



CNMC

CNMC GOLDMINE HOLDINGS LIMITED

中起金礦有限公司

(Co. Reg. No. 201119104K)

(Incorporated in the Republic of Singapore)

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2020

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

Rule 705(6)(a) of the Catalist Listing Manual: Use of funds/cash for 3Q2020

For the quarter ended 30 September 2020 (“**3Q2020**”), funds/cash were mainly used for the following production activities, as compared to the projected usage:-

Purpose	Amount (US\$ million) Actual Usage	Amount (US\$ million) Projected Usage
Exploration and evaluation activities	0.08	0.18
Payments for plant and machinery	0.23	0.42
Payments for diesel and other production materials	2.16	2.12
Royalty and tribute fees to government	0.49	0.80
Rental of equipment	0.54	0.53
Upkeep of equipment and motor vehicles	0.37	0.30
General working capital	1.23	1.27
Total	5.10	5.62

Projections for use of funds/cash for 4Q2020, including principal assumptions

Subject to the effects of Malaysia’s Recovery Movement Control Order (“**RMCO**”), the Group’s use of funds/cash for production activities for the period from 1 October 2020 to 31 December 2020 (“**4Q2020**”) is expected to be as follows:-

Purpose	Amount (US\$ million)
Exploration and evaluation activities	0.39
Payments for plant and machinery	0.26
Payments for diesel and other production materials	1.86
Royalty and tribute fees to government	0.70
Rental of equipment	0.55
Upkeep of equipment and motor vehicles	0.32
General working capital	1.58
Total	5.66

The Group's exploration plans for 4Q2020 are as follows:-

(a) Geological Investigation

With the Covid-19 pandemic still posing a threat to countries worldwide, the Federal Government of Malaysia extended the RMCO subject to the National Security Council's strict standard operating procedures, which includes but is not limited to contact tracing, temperature screening and physical distancing.

Notwithstanding the extension of the RMCO, most of the Group's foreign expatriates (including underground mining workers) have returned to Malaysia. The final batch of the Group's underground mining workers have returned from China to Malaysia and are currently serving a 14-day quarantine.

The Group's geology department has the capacity to carry out more exploration activities for the Ulu Sokor and Pulai concessions.

Ulu Sokor concession:

Exploration activities will be focused in four known orebodies (namely Amang area, Rixen Central, Manson's Lode and New Found lode) and Tiger prospects. Diamond drilling will be carried out as soon as personnel from the exploration drilling contracting team return to Malaysia.

- i) Amang area
Drilling activity will be resumed with the aim to control the southern part of lead-zinc mineralisation.
- ii) Rixen Central
The Group's geology department plans to conduct drilling to further understand the gold mineralisation exposed by recent mining activities.
- iii) Manson's Lode deposit
Five drillholes are planned with the aim to identify mineralisation associated with volcanic exhalative process.
- iv) New Found lode
Two drillholes are designed at the western boundary of New Found lode to determine the cause of change in occurrence.
- v) Tiger area
Three drillholes are designed to verify the lead-zinc anomalies, based on Amang area's interpretation.

Due to late return of exploration drilling contracting team to Malaysia, the Group is not expected to have sufficient time to carry out all the planned drilling activity for Sejana area and Ketubong Deposit within 4Q2020.

Pulai concession:

The Group's geology department has planned four drillholes at the northern section of the feldspar mine with the aim of upgrading the resource classification. No exploration activities were carried out at the Pulai's feldspar concession after the implementation of the MCO on 18 March 2020.

Kelgold concession:

No exploration activities are planned for 4Q2020 as previous exploration data are currently under review.

(b) Diamond drilling program

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

Subject to the return of personnel in the exploration drilling contracting team, drilling activity for 4Q2020 will be carried out in the Sokor area and at the Pulai feldspar mine. The Group's geology department will revise the drilling plan based on the assay results of each drillhole.

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

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

Rule 705(7) of the Catalist Listing Manual

In 3Q2020, the variance between budgeted and actual costs was mainly due to:

- (i) The deferment of payment amounting to US\$0.10 million to an exploration related service provider; and
- (ii) the deferment of payments amounting to US\$0.49 million for plant and machinery (due to delay in completion of construction activities) and royalty and tribute fees (due to deferment of fee payment to 4Q 2020 for gold production in end 3Q 2020 and lower fine gold output).

The Group carried out the following exploration activities in 3Q2020 and capitalised US\$0.23 million for exploration and evaluation expenditures:-

(a) Geological Investigation

Ulu Sokor concession:

The Group's geology department discovered potential oxide ore remnants deposits in Rixen Central to support gold production.

CNMC Pulai concession:

Rare Earth Elements ("REE") prospects associated with igneous origin were discovered in some parts of Kelantan State. The Group's geology department identified and extracted ten igneous origin samples from previous drillhole samples for REE analysis in Australia.

Kelgold concession:

No exploration activity was carried out in the Kelgold concession.

(b) Drilling program

No drilling was conducted in all concessions.

(c) Half core sampling and analysis

A total of 2,059 rock chip samples from the Ulu Sokor concession were sent to in-house production laboratory for analysis, and ten quarter core samples were sent to ALS Perth laboratory for REE analysis.

By Order of the Board

Lim Kuoh Yang

Chief Executive Officer

9 November 2020

This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms Gillian Goh, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.