



CNMC

**CNMC Goldmine Holdings Limited
and its subsidiaries
Registration Number: 201119104K**

Condensed financial statements
for the six months period ended 30 June 2023

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A. Condensed statements of financial position

	Note	Group		Company	
		30 June 2023 US\$ (Unaudited)	31 December 2022 US\$ (Audited)	30 June 2023 US\$ (Unaudited)	31 December 2022 US\$ (Audited)
Assets					
Exploration and evaluation assets	7	6,389,218	6,532,362	–	–
Mine properties	8	17,093,380	16,673,574	–	–
Property, plant and equipment	9	14,859,344	14,218,364	431,542	515,475
Interests in subsidiaries		–	–	8,184,381	8,334,223
Deferred tax assets		950,175	984,362	–	–
Mine rehabilitation fund		677,085	717,545	–	–
Non-current assets		39,969,202	39,126,207	8,615,923	8,849,698
Inventories		9,101,558	11,885,781	–	–
Current tax assets		36,133	166,764	–	–
Trade and other receivables		1,437,832	1,298,919	13,019,731	11,832,473
Cash and cash equivalents		8,407,455	1,280,121	116,292	43,748
Current assets		18,982,978	14,631,585	13,136,023	11,876,221
Total assets		58,952,180	53,757,792	21,751,946	20,725,919
Equity					
Share capital		18,032,233	18,032,233	18,032,233	18,032,233
Preference shares		2,800	2,800	–	–
Treasury shares		(357,172)	(357,172)	(357,172)	(357,172)
Reserves		3,563,936	3,389,326	(13,860)	(13,860)
Retained earnings/ (Accumulated losses)		18,576,907	17,521,810	(3,816,172)	(3,916,504)
Equity attributable to owners of the Company		39,818,704	38,588,997	13,845,029	13,744,697
Non-controlling interests		5,761,503	5,576,790	–	–
Total equity		45,580,207	44,165,787	13,845,029	13,744,697
Liabilities					
Loans and borrowings	10	1,242,337	1,098,361	197,238	268,416
Rehabilitation obligations		2,061,271	2,145,185	–	–
Non-current liabilities		3,303,608	3,243,546	197,238	268,416
Loans and borrowings	10	336,041	201,781	136,080	135,203
Trade and other payables		8,868,361	5,769,471	7,573,599	6,577,603
Dividends payable		292,383	358,197	–	–
Current tax liabilities		571,580	19,010	–	–
Current liabilities		10,068,365	6,348,459	7,709,679	6,712,806
Total liabilities		13,371,973	9,592,005	7,906,917	6,981,222
Total equity and liabilities		58,952,180	53,757,792	21,751,946	20,725,919

B. Condensed consolidated statement of profit or loss

	Note	Six months ended	
		30 June 2023 US\$ (Unaudited)	30 June 2022 US\$ (Unaudited)
Revenue		26,225,308	13,940,611
Other income		430,210	15,263
Changes in inventories		(3,026,832)	3,146,497
Amortisation and depreciation		(2,179,035)	(2,409,119)
Employee benefits expenses		(3,115,140)	(2,331,517)
Key management remuneration		(2,419,585)	(1,416,521)
Marketing and publicity expenses		(275,668)	(165,166)
Office and administration expenses		(260,493)	(251,863)
Professional fees		(305,799)	(274,528)
Rental and other lease expenses		(911,914)	(691,128)
Royalty and tribute fee expenses		(3,442,864)	(1,891,281)
Site and factory expenses		(6,767,002)	(5,909,866)
Travelling and transportation expenses		(306,951)	(108,923)
Other expenses		(349,956)	(966,207)
Total expenses		<u>(23,361,239)</u>	<u>(13,269,622)</u>
Finance income		53,848	81,589
Finance costs		(76,451)	(69,421)
Net finance costs		<u>(22,603)</u>	<u>12,168</u>
Profit before tax	11	3,271,676	698,420
Tax expenses	13	(1,139,599)	(550,631)
Profit for the period		<u>2,132,077</u>	<u>147,789</u>
Profit attributable to:			
Owners of the Company		1,699,750	76,117
Non-controlling interests		432,327	71,672
Profit for the period		<u>2,132,077</u>	<u>147,789</u>
Earnings per share			
Basic and diluted (US\$ cents)	12	0.42	0.02
Basic and diluted (S\$ cents)	12	<u>0.56</u>	<u>0.03</u>

