



CNMC

CNMC GOLDMINE HOLDINGS LIMITED

中起金礦有限公司

(Company Registration No.: 201119104K)

EXECUTION OF SUBSCRIPTION AGREEMENT IN RELATION TO THE PROPOSED SUBSCRIPTION OF SHARES IN PULAI MINING SDN. BHD.

Unless otherwise defined, all capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Company's Announcement dated 28 June 2016 (the "Announcement").

The board of directors of CNMC Goldmine Holdings Limited ("**CNMC**" or the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Announcement in relation to the execution of the non-binding letter of intent with Pulai Mining in respect of the Proposed Subscription.

Further to the Announcement, the Board wishes to announce that the Company has on 25 August 2016 entered into a Share Subscription Agreement (the "**SSA**") with Pulai Mining for the subscription by the Company of 51% of the enlarged issued and paid-up share capital of Pulai Mining.

Completion of the SSA is subject to certain conditions precedent as stated in the Announcement on or prior to the date falling six (6) months from the date of the SSA, or such later date as may be agreed.

Upon completion of the Proposed Subscription ("**Completion**"), Pulai Mining will become a subsidiary of the Group. The subscription consideration of RM13.8 million, payable by way of a cheque, cashier's order or telegraphic transfer to an account designated by the Pulai Mining, was arrived after arm's length negotiations on a willing-buyer, willing-seller basis, taking into account existing exploration data and previous gold product output of Pulai Mining estimated at 260 kg, as well as Pulai's exploration and mining licenses with a combined license area of approximately 3,841.3 hectares (or 38.41 square kilometres) including (a) one exploration licence of approximately 2,300 hectares, (b) seven gold mining licenses totalling approximately 1,166.19 hectares (or 11.7 Square Kilometres), (c) two iron ore mining licenses totalling approximately 359.7 hectares (or 3.6 Square Kilometres) and (d) one feldspar mining license for approximately 15.41 hectares (or 0.15 Square Kilometres).

Pulai Mining is currently in a net liability position of approximately RM2.35 million based on its latest unaudited management accounts as at 30 June 2016. Notwithstanding the net liability position, the Proposed Subscription has significant potential based on geological information so far available, the large contiguous area, and the strategic synergy with CNMC due to its geographic proximity to the Group's existing Sokor project.

As at the date of this announcement, no formal or third party valuation of Pulai Mining has been carried out. Upon Completion, the Company will be commencing detailed geological exploration surveys with the objective of assessing the JORC-compliant mineral resource and ore reserve potential in Pulai Mining.

The Board will provide further updates to shareholders when there are material developments on this matter.

Save for Mr Choo Chee Kong, a substantial shareholder and director of the Company, none of the directors and substantial shareholders has any interest in the Proposed Subscription and the SSA. Details of Mr Choo's interest is disclosed in the Announcement

Shareholders are advised to continue exercising caution in trading their shares and to read this Announcement together with all other existing and future announcements by the Company in relation to the Proposed Subscription carefully. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Lim Kuoh Yang
Chief Executive Officer

25 August 2016

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.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Ms Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.