exploration and evaluation assets	(633,290)	(173,795)	(2,146,851)	(375,902)
<b>Net cash used in investing activities</b>	<b>(1,333,860)</b>	<b>(611,335)</b>	<b>(5,190,300)</b>	<b>(3,058,506)</b>
<b>Financing activities</b>				
Deposits pledged	(788,382)	-	(788,500)	(871,055)
Deposits withdrawn	11,902	-	871,055	-
Proceeds from issuance of convertible notes	-	-	1,144,630	-
Proceeds from short term borrowings	-	-	403,200	-
Repayment of borrowings	(398,200)	-	(398,200)	-
Dividend paid to non-controlling interests	(480,472)	-	(480,472)	-
Payment of finance lease liabilities	(2,617)	(2,011)	(10,629)	(6,352)
<b>Net cash (used in) / generated from financing activities</b>	<b>(1,657,769)</b>	<b>(2,011)</b>	<b>741,084</b>	<b>(877,407)</b>

	Group			
	Three Months Ended		Twelve Months Ended	
	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Unaudited)	31 December 2013 US\$ (Unaudited)	31 December 2012 US\$ (Audited)
<b>Net cash (used in) / generated from financing activities</b>	<b>(1,657,769)</b>	<b>(2,011)</b>	<b>741,084</b>	<b>(877,407)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>45,105</b>	<b>(319,405)</b>	<b>420,943</b>	<b>(3,617,866)</b>
Cash and cash equivalents at beginning of the period	2,170,968	2,136,876	1,815,474	5,407,393
Effect of exchange rate fluctuations on cash held	(8,848)	(1,997)	(29,192)	25,947
<b>Cash and cash equivalents at end of the period</b>	<b>2,207,225</b>	<b>1,815,474</b>	<b>2,207,225</b>	<b>1,815,474</b>

During the three months period ended 31 December 2013 ("4Q 2013"), the Group acquired property, plant and equipment with an aggregate cost of US\$759,924 as compared to US\$536,046 for the three months period ended 31 December 2012 ("4Q 2012"). As at 31 December 2013, a total consideration of US\$46,774 for the acquisitions made in 4Q 2013 had yet to be paid, as compared to US\$98,506 as at 31 December 2012 for the acquisition in 4Q 2012 .

The Group also acquired exploration and evaluation assets, and mine properties at an aggregate cost of US\$1,438,022 in 4Q 2013 (4Q 2012: US\$342,459) of which US\$68,893 (4Q2012: US\$120,124) relates to accrued rehabilitation cost. As at 31 December 2013, a total consideration of US\$735,839 for the acquisition made in 4Q 2013 had yet to be paid, as compared to US\$48,540 as at 31 December 2012 for the acquisition in 4Q 2012.

During the financial year ended 31 December 2013 ("FY2013"), the Group acquired property, plant and equipment with an aggregate cost of US\$3,295,731 as compared to US\$3,154,747 for the financial year ended 31 December 2012 ("FY2012"). As at 31 December 2013, a total consideration of US\$239,702 for the acquisitions made in FY2013 had yet to be paid, as compared to US\$472,143 as at 31 December 2012 for the acquisitions in FY2012.

The Group also acquired exploration and evaluation assets, and mine properties at an aggregate cost of US\$3,321,963 in FY2013 (FY2012: US\$604,574) of which US\$161,369 related to accrued rehabilitation cost (FY2012: US\$120,124). As at 31 December 2013, a total consideration of US\$1,013,743 for the acquisitions made in FY2013 had yet to be paid, as compared to US\$108,548 as at 31 December 2012 for the acquisitions made in FY2012.

As at 31 December 2013, the Group's cash and cash equivalents amounted to US\$2.21 million (31 December 2012: US\$1.82 million), comprising currencies denominated in MYR and SGD. This did not include the fixed deposits pledged with banks of S\$1.00 million (31 December 2012: S\$1.07 million), which was equivalent to US\$0.79 million (31 December 2012: US\$0.87 million). Please refer to item 8(b) on cash flows analysis for further details.

**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	Share capital	Capital reserve	Translation reserves	Accumulated losses	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance as at 1 January 2012	16,934,840	2,824,635	(997)	(9,737,450)	10,021,028	(212,074)	9,808,954
<b><u>Total comprehensive income for the period:</u></b>							
Profit for the period	-	-	-	896,760	896,760	381,572	1,278,332
<b>Other comprehensive income for the period</b>							
Exchange difference	-	-	17,481	-	17,481	3,408	20,889
<b>Total comprehensive income for the period</b>	-	-	17,481	896,760	914,241	384,980	1,299,221
<b><u>Transactions with owners of the Company, recognized directly in equity</u></b>							
Issue of ordinary shares	1,097,393	-	-	-	1,097,393	-	1,097,393
<b>Total transaction with owners</b>	1,097,393	-	-	-	1,097,393	-	1,097,393
<b>Balance as at 30 September 2012</b>	<b>18,032,233</b>	<b>2,824,635</b>	<b>16,484</b>	<b>(8,840,690)</b>	<b>12,032,662</b>	<b>172,906</b>	<b>12,205,568</b>
<b><u>Total comprehensive income for the period:</u></b>							
Loss for the period	-	-	-	(152,974)	(152,974)	(114,634)	(267,608)
<b>Other comprehensive income for the period</b>							
Exchange difference	-	-	4,232	-	4,232	826	5,058
<b>Total comprehensive income for the period</b>	-	-	4,232	(152,974)	(148,742)	(113,808)	(262,550)
<b>Balance as at 31 December 2012</b>	<b>18,032,233</b>	<b>2,824,635</b>	<b>20,716</b>	<b>(8,993,664)</b>	<b>11,883,920</b>	<b>59,098</b>	<b>11,943,018</b>