C. Condensed consolidated statement of comprehensive income

	Six months ended	
	30 June 2023	30 June 2022
	US\$	US\$
	(Unaudited)	(Unaudited)
Profit for the period	2,132,077	147,789
Other comprehensive income		
Items that are or may be reclassified subsequently to profit or loss:		
Exchange differences arising on consolidation of foreign subsidiaries	224,675	188,601
Other comprehensive income for the period, net of tax	<u>224,675</u>	<u>188,601</u>
Total comprehensive income for the period	<u>2,356,752</u>	<u>336,390</u>
Total comprehensive income attributable to:		
Owners of the Company	1,874,360	217,359
Non-controlling interests	482,392	119,031
Total comprehensive income for the period	<u>2,356,752</u>	<u>336,390</u>

D. Condensed statements of changes in equity

Group (Unaudited)	Note	Share capital US\$	Treasury shares US\$	Preference shares US\$	Capital reserve US\$	Translation reserve US\$	Retained earnings US\$	Total attributable to owners of the Company US\$	Non- controlling interests US\$	Total equity US\$
At 1 January 2023		18,032,233	(357,172)	2,800	3,227,998	161,328	17,521,810	38,588,997	5,576,790	44,165,787
Total comprehensive income for the period										
Profit for the period		–	–	–	–	–	1,699,750	1,699,750	432,327	2,132,077
Other comprehensive income										
Exchange differences arising on consolidation of foreign subsidiaries		–	–	–	–	174,610	–	174,610	50,065	224,675
Total other comprehensive income		–	–	–	–	174,610	–	174,610	50,065	224,675
Total comprehensive income for the period		–	–	–	–	174,610	1,699,750	1,874,360	482,392	2,356,752
Transactions with owners, recognised directly in equity										
Distributions to owners										
Final dividends declared for year ended 31 December 2022	14	–	–	–	–	–	(607,690)	(607,690)	–	(607,690)
Dividends paid to non-controlling interests	14	–	–	–	–	–	–	–	(289,009)	(289,009)
Preference shares dividends declared by subsidiary for period ended 30 June 2023	14	–	–	–	–	–	(36,963)	(36,963)	(8,670)	(45,633)
Total distributions to owners		–	–	–	–	–	(644,653)	(644,653)	(297,679)	(942,332)
Total transactions with owners		–	–	–	–	–	(644,653)	(644,653)	(297,679)	(942,332)
At 30 June 2023		18,032,233	(357,172)	2,800	3,227,998	335,938	18,576,907	39,818,704	5,761,503	45,580,207

D. Condensed statements of changes in equity (continued)

Group (Unaudited)	Note	Share capital US\$	Treasury shares US\$	Preference shares US\$	Capital reserve US\$	Translation reserve US\$	Retained earnings US\$	Total attributable to owners of the Company US\$	Non- controlling interests US\$	Total equity US\$
At 1 January 2022		18,032,233	(357,172)	2,800	3,194,504	29,146	19,839,468	40,740,979	5,452,444	46,193,423
Total comprehensive income for the period										
Profit for the period		–	–	–	–	–	76,117	76,117	71,672	147,789
Other comprehensive income										
Exchange differences arising on consolidation of foreign subsidiaries		–	–	–	–	141,242	–	141,242	47,359	188,601
Total other comprehensive income		–	–	–	–	141,242	–	141,242	47,359	188,601
Total comprehensive income for the period		–	–	–	–	141,242	76,117	217,359	119,031	336,390
Transactions with owners, recognised directly in equity										
Distributions to owners										
Final & special dividends declared for year ended 31 December 2021	14	–	–	–	–	–	(2,372,076)	(2,372,076)	–	(2,372,076)
Total distributions to owners		–	–	–	–	–	(2,372,076)	(2,372,076)	–	(2,372,076)
Total transactions with owners		–	–	–	–	–	(2,372,076)	(2,372,076)	–	(2,372,076)
At 30 June 2022		18,032,233	(357,172)	2,800	3,194,504	170,388	17,543,509	38,586,262	5,571,475	44,157,737

D. Condensed statements of changes in equity (continued)

Company (Unaudited)	Share capital US\$	Treasury shares US\$	Capital reserve US\$	Accumulated (losses)/ profits US\$	Total equity US\$
At 1 January 2023	18,032,233	(357,172)	(13,860)	(3,916,504)	13,744,697
Total comprehensive income for the period					
Profit for the period	–	–	–	708,022	708,022
Total comprehensive income for the period	–	–	–	708,022	708,022
Transactions with owners, recognised directly in equity					
Distributions to owners					
Final dividends declared for year ended 31 December 2022	–	–	–	(607,690)	(607,690)
Total distributions to owners	–	–	–	(607,690)	(607,690)
Total transactions with owners	–	–	–	(607,690)	(607,690)
At 30 June 2023	<u>18,032,233</u>	<u>(357,172)</u>	<u>(13,860)</u>	<u>(3,816,172)</u>	<u>13,845,029</u>
At 1 January 2022	18,032,233	(357,172)	(13,860)	(2,204,844)	15,456,357
Total comprehensive income for the period					
Loss for the period	–	–	–	(473,403)	(473,403)
Total comprehensive income for the period	–	–	–	(473,403)	(473,403)
Transactions with owners, recognised directly in equity					
Distributions to owners					
Final & special dividends declared for year ended 31 December 2021	–	–	–	(2,372,076)	(2,372,076)
Total distributions to owners	–	–	–	(2,372,076)	(2,372,076)
Total transactions with owners	–	–	–	(2,372,076)	(2,372,076)
At 30 June 2022	<u>18,032,233</u>	<u>(357,172)</u>	<u>(13,860)</u>	<u>(5,050,323)</u>	<u>12,610,878</u>

E. Condensed consolidated statement of cash flows

	Six months ended	
	30 June 2023 US\$ (Unaudited)	30 June 2022 US\$ (Unaudited)
Cash flows from operating activities		
Profit for the period	2,132,077	147,789
Adjustments for:		
Amortisation of mine properties	502,287	386,648
Depreciation of property, plant and equipment	1,676,748	2,022,471
Gain on disposal of property, plant and equipment	(78,056)	–
Interest expense	76,451	69,421
Interest income	(53,848)	(81,589)
Plant and equipment written off	–	404,480
Unrealised loss on foreign exchange	401,500	661,428
Tax expenses	1,139,599	550,631
Impairment losses on exploration and evaluation assets	–	7,063
Impairment losses on non-trade receivables	–	8,681
	5,796,758	4,177,023
Changes in:		
- Inventories	2,784,223	(4,498,287)
- Trade and other receivables	(472,638)	(1,147,866)
- Rehabilitation obligations, and trade and other payables	1,645,567	(2,216,891)
Cash generated from/ (used in) operations	9,753,910	(3,686,021)
Tax paid	(357,985)	(729,754)
Net cash generated from/ (used in) operating activities	9,395,925	(4,415,775)
Cash flows from investing activities		
Payment for exploration and evaluation assets, and mine properties	(487,591)	(188,670)
Proceeds from sales of property, plant and equipment	193,397	–
Purchase of property, plant and equipment	(816,866)	(1,908,531)
Interest received	53,848	81,589
Net cash used in investing activities	(1,057,212)	(2,015,612)
Cash flows from financing activities		
Dividends paid to equity holders of the Company	(607,690)	(2,372,076)
Dividends paid to preference shares holder and non-controlling interests	(350,334)	(1,167,544)
Payment of lease liabilities	(128,704)	(68,607)
Interest paid	(35,452)	(31,207)
Net cash used in financing activities	(1,122,180)	(3,639,434)

E. Condensed consolidated statement of cash flows (continued)

Net increase/(decrease) in cash and cash equivalents	7,216,533	(10,070,821)
Cash and cash equivalents at 1 January	1,280,121	16,433,078
Effect of exchange rate fluctuations on cash held	(89,199)	(154,394)
Cash and cash equivalents at 30 June	8,407,455	6,207,863

During the six months period ended 30 June 2023 (“**1H2023**”), the Group acquired property, plant and equipment with an aggregate cost of US\$2,433,098 (1H2022: US\$3,110,869) of which US\$486,550 was acquired by means of lease arrangements, compared to US\$57,572 for the corresponding six-month period ended 30 June 2022 (“**1H2022**”). As at 30 June 2023, a total consideration of US\$1,129,682 (1H2022: US\$1,144,766) was yet to be paid to third parties.