Group	Share capital US\$	Capital reserve US\$	Translation reserves US\$	Accumulated losses US\$	Total attributable to equity holders of the Company US\$	Non-controlling interests US\$	Total equity US\$
Balance as at 1 January 2013	18,032,233	2,824,635	20,716	(8,993,664)	11,883,920	59,098	11,943,018
<b>Total comprehensive income for the period</b>							
Profit for period	-	-	-	1,043,760	1,043,760	300,573	1,344,333
<b>Other comprehensive income for the period</b>							
Exchange difference	-	-	(17,018)	-	(17,018)	(3,325)	(20,343)
<b>Total comprehensive income for the period</b>	-	-	(17,018)	1,043,760	1,026,742	297,248	1,323,990
<b>Transactions with owners of the Company, recognized directly in equity</b>							
Issue of ordinary shares	-	-	-	-	-	-	-
<b>Total transaction with owners</b>	-	-	-	-	-	-	-
Balance as at 30 September 2013	18,032,233	2,824,635	3,698	(7,949,904)	12,910,662	356,346	13,267,008
<b>Total comprehensive income for the period</b>							
Profit for the period	-	-	-	1,635,689	1,635,689	453,571	2,089,260
<b>Other comprehensive income for the period</b>							
Exchange difference	-	-	(4,450)	-	(4,450)	(4,399)	(8,849)
<b>Total comprehensive income for the period</b>	-	-	(4,450)	1,635,689	1,631,239	449,172	2,080,411
<b>Transactions with owners of the Company, recognized directly in equity</b>							
Interim dividend declared	-	-	-	(324,850)	(324,850)	-	(324,850)
Dividend paid to non-controlling interests	-	-	-	-	-	(480,472)	(480,472)
<b>Total transaction with owners</b>	-	-	-	(324,850)	(324,850)	(480,472)	(805,322)
Balance as at 31 December 2013	18,032,233	2,824,635	(752)	(6,639,065)	14,217,051	325,046	14,542,097

Company	Share Capital US\$	Accumulated losses US\$	Total equity US\$
<b>Balance as at 1 January 2012</b>	16,934,840	(2,998,286)	13,936,554
3,000,000 shares issued as performance bonus <sup>(1)</sup>	1,097,393	-	1,097,393
Loss for the period	-	(888,253)	(888,253)
<b>Balance as at 30 September 2012</b>	<b>18,032,233</b>	<b>(3,886,539)</b>	<b>14,145,694</b>
Profit for the period	-	312,452	312,452
<b>Balance as at 31 December 2012</b>	<b>18,032,233</b>	<b>(3,574,087)</b>	<b>14,458,146</b>
<b>Balance as at 1 January 2013</b>	18,032,233	(3,574,087)	14,458,146
Loss for the period	-	(139,959)	(139,959)
<b>Balance as at 30 September 2013</b>	<b>18,032,233</b>	<b>(3,714,046)</b>	<b>14,318,187</b>
Profit for the period	-	978,998	978,998
Interim dividend declared	-	(324,850)	(324,850)
<b>Balance as at 31 December 2013</b>	<b>18,032,233</b>	<b>(3,059,898)</b>	<b>14,972,335</b>

Note:-

- (1) Pursuant to the approval obtained at the extraordinary general meeting held on 27 April 2012, the Company issued 3,000,000 new ordinary shares at issuance price of S\$0.475 per share to three employees and a consultant on 16 May 2012 as performance bonus.

**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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares of the issuer, if any, against total number of issued shares excluding treasury shares 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.**

	Number of shares	Share capital (S\$)	Share capital (US\$)
As at 31 December 2013 and 30 September 2013	407,693,000	22,890,024	18,032,233

There was no change in the Company's share capital from 30 September 2013 up to 31 December 2013.

On 15 July 2013, the Company issued a convertible loan ("Convertible Loan") of an aggregate amount of S\$1.45 million, with an option to convert into 3,295,454 ordinary shares at S\$0.44 per share. As at 31 December 2013, the number of shares that may be issued on conversion of the Convertible Loan was 3,295,454 shares.

Save as stated above, the Company did not have any outstanding options, convertibles or treasury shares as at 31 December 2013 and 31 December 2012.

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**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 31 December 2013	Company As at 31 December 2012
Total number of issued shares excluding treasury shares	407,693,000	407,693,000

The Company did not have any treasury shares as at 31 December 2013 and 31 December 2012.