In 1H2023, the Group also acquired exploration and evaluation assets and mine properties with an aggregate cost of US\$934,824 (1H2022: US\$586,241). As at 30 June 2023, a total consideration of US\$447,233 (1H2022: US\$397,571) was yet to be paid to third parties.

F. Notes to the condensed financial statements

1 Corporate information

CNMC Goldmine Holdings Limited (the “**Company**”) is incorporated and domiciled in Singapore and its shares are publicly traded on the Catalist board of the Singapore Exchange.

These condensed consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activities of the Company are those of an investment holding and management company. The principal activities of the Group are exploration and mining of gold deposits, mineral exploration and drilling service provider, underground mining service provider, non-mining related service provider and investment holding.

2 Basis of preparation

The condensed financial statements for the six months ended 30 June 2023 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited financial statements for the year ended 31 December 2022.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements are presented in United States Dollars, which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

There are no new standards, amendments, to standards and interpretations, effective from annual beginning on or after 1 January 2023, which will result in significant impact on the condensed financial statements of the Group.

2.2 Use of estimates and judgements

The preparation of the condensed financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Save as described below, there were no significant changes to the major assumptions used in assessing the accounting estimates and the carrying amounts of the relevant assets and liabilities in these condensed financial statements. Details of such assumptions and estimations are disclosed in the last audited financial statements for the year ended 31 December 2022.

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

The Group has one reportable business segment which is mining – exploration, development, mining and marketing of gold and other minerals such as zinc and lead. Other operations include investment holding and provision of corporate services. These operating segments are reported in a manner consistent with internal reporting provided to the Group's executive directors who are responsible for allocating resources and assessing the performance of the operating segments.

4.1 Reportable segments

	Mining US\$	Other operations US\$	Inter-segment eliminations US\$	Total US\$
Group				
1 January 2023 to 30 June 2023				
Revenue from external customers	26,225,308	–	–	26,225,308
Dividend income	–	1,232,091	(1,232,091)	–
Interest income	53,810	144,953	(144,915)	53,848
Management fee	1,044,574	2,773,624	(3,818,198)	–
Interest expense	(272,021)	(5,857)	201,427	(76,451)
Amortisation and depreciation	(2,122,122)	(102,477)	45,564	(2,179,035)
Reportable segment profit before tax	3,370,010	828,458	(926,792)	3,271,676
Reportable segment assets	59,052,018	33,994,336	(35,044,349)	58,002,005
Capital expenditure*	3,389,224	18,545	(39,847)	3,367,922
Reportable segment liabilities	(28,146,267)	(14,606,824)	29,381,118	(13,371,973)
Group				
1 January 2022 to 30 June 2022				
Revenue from external customers	13,940,611	–	–	13,940,611
Interest income	63,196	75,997	(57,604)	81,589

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Management fee	614,069	1,689,320	(2,303,389)	–
Interest expense	(125,997)	(1,446)	58,022	(69,421)
Amortisation and depreciation	(2,500,736)	(50,619)	142,236	(2,409,119)
Reportable segment profit before tax	1,068,056	(499,290)	129,654	698,420
Reportable segment assets	52,480,821	31,442,961	(31,506,005)	52,417,777
Capital expenditure*	3,756,298	1,923	(61,111)	3,697,110
Reportable segment liabilities	(21,440,271)	(13,465,268)	25,588,215	(9,317,324)

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

Reconciliation of reportable segment assets and liabilities

	Group	
	30 June 2023	30 June 2022
	US\$	US\$
Assets		
Total assets for reportable segments	58,002,005	52,417,777
Unallocated assets	950,175	1,057,284
Consolidated total assets	<u>58,952,180</u>	<u>53,475,061</u>
Liabilities		
Total liabilities for reportable segments	(13,371,973)	(9,317,324)
Unallocated liabilities	–	–
Consolidated total liabilities	<u>(13,371,973)</u>	<u>(9,317,324)</u>

Geographical segments

The operations of the Group are principally located in Malaysia.

Major customer

There are two (30 June 2022: one) major customers which account for 100% (30 June 2022: 99.5%) of the Group's revenue.

5 Financial assets and financial liabilities

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2023 and 30 June 2022 and their fair values measurements:

	Carrying amount		
	Financial assets at amortised cost US\$	Financial liabilities at amortised cost US\$	Total US\$
Group			
At 30 June 2023			
Financial assets not measured at fair value			
Trade and other receivables*	1,437,610	–	1,437,610
Cash and cash equivalents	8,407,455	–	8,407,455
	9,845,065	–	9,845,065
Financial liabilities not measured at fair value			
Convertible loan	–	(711,106)	(711,106)
Trade and other payables^	–	(5,651,557)	(5,651,557)
Dividends payable	–	(292,383)	(292,383)
	–	(6,655,046)	(6,655,046)
At 30 June 2022			
Financial assets not measured at fair value			
Trade and other receivables*	2,015,210	–	2,015,210
Cash and cash equivalents	6,207,863	–	6,207,863
	8,223,073	–	8,223,073
Financial liabilities not measured at fair value			
Trade and other payables^	–	(5,076,934)	(5,076,934)

	Carrying amount		
	Financial assets at amortised cost US\$	Other financial liabilities US\$	Total US\$
Company			
At 30 June 2023			
Financial assets not measured at fair value			
Trade and other receivables*	13,019,509	–	13,019,509
Cash and cash equivalents	116,292	–	116,292
	13,135,801	–	13,135,801
Financial liability not measured at fair value			
Trade and other payables^	–	(6,380,304)	(6,380,304)
At 30 June 2022			
Financial assets not measured at fair value			
Trade and other receivables*	10,894,741	–	10,894,741
Cash and cash equivalents	36,584	–	36,584
	10,931,325	–	10,931,325
Financial liability not measured at fair value			
Trade and other payables^	–	(6,268,898)	(6,268,898)

* Excluded prepaid expenses of US\$222 (30 June 2022: US\$10,734) and US\$222 (30 June 2022: US\$10,734) for the Group and the Company respectively.

^ Excluded accrual for payroll-related costs of US\$2,785,219 (30 June 2022: US\$1,293,331), and withholding tax of US\$431,585 (30 June 2022: US\$201,633) for the Group and accrual for payroll-related costs of US\$1,193,295 (30 June 2022: US\$821,836) for the Company.

6 Net Asset Value

	Group		Company	
	30 June 2023 US\$	31 December 2022 US\$	30 June 2023 US\$	31 December 2022 US\$
Net asset value (US\$) ⁽¹⁾	39,818,704	38,588,997	13,845,029	13,744,697
Number of shares at the end of the period (excluding treasury shares)	405,289,100	405,289,100	405,289,100	405,289,100
Net asset value per share:				
- US cents	9.82	9.52	3.42	3.39
- SG cents ⁽²⁾	13.30	12.77	4.63	4.55

Notes:-

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

(2) Net asset value per share translated at a closing exchange rate of USD/SGD 1.3545 and 1.3414 as at 30 June 2023 and 31 December 2022 respectively.

7 Exploration and evaluation assets

During the six months ended 30 June 2023, the Group acquired exploration and evaluation assets amounting to US\$12,731 (30 June 2022: US\$401,980).

8 Mine properties

During the six months ended 30 June 2023, the Group acquired mine properties amounting to US\$922,093 (30 June 2022: US\$184,261).

9 Property, plant and equipment

During the six months ended 30 June 2023, the Group acquired property, plant and equipment amounting to US\$2,433,098 (30 June 2022: US\$3,110,869) and written off of assets amounting to US\$Nil (30 June 2022: US\$404,480) and disposed of assets with net carrying value amounting to US\$115,341 (30 June 2022: US\$Nil).