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

Not applicable. The Company did not have any treasury shares 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 in the Company's audited financial statements for the financial year ended 31 December 2012.

**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 or after 1 January 2013. 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 31 December		Twelve months ended 31 December	
	2013	2012	2013	2012
Profit / (Loss) attributable to owners of the Company (US\$)	1,635,689	(152,974)	2,679,449	743,786
Weighted average number of ordinary shares	407,693,000	407,693,000	407,693,000	406,575,192
Basic earnings / (loss) per ordinary share in US cents	0.40	(0.04)	0.66	0.18
Adjusted weighted average number of ordinary shares <sup>(1)</sup>	410,988,455	407,693,000	409,218,841	406,575,192
Diluted earnings / (loss) per ordinary share in US cents	0.40	(0.04)	0.65	0.18

Note:-

- (1) Adjusted for the weighted average number of ordinary shares of 3,295,455 shares and 1,525,841 shares for the three months period ended 31 December 2013 and for the twelve months period ended 31 December 2013 respectively, which may be allotted and issued upon the conversion of the Convertible Loan at S\$0.44 per share.

**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	
	31 December 2013	31 December 2012	31 December 2013	31 December 2012
Net asset value (US\$)	14,217,051	11,883,920	14,972,335	14,458,146
Number of shares at the end of the period	407,693,000	407,693,000	407,693,000	407,693,000
Net asset value per share (US cents)	3.49	2.91	3.67	3.55

**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 the summary of the financial performance of the Group for 4Q 2013 and FY2013 compared to corresponding periods in 2012:

	4Q 2013	4Q 2012	Increase / (Decrease) %	FY 2013	FY 2012	Increase / (Decrease) %
<b>Production volume of fine gold (ounces)</b>	5,813.26	1,334.60	335.6	12,649.06	3,483.79	263.1
<b>Sales volume of fine gold (ounces)</b>	5,813.26	1,334.60	335.6	12,649.06	3,526.14	258.7
<b>Revenue from sales of fine gold (US\$'000)</b>	7,377.88	2,230.64	230.8	16,625.53	5,822.71	185.5
<b>Revenue from export sale of ore:</b>						
- gold (US\$'000)	-	211.78	n.m.	-	1,683.57	n.m.
- non-gold metals (US\$'000)	-	1,754.23	n.m.	-	9,254.80	n.m.
<b>Revenue – total (US\$'000)</b>	7,377.88	4,196.65	75.8	16,625.53	16,761.08	(0.8)
<b>Average selling price – World Gold Council (US\$/ounce)</b>	1,276.20	1,721.80	(25.9)	1,411.20	1,669.00	(15.4)

In 4Q 2013, despite a 25.9% fall in average gold price for the quarter as compared to 4Q 2012, the Group's revenue from the sales of fine gold increased by 230.8% to US\$7.38 million in 4Q 2013 as compared to US\$2.23 million in 4Q 2012 due to the significant increase in the sales volume of fine gold. The production volume of fine gold at Sokor mine increased by 335.6% to 5,813.26 ounces in 4Q 2013 as compared to 1,334.60 ounces in 4Q 2012. The increase in production volume was due to new production facilities and higher productivity from the two leaching yards.

In 4Q 2012, the Group recorded revenue from the export sales of a total of approximately 14,790 tonnes of ore to a customer in China, which contributed a total of US\$1.97 million (gold and non-gold metals) to the Group's revenue. However, in 4Q 2013, there was no such export sales of ore by the Group. On a total revenue basis, the Group's revenue increased by US\$3.18 million or 75.8%, from US\$4.20 million in 4Q 2012 to US\$7.38 million in 4Q 2013.

For FY2013, the Group's revenue from the sales of fine gold increased by US\$10.80 million or 185.5% to US\$16.63 million as compared to US\$5.82 million in FY2012 due to the significant increase in the sales volume of fine gold. The production volume of fine gold at Sokor mine also increased by 263.1% to 12,649.06 ounces in FY2013 as compared to 3,483.79 ounces in FY2012.

In FY2012, the Group recorded revenue from the export sales of a total of approximately 46,791 tonnes of ore to a customer in China, which contributed a total of US\$10.94 million (gold and non-gold metals) to the Group's revenue. However, there were no such export sales of ore by the Group in FY2013. As a result, the Group's total revenue decreased marginally by US\$0.13 million or 0.8%, from US\$16.76 million in FY2012 to US\$16.63 million in FY2013, despite the increase of revenue from the sales of fine gold.

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### Other income or expenses

In 4Q 2013 and FY2013, the Group recorded a net other expenses of US\$0.40 million and US\$0.43 million respectively, as compared to a net other income of US\$0.03 million in 4Q 2012 and US\$0.17 million in FY2012. This was mainly due to a one-off service fee to Innovation (China) Limited, a controlling shareholder of the Company of US\$0.35 million incurred during third quarter of 2013 (“3Q2013”) and 4Q2013,, (“Service Fee<sup>1</sup>”) pursuant to a pre-IPO supplemental joint venture agreement dated 30 March 2011 (“Agreement”) as well as property, plant and equipment written off of US\$0.06 million in FY2013. Net other income in 4Q2012 and FY2012 mainly related to a gain on foreign exchange of US\$0.03 million and US\$0.16 million in 4Q 2012 and FY2012 respectively.