10 Loans and borrowings

	Group		Company	
	30 June 2023 US\$	31 December 2022 US\$	30 June 2023 US\$	31 December 2022 US\$
Non-current				
Lease liabilities - Secured	41,956	38,854	–	–
Lease liabilities - Unsecured	489,275	272,067	197,238	268,416
Convertible loan - Unsecured	711,106	787,440	–	–
	1,242,337	1,098,361	197,238	268,416
Current				
Lease liabilities - Secured	45,132	57,033	–	–
Lease liabilities - Unsecured	290,909	144,748	136,080	135,203
	336,041	201,781	136,080	135,203
	1,578,378	1,300,142	333,318	403,619

Details of any collaterals

The Group's secured lease liabilities as at 30 June 2023 comprised hire purchase liabilities, which are secured over the Group's motor vehicles. The net carrying amounts of the motor vehicles as at 30 June 2023 amounted to US\$70,963 (31 December 2022: US\$49,778).

The Group's unsecured borrowings as at 30 June 2023 comprised a convertible loan issued by a subsidiary and lease liabilities recognised pursuant to SFRS(I) 16.

11 Profit before tax

11.1 Significant items

The following items have been included in arriving at profit before tax for the period:

	Group	
	Six months ended	
	30 June 2023	30 June 2022
	US\$	US\$
Finance costs	76,451	69,421
Amortisation and depreciation	2,179,035	2,409,119
Gain on disposal of property, plant and equipment	(78,056)	–
Grant income	–	(5,215)
Property, plant and equipment written off	–	404,480
Loss/(Gain) on foreign exchange:		
- Unrealised	401,500	661,429
- Realised	(166,977)	(115,446)

11.2 Related party transactions

Other than key management personnel compensation as presented in the condensed consolidated statement of profit or loss, the Group had no other significant related party transactions during the reporting period.

12 Earnings per share

Basic earnings per share

The calculation of basic earnings per share at 30 June 2023 was based on the profit attributable to ordinary shareholders of US\$1,699,750 (30 June 2022: US\$76,117) and a weighted-average number of ordinary shares outstanding of 405,289,100 (30 June 2022: 405,289,100).

The Group's weighted-average number of ordinary shares is calculated as follows:

	Group	
	Six months ended	
	30 June 2023	30 June 2022
	No. of shares	No. of shares
Issued number of ordinary shares	407,693,000	407,693,000
Effect of own shares held	(2,403,900)	(2,403,900)
Weighted-average number of ordinary shares during the period	<u>405,289,100</u>	<u>405,289,100</u>

Diluted earnings per share

Diluted earnings per share are the same as basic earnings per share due to the absence of any dilutive financial instruments for the year ended 30 June 2023 and 30 June 2022 respectively.

Basic earnings per ordinary share translated at an average exchange rate of USD/SGD 1.3362 and 1.3604 for six months ended 30 June 2023 and 30 June 2022 respectively.

13 Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	Group	
	Six months ended	
	30 June 2023	30 June 2022
	US\$	US\$
Current tax expense		
Current period	1,105,412	400,945
Adjustment for prior periods	–	–
	1,105,412	400,945
Deferred tax expense		
Origination and reversal of temporary differences	23,249	43,511
Adjustment for prior periods	10,938	106,175
	34,187	149,686
Total tax expense	1,139,599	550,631

14 Dividends

The following exempt (one-tier) dividends were declared, and paid and payable by the Group and Company:

	Group and Company	
	Six months period ended	
	30 June 2023	30 June 2022
	US\$	US\$
Paid by the Company to owners of the Company		
Dividends on ordinary shares:		
- Final dividends for the year ended 31 December 2022: S\$0.00200 (equivalent to US\$0.001499) (2021: S\$0.00200 (equivalent to US\$0.001463)) per ordinary share	607,690	593,019
- Special dividends for the year ended 31 December 2022: S\$Nil (equivalent to US\$Nil) (2021: S\$0.00600 (equivalent to US\$0.004390)) per ordinary share	–	1,779,057
	607,690	2,372,076

For the period ended 30 June	Group	
	2023	2022
	US\$	US\$
Payable by subsidiaries to non-controlling interests		
Dividends on ordinary shares:		
- Interim dividends for the period ended 30 June 2023: RM14.00 (equivalent to US\$3.0422) (2022: RM Nil (equivalent to US\$Nil)) per ordinary share	289,009	–
Dividends on preference shares:		
- Preference dividends for the period ended 30 June 2023: RM14.00 (equivalent to US\$3.0422) (2021: RM Nil (equivalent to US\$Nil)) per preference share	8,670	–
	297,679	–

After the respective reporting dates, the following exempt (one-tier) dividends have been declared by the Company. These exempt (one-tier) dividends have not been provided for.

For the period ended 30 June	Group and Company	
	2023	2022
	US\$	US\$
Payable by the Company to owners of the Company		
- Interim dividends for the period ended 30 June 2023: S\$0.00200 (equivalent to US\$0.001477) (2022: S\$ Nil (equivalent to US\$Nil)) per ordinary share	598,450	–
	598,450	–

15 **Contingent liability**

There is no significant update on the contingent liability as disclosed in the Group's last audited financial statements for the year ended 31 December 2022.

G. Other Information Required by Catalyst Rule Appendix 7C

1 Review

The condensed consolidated statement of financial position of CNMC Goldmine Holdings Limited (the “**Company**”), and together with its subsidiaries, (the “**Group**”) as at 30 June 2023 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period ended and certain explanatory notes have not been audited or reviewed by the Company’s auditors.

2 Review of performance of the Group

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

Please refer to note 4 of the condensed financial statements for information on the reportable segment.

Please refer to the below for analysis of revenue in 1H2023, as contributed by the mining segment.

Revenue from other operations segment consists mainly of dividend income from subsidiaries, inter-company interest and management fee charged by the holding company to the mining segment.

In 1H2023, profit before tax from other operations segment was US\$0.83 million as compared to a loss of US\$0.50 million in 1H2022. This was mainly due to absence of dividend income received from subsidiaries in 1H2022.

Statement of profit or loss

Revenue

The table below is a summary of the financial performance of the Group for 1H2023 and the comparative financial performance for 1H2022:

	UOM	1H 2023			1H 2022			Movement		
		Revenue US\$'000	Volume UOM	Price US\$/UOM	Revenue US\$'000	Volume UOM	Price US\$/UOM	Revenue	Volume	Price
Gold	oz	14,340	7,354.30	1,950	13,941	7,455.66	1,870	3%	-1%	4%
Lead in lead concentrate	t	1,555	984.31	1,580	-	-	-	100%	100%	100%
Gold in lead concentrate	oz	6,567	3,918.59	1,676	-	-	-	100%	100%	100%
Silver in lead concentrate	oz	1,903	120,066.01	16	-	-	-	100%	100%	100%
Zinc concentrate	t	1,860	1,096.41	1,697	-	-	-	100%	100%	100%
		<u>26,225</u>			<u>13,941</u>					
Gold equivalent ounces ¹		26,225	13,448.88	1,950	13,941	7,455.66	1,870	88%	80%	4%

¹ Gold Equivalent Ounces ("GEO"), which are provided to assist the reader, are based on the price assumption, by referencing the average realised gold price during the period. The GEO formula = "Total Revenue" divided by "realised average selling price for gold"

The Group's revenue increased by approximately 88% in 1H2023, at US\$26.23 million as compared to US\$13.94 million in 1H2022. The main contributing factor to this marked improvement has been the introduction of new revenue streams arising from the export sales of lead and zinc concentrates, following relevant export permit being approved in mid-January 2023 and this is similarly reflected in the 80% increase in gold equivalent ounces.

The Group's core product, gold, showed resilience in 1H2023, maintaining a level comparable to that of 1H2022. Revenue derived from gold increased slightly by 3% during 1H2023, largely attributed to the increase in the realised average selling price despite a slight contraction of 1% in production output.

The Group started the purchase of equipment for the construction of the flotation plant in view of its strategic foray into lead and zinc concentrates since FY2018, coupled with a stable performance in its gold production, led to a strong financial performance in 1H2023.

The average realised prices for elements like lead, gold and silver in lead concentrate, and zinc concentrate, are lower than their respective market prices. This disparity can be traced back to the nature of these commodities. The lead and zinc concentrates are sold when they are in a semi-processed state. Hence, additional refining is required before they can be transformed into final lead and zinc products suitable for sale at market prices. As a result, these lead and zinc concentrates sold by the Group which are semi-processed are traded at prices below those seen in the broader market.