### Operating expenses

Operating expenses comprised mainly costs incurred for changes in inventories, site and factory expenses, amortization costs for mine properties, depreciation expenses for property, plant and equipment, rental expenses on operating lease, contractor expenses, royalty and tribute fees paid to the Kelantan State authorities, remuneration for employees and management, and other general and administrative expenses.

Total operating expenses decreased by US\$0.56 million from US\$4.45 million in 4Q 2012 to US\$3.89 million in 4Q 2013 and US\$4.49 million from US\$15.46 million in FY2012 to US\$10.97 million in FY2013.

The decrease in total operating expenses was mainly due to the following:-

- (i) Decrease in contractor expenses in 4Q 2013 and FY2013 respectively. In FY2013, the decrease in contractor expenses was US\$4.59 million, mainly due to the absence of ore processing expenses for the export sales of ore in FY2013 as there were no export sales of ore during FY2013. In 4Q2013, besides the absence of ore processing expenses for the export sales, the decrease in contractor expenses was also due to the reversal of overprovision of contractor expenses made in 3Q2013 of S\$0.02 million. In 4Q2012 and FY2012, ore processing expenses of US\$0.79 million and US\$4.41 million were incurred for the export sales of ore in 4Q 2012 and FY2012 respectively; and
- (ii) Decrease in travelling and transportation expenses of US\$0.33 million and US\$1.88 million in 4Q 2013 and FY2013 respectively, mainly due to the absence of transportation costs for the export sales of ore in 4Q2013 and FY2013 as there were no export sales of ore during FY2013. Transportation expenses of US\$0.33 million and US\$1.84 million were incurred for the export sales of ore in 4Q 2012 and FY2012 respectively.

The decrease in total operating expenses was partly offset by the increase in site and factory expenses of US\$0.17 million and US\$0.86 million in 4Q 2013 and FY2013 respectively, mainly due to the increase in the production volume of gold. The decrease was also partly offset by the increase in key management remuneration of US\$0.43

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<sup>1</sup>The Service Fee is as a result of the Agreement entered into between Innovation Worldwide Group Pte. Ltd., Innovation (China) Limited, Mr Choo Chee Kong and Mr Ng Eng Tiong, prior to the listing of the Company on the Catalist, whereby a fee is to be paid to Innovation (China) Limited for its services rendered as stated in the Agreement. The payment of the Service Fee is considered an interested person transaction under Chapter 9 of the Catalist Listing Rules with value less than 3% of the Group’s latest net tangible assets as at 31 December 2013.

million in 4Q 2013 and US\$0.55 million in FY2013, mainly due to the payment of performance bonuses to the key management for achieving milestone profits for the Group.

Summarised below is the information on the Group's all-in sustaining costs and all-in costs<sup>2</sup> for 4Q 2013 and FY2013 and their comparatives:

	US\$ / gold ounce sold					
	4Q 2013	4Q 2012	Increase / (Decrease) %	FY 2013	FY 2012	Increase / (Decrease) %
<b>Sales volume of fine gold (ounces)</b>	<b>5,813.26</b>	<b>1,334.60</b>	<b>335.6</b>	<b>12,649.06</b>	<b>3,526.14</b>	<b>258.7</b>
Mining related costs	287	1,419	(79.8)	438	1,307	(66.5)
Royalty and tribute expenses	99	144	(31.3)	103	168	(38.7)
<b>Adjusted operating costs<sup>(1)</sup></b>	<b>386</b>	<b>1,563</b>	<b>(75.3)</b>	<b>541</b>	<b>1,475</b>	<b>(63.3)</b>
General and administrative costs	167	129	29.5	155	49	216.3
Capital expenditure	57	680	(91.6)	140	603	(76.8)
<b>All-in sustaining costs<sup>(2)</sup></b>	<b>610</b>	<b>2,372</b>	<b>(74.3)</b>	<b>836</b>	<b>2,127</b>	<b>(60.7)</b>
Capital exploration (non-sustaining)	99	130	(23.8)	157	107	46.7
Capital expenditure (non-sustaining)	52	-	n.m.	80	153	(47.7)
<b>All-in costs<sup>(3)</sup></b>	<b>761</b>	<b>2,502</b>	<b>(69.6)</b>	<b>1,073</b>	<b>2,387</b>	<b>(55.0)</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 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 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 those costs incurred for the new operations and costs related to construction of the new production facility and the third leaching pad for the existing operations where these projects will materially increase production in future.

The all-in sustaining costs of US\$610 per ounce and all-in costs of US\$761 per ounce in 4Q 2013 remain comparable to that in 3Q 2013 of US\$566 per ounce and US\$775 per ounce respectively (please refer to 3Q2013 results announcement). The average selling price of World Gold Council was at US\$1,276.20 per ounce and US\$1,327.00 per ounce in 4Q 2013 and 3Q 2013 respectively.

Lower all-in sustaining costs and all-in costs in 4Q 2013 and FY2013 as compared to 4Q 2012 and FY2012 were due to higher sales of fine gold in current reporting periods.

#### Finance income and costs

Finance income and costs which comprised interest income from fixed deposits, interest on finance lease and interest on loans and borrowings, were insignificant in 4Q 2013 and FY2013.

<sup>2</sup> The disclosures of all-in sustaining costs and all-in costs is recommended by World Gold Council for gold mining companies. This non-GAAP measure metrics are intended to provide greater clarity into the costs associated with producing gold.

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### Profit / (Loss) before tax

The Group recorded a profit before tax of US\$3.07 million in 4Q 2013 as compared to a loss before tax of US\$0.23 million in 4Q 2012. The profit before tax for FY2013 increased by US\$3.71 million or 254.4% to US\$5.17 million from US\$1.46 million in FY2012.

	4Q 2013 US\$'000	4Q 2012 US\$'000	Increase / (Decrease) %	FY 2013 US\$'000	FY 2012 US\$'000	Increase / (Decrease) %
<b>Sales of fine gold</b>						
Revenue	7,377.88	2,230.64	230.8	16,625.53	5,822.71	185.5
Costs	(4,309.91)	(3,150.27)	36.8	(11,453.17)	(8,155.97)	40.4
Profit / (Loss) before tax	3,067.97	(919.63)	n.m.	5,172.36	(2,333.26)	n.m.
<b>Export sale of ore</b>						
Revenue	-	1,966.01	n.m.	-	10,938.37	n.m.
Costs	-	(1,272.11)	n.m.	-	(7,145.57)	n.m.
Profit before tax	-	693.90	n.m.	-	3,792.80	n.m.
<b>Total profit / (loss) before tax</b>	<b>3,067.97</b>	<b>(225.73)</b>	<b>n.m.</b>	<b>5,172.36</b>	<b>1,459.54</b>	<b>254.4</b>

Excluding the profit from the export sales of ore in 4Q 2012 and FY2012, the Group recorded profit before tax of US\$3.07 million in 4Q 2013 and US\$5.17 million in FY2013 as compared to a loss before tax of US\$0.92 million and US\$2.33 million in 4Q 2012 and FY2012 respectively.

### Tax expense

The Group incurred a tax expense of US\$0.98 million and US\$1.74 million in 4Q 2013 and FY2013 respectively, as compared to US\$0.04 million in 4Q 2012 and US\$0.45 million in FY2012, due to higher profit recorded in 4Q 2013 and FY2013.

The Group's effective tax rate for 4Q 2013 and FY2013 was approximately 7.0% and 9.0% respectively higher than the applicable tax rate of 25.0% for the Group. This was due mainly to withholding tax arising from management fee and interest income and certain expenses incurred by the Group, which were not tax deductible.

### Profit after tax

The Group achieved a profit after tax of US\$2.09 million in 4Q 2013, reversing from a loss after tax of US\$0.27 million in 4Q 2012. Profit after tax in FY2013 increased significantly by 239.7%, or US\$2.42 million to US\$3.43 million in FY2013 as compared to US\$1.01 million in FY2012 due to the reasons stated above.



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

Assets

Exploration and evaluation assets increased by US\$2.09 million from US\$1.90 million as at 31 December 2012 to US\$3.99 million as at 31 December 2013 mainly due to the exploration and evaluation activities of US\$3.16 million undertaken during the year. The increase was partially offset by the transfer of US\$1.07 million from exploration and evaluation assets to mine properties.

Mine properties increased by US\$0.79 million from US\$4.79 million as at 31 December 2012 to US\$5.58 million as at 31 December 2013 mainly due to the transfer from exploration and evaluation assets of US\$1.07 million coupled with the increase in rehabilitation costs of US\$0.16 million, partially offset by amortization of US\$0.44 million.

Property, plant and equipment increased by US\$1.49 million from US\$4.73 million as at 31 December 2012 to US\$6.22 million as at 31 December 2013, mainly as a result of the construction of the second and third leach yards and factory, construction of production facilities and purchase of equipment and motor vehicles. The increase was partly offset by depreciation of US\$1.73 million.

Inventories increased by US\$0.07 million from 31 December 2012 to 31 December 2013 mainly as a result of an increase in work in progress of US\$0.12 million, which was partially offset by a decrease in consumables of US\$0.05 million.

Trade and other receivables increased by US\$0.45 million as at 31 December 2013 mainly due to the increase in deposits of US\$0.41 million. This was related to the refundable deposit paid to Menteri Besar Incorporation (Perak), a joint venture partner of the Company pursuant to the joint venture agreement to explore and extract tin resources in the State of Perak, Malaysia.

Liabilities

Total liabilities of the Group increased by US\$2.63 million from US\$4.16 million as at 31 December 2012 to US\$6.79 million as at 31 December 2013. This was mainly due to:

- An increase in convertible loan of US\$1.05 million which bears an interest rate of 6.5% per annum, repayable on 14 July 2014 or by way of conversion into the Company's shares at \$0.44 per share. The total proceeds received from the Convertible Loan was US\$1.14 million (equivalent to S\$1.45 million). US\$1.05 million of the total proceeds was classified as convertible loan while US\$0.09 was classified as derivative financial instrument in accordance with the Financial Reporting Standards requirements; and
- An increase in current tax liabilities of US\$1.22 million as a result of the profit recorded in FY2013.
- Dividend payable of US\$0.32 million as a tax exempt interim dividend which was declared during the 4Q2013, which was subsequently paid on 20 January 2014.

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The increase in total liabilities was partially offset by the decrease in trade and other payables of US\$0.42 million. The decrease was mainly due to the payment of royalty and tribute fees to the Kelantan State authorities which resulted in a decrease in the accrued royalty and tribute fees of US\$0.69 million.

As at 31 December 2013, the Group had a negative working capital of US\$1.11 million as compared to a positive working capital of US\$0.44 million as at 31 December 2012.

#### Cash flows

Net cash generated from operating activities amounted to US\$3.04 million in 4Q 2013, as compared to US\$0.29 million in 4Q 2012. The net operating cash inflow was mainly due to the operating profit before working capital changes of US\$3.45 million, adjusted for working capital outflows of US\$0.40 million, mainly attributable to decrease in trade and other payables of US\$1.02 million, partially offset by the increase in inventories of US\$0.40 million and the increase in trade and other receivables of US\$0.21 million.

For FY2013, net cash generated from operating activities amounted to US\$4.87 million as compared to US\$0.32 million in FY2012. The net operating cash inflow was mainly due to the operating profit before working capital changes of US\$7.10 million, adjusted for working capital outflows of US\$2.20 million, mainly attributable to decrease in trade and other payables of US\$1.67 million.

Net cash used in investing activities amounted to US\$1.33 million and US\$5.19 million in 4Q 2013 and FY2013 respectively, mainly comprising payments to acquire property, plant and equipment as well as exploration and evaluation assets. The acquisition was in relation to the construction of the second and third leach yards and factory, geological investigations and drilling work.

Net cash used in financing activities amounted to US\$1.66 million in 4Q 2013 which was mainly due to fixed deposits pledged of US\$0.79 million, repayment of short term borrowings of US\$0.40 million and dividends of US\$0.48 million paid to non-controlling interests. For FY2013, net cash generated from financing activities amounted to US\$0.74 million, mainly due to the proceeds from issuance of convertible notes of US\$1.14 million and short term borrowings of S\$0.40 million, partially offset by repayment of borrowings of S\$0.40 million and dividend paid to non-controlling interest of S\$0.48 million.

As at 31 December 2013, the Group had a cash and cash equivalents of US\$2.21 million, representing an increase of US\$0.39 million from US\$1.82 million as at 31 December 2012.

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

In line with the Company's announcements dated 7 August 2013, 6 November 2013 and 18 November 2013, a total of 375.80kgs of gold doré bars<sup>3</sup> were produced in the 2<sup>nd</sup> half of 2013, which had exceeded its minimum target volume of 300kgs by 25.3%.

Production capacity has increased by approximately 200% in the 2<sup>nd</sup> half of 2013 with the construction of second leach yard. The new gold de-absorption equipment has been installed during the fourth quarter of 2013. The third leach yard is still currently under construction due to the change in design..

**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 Board is optimistic that there will be continued demand for gold as an alternative investment.

For the financial year ending 31 December 2014, with three leaching yards in operation with a targeted combined capacity of 1 million tonnes of ore, and with its accumulated experience and continuing transfer of know-how from China Gold, the Management is cautiously optimistic about the Company's gold production in 2014. The Company is also exploring new opportunities through its joint venture with the Perak State Government for tin mining as announced on 6 December 2013.

**11. Dividend**

**(a) Current Financial Period Reported On:** Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend	Interim Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share	S\$0.001 per ordinary share
Tax Rate	Tax-exempt one-tier

Name of Dividend	Final Tax Exempt Dividend
Dividend Type	Cash
Dividend Amount per Share	S\$0.001 per ordinary share
Tax Rate	Tax-exempt one-tier

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<sup>3</sup> A crude gold, silver bullion, usually produced at the mine site which is then sent to a refiner where the silver and gold are parted and the gold is refined to commercial-grade gold bullion.

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**(b) Corresponding Period of the Immediately Preceding Financial Year:** Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

**(c) Date payable:**

The interim dividend has been paid to shareholders on 20 January 2014.

The proposed final dividend, if approved at the forthcoming annual general meeting of the Company, will be paid at a date to be announced.

**(d) Books closure date:**

The books closure date for interim dividend was on 31 December 2013.

The books closure date for proposed final dividend will be announced at a later date.

**12. If no dividend has been declared/recommended, a statement to that effect**

Not applicable.

**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.

Save for the Service Fee as disclosed under the section “other income and expenses” in paragraph 8, the Group did not enter into any IPT of value greater than S\$100,000 in FY2013.

**14. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

	Gold mining US\$	Other operations US\$	Inter-segment eliminations US\$	Total US\$
<b>Year ended</b>				
<b>31 December 2012</b>				
Revenue from external customers	16,761,082	-	-	16,761,082
Interest income	18,197	595,446	(613,017)	626
Management fee	-	172,416	(172,416)	-
Interest expense	(615,133)	-	613,032	(2,101)
Amortization and depreciation	(1,344,155)	(73,548)	-	(1,417,703)
Reportable segment profit/ (losses) before tax	1,783,746	(360,309)	36,107	1,459,544
Segment assets	15,786,054	22,921,438	(22,775,502)	15,931,990
Capital expenditure*	3,747,221	12,100	-	3,759,321
Reportable segment liabilities	(16,314,417)	(2,220,838)	14,438,743	(4,096,512)
<b>Year ended</b>				
<b>31 December 2013</b>				
Revenue from external customers	16,625,532	-	-	16,625,532
Interest income	22,630	900,016	(922,236)	410
Management income	-	1,955,441	(1,955,441)	-
Interest expense	(923,834)	(44,686)	922,294	(46,226)
Amortization and depreciation	(1,736,111)	(70,580)	-	(1,806,691)
Reportable segment profit before tax	5,520,175	1,700,510	(2,048,328)	5,172,357
Segment assets	21,385,300	26,591,717	(26,848,759)	21,128,258
Capital expenditure*	6,546,278	71,415	-	6,617,693
Reportable segment liabilities	(20,172,746)	(4,643,712)	18,354,749	(6,461,709)

\* Capital expenditure consists of additions of property, plant and equipment, mine properties and, exploration and evaluation assets.

**Reconciliation of reportable segments assets and liabilities**

	2013 US\$	2012 US\$
<b>Assets</b>		
Total assets for reportable segments	21,128,258	15,931,990
Unallocated assets	207,461	175,459
Combined total assets	21,335,719	16,107,449
<b>Liabilities</b>		
Total liabilities for reportable segments	(6,461,709)	(4,096,512)
Unallocated liabilities	(331,913)	(67,919)
Combined total liabilities	(6,793,622)	(4,164,431)

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**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

The Group has one reportable business segment which is gold mining - exploration, development, mining and marketing of gold.

Other operations include investment holding and provision of corporate services.

Please refer to item (8) for analysis of revenue in FY2013, as contributed by the gold mining segment.

Gold mining segment had recorded a profit before income tax of US\$5.52 million in FY2013 as compared to US\$1.78 million in FY2012, as a result of the increase in production and sales of fine gold.

Revenue of other operations segment consists mainly of inter-company interest and management fee charged by the holding company to the gold mining segment.

In FY2013, profit before tax of other operations segment was US\$1.70 million as compared to a loss before tax of US\$0.36 million in FY2012. This was mainly due to the higher charging of inter-company interest and management fee by the holding company to the gold mining segment in FY2013.

**16. Breakdown of Group's revenue and profit/(loss) after tax for first half year and second half year**

	FY2013 US\$'000	FY2012 US\$'000	Increase/ (Decrease) %
(a) Revenue			
- first half	2,937.4	6,294.7	(53.3)
- second half	13,688.1	10,466.4	30.8
	<u>16,625.5</u>	<u>16,761.1</u>	<u>(0.8)</u>
(b) (Loss)/Profit after tax			
- first half	(608.4)	275.5	n.m.
- second half	4,042.0	735.2	449.8
	<u>3,433.6</u>	<u>1,010.7</u>	<u>239.7</u>

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

	Year ended 31 December	
	2013 S\$	2012 S\$
Ordinary shares (tax exempt one-tier)		
Interim	407,693 <sup>(1)</sup>	-
Final	407,693 <sup>(2)</sup>	-
<b>Total Annual Dividend</b>	<b>815,386</b>	<b>-</b>

(1) The interim dividend (equivalent to US\$324,850) was declared on 16 December 2013 and paid on 20 January 2014.

(2) The proposed final dividend (equivalent to US\$321,839) is subject to shareholders' approval at the forthcoming annual general meeting of the Company.

**18. Person occupying a managerial position who is a relative of a director, pursuant to Rule 704 (10)**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Sharon Ting Shu Hwei	35	Niece of Mr Choo Chee Kong, Executive Vice Chairman of the Company	Information Technology ("IT") and Administration Manager, responsible for the Company's IT and administrative functions, first appointed in 2011	No change during the year

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

**19a. Rule 705 (6)(a) of the Catalist Listing Manual**

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

For 4Q 2013, funds / cash were mainly used for the following production activities, as compared to the projections:-

Purpose	Amount (US\$ million) <i>Actual Usage</i>	Amount (US\$ million) <i>Projected Usage</i>
Exploration and evaluation activities	0.62	0.85
Payment for machinery purchased in current and prior periods	0.55	0.68
Payment for diesel and other production materials	0.65	0.71
Royalty and tribute fees to government	0.65	0.68
Rental of equipment	0.06	0.10
Upkeep of equipment and motor vehicles	0.20	0.14
General working capital	1.01	1.15
<b>Total</b>	<b>3.74</b>	<b>4.31</b>

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

For the next immediate quarter (period from 1 January 2014 to 31 March 2014 (“1Q2014”)), the Group’s use of funds/cash for production activities is expected to be as follows:-

<b>Purpose</b>	<b>Amount (US\$ million)</b>
Exploration and evaluation activities	1.32
Payment for machinery purchased in current and prior quarters	1.05
Payment for diesel and other production materials purchased in current and prior quarters	0.67
Royalty and tribute fees to government	0.67
Rental of equipment	0.02
Upkeep of equipment and motor vehicles	0.17
General working capital	0.72
<b>Total</b>	<b>4.62</b>

The Group’s exploration plans from 1 January 2014 to 31 March 2014 are as follows:-

(a) Geological Investigation

Geological investigation will be focused on the core drill sampling results from drilling activities carried out in 5 gold deposit areas known as Rixen, Ketubong, Mason, New Discovery, and Alluvial. Rock chip and float samples will be routinely collected and tested by the Group’s in-house laboratory. Hand-held global positioning system (“GPS”) units will be used to locate the geological points and positions of sampling.

(b) Diamond drilling program

No diamond drilling program is planned for 1Q 2014.

(c) Half core sampling and channel sampling analysis

The half core from the diamond drilling program and channel samples are expected be delivered to third party independent laboratory SGS Lab, Malaysia for sample preparation followed by gold analysis using Au Fire Assay finished by AAS method and Ag, Cu, Pb & Zn analysis by 4 Acid Digestion finished by AAS method.

(d) Data Compiling

All field data including geological points, trenches and log sheets, channel sampling and location and analysis results will be sorted and compiled.



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**19b. Rule 705 (6)(b) of the Catalist Listing Manual**

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

**20a. 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;**

During 4Q 2013, the Group capitalized a total of US\$0.22 million for exploration and evaluation expenditures activities carried out during the period.

The Group carried out the following exploration activities in 4Q 2013:-

**(a) Geological Investigation**

The geological team conducted verification drilling on geochemical anomaly along geophysical induce polarization survey line 56, 59, 61, 63 and 65. Core drill samples were collected were delivered to third party independent laboratory *SGS Lab*, Malaysia for assay.

The purpose of core drilling was to clarify geological conditions related to gold and base metal mineralization and to try to identify mineralization or significant structures.

**(b) Drilling Program**

A total of 17 holes, comprising total footage of 3,203.15 meters were finished in 5 gold deposit areas known as Rixen, Ketubong, Mason, New Discovery, and Alluvial (see Table 1 for details). Several sections of mineralized and altered zones were revealed in these holes and the cores were split for sampling after geologic logging. After each drill hole was finished, the collar locations were accurately surveyed by electronic distance measurement (EDM) equipment using *NTS662* total station instruments.

Table 1: Drill holes and Footage Finished in Rixen

Seq. No	Drillhole No	Depth(m)
1	ZKM105-5	161.79
2	ZKK21-7	458.58
3	ZKK21-5	397.77
4	ZKA232-1	237.96
5	ZKR 157-2	120.55
6	ZKR 157-3	90.73
7	ZKR 157-4	93.23
8	ZKR 165-1	102.52
9	ZKR 157-1	72.90
10	ZKR 149-1	91.04
11	ZKR 165-2	77.65
12	ZKR 149-2	90.97
13	ZKR 173-1	98.67
14	ZKN 4-10	338.50
15	ZKN 14-1	409.95
16	ZKN 14-2	131.90
17	ZKN 14-1	228.44
<b>Total Footage</b>		<b>3,203.15</b>

(c) Half core sampling and analysis

A total of 1001 half core samples were delivered to *SGS Lab*, Malaysia for Au analysis by using Au Fire Assay finished by AAS method and Ag, Cu, Pb & Zn analysis by 4 Acid Digestion finished by AAS method.

(d) Data compiling

All field data, including geological points, trenches and log sheets, drilling core log and sampling and analysis results were sorted and compiled for the Group's geological team to better understand gold mineralization, structure and ore-controlling factors and to make proper exploration plan for further exploration work.

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**20b. 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 22 April 2013 despatched a copy of the qualified person's report on the updated mineral resource and ore reserve estimates as at 31 December 2012 ("QPR 2012") to update shareholders on its resource and reserve information respectively. Soft copy of the QPR 2012 is available for download on the Company's website.

The Company will provide updates on its reserves and resources in due course, in particular, in accordance with Rules 1204(23) of the Listing Manual (Section B: Rules of Catalist) of the SGX-ST, which requires the inclusion of a qualified person's report dated no earlier than the end of the Company's financial year, and a summary of reserves and resources as set out in Appendix 7D in its annual report for the financial year ended 31 December 2013.

**By Order of the Board**

Lim Kuoh Yang  
Chief Executive Officer

25 February 2014