Other income and expenses

In 1H2023, the Group recorded net other operating income² as compared to net other operating expenses in 1H2022, largely due to (i) a write-off of a heap leaching pad due to soil instability issues in 1H2022; (ii) a lower unrealised loss on foreign exchange was incurred in 1H2023 as compared to 1H2022; and (iii) other contributing factors to the net other operating income such as gains from the disposal of property, plant and equipment and sale of approved waste.

Operating expenses

The overall increase in operating expenses in 1H2023, as compared to 1H2022, was mainly due to the following:

- A debit being recorded for changes in inventories of lead and zinc concentrates when the Group shipped these concentrates during the months of February 2023 and March 2023;
- Increase in the employee benefits expenses and key management remuneration, mainly due to the higher performance bonus accrued for FY2023, in view of the better performance in 1H2023. No performance bonus was given to the directors and key management personnel in FY2022;
- Increase in royalty and tribute expenses resulting from the new export sales of lead and zinc concentrates;
- Increase in site and factory expenses mainly due to more blasting activities at site for ore extraction; and
- Increase in rental and other lease expenses as well as travelling and transportation expenses mainly due to the increased activities on site, resulting from the new revenue stream.

The increase was offset by a decrease in amortisation and depreciation expenses.

² the net of other operating income over other operating expenses, or vice versa, as the case may be.

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. For the avoidance of doubt, the information provided below is intended to provide additional information to shareholders and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with FRS. The Company computed these measures in accordance with the World Gold Council guidelines listed in footnotes (1), (2) and (3) based on sales volume of fine gold.

Summarised below are the Group's all-in sustaining costs and all-in costs per ounce, relating to gold mining activities in 1H2023 and 1H2022:

	US\$ / gold ounce sold		
	1H2023	1H2022	↑/(↓) %
Sales volume of fine gold (ounces)	7,354.30	7,455.66	(1.4)
Mining related costs	792	613	29.2
Royalty and tribute expenses	251	254	(1.2)
Adjusted operating costs⁽¹⁾	1,043	867	20.3
General and administrative costs	257	231	11.3
Capital expenditure	61	46	32.6
All-in sustaining costs⁽²⁾	1,361	1,144	19.0
Capital exploration (non-sustaining)	7	21	(66.7)
Capital expenditure (non-sustaining)	47	115	(59.1)
All-in costs⁽³⁾	1,415	1,280	10.5

- (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. These costs may vary depending on 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 new operations and costs related to construction of the new production facility for the existing operations where these projects are expected to materially increase production in future.

The all-in costs per ounce in 1H2023 were 10.5% higher, as compared to 1H2022. This was mainly due to higher operating expenses, as explained in the section above on "Operating expenses".

Tax expenses

The increase in the Group's tax expenses in 1H2023 is attributed to the increase in profit before tax, as compared to 1H2022. The effective tax rate for 1H2023 is approximately 35%, compared with the applicable tax rate of 24% for the Group. The much higher effective tax rate was due mainly to the non-deductibility of certain items for tax purposes, the non-recognition of deferred tax asset (or income tax credit) in relation to losses incurred by some subsidiaries due to uncertainty of their future profitability, and the payment of Malaysian withholding taxes on management fees received by the Company from CMNM Mining Group Sdn. Bhd.

Profit after tax

As explained above, the higher profit after tax of 1H2023, as compared to 1H2022, was mainly due to the additional revenue stream from export sales of lead and zinc concentrates.

Statement of financial position

Assets

The increase in non-current assets was mainly due to the increase in mine properties resulting from the additional drilling costs on the producing mines, as well as the increase in property, plant and equipment because of the construction of underground structure facilities. The overall increase in non-current assets was partially offset by the amortisation of mine properties and depreciation of property, plant and equipment.

The increase in total current assets was mainly due to higher cash and cash equivalents, for the reasons presented in the statement of cash flows analysis below. This was partially offset by the decrease in current tax assets and inventory of lead and zinc concentrates as explained in the "Operating expenses" section above.

Liabilities

The increase in total liabilities was mainly due to (i) the increase in royalty and tribute payable, derived from the new export sales of lead and zinc concentrates; (ii) increase in trade payables and accrued operating expenses, resulting from the increased purchasing activities relating to the new production activities of lead and zinc concentrates; (iii) increase in current tax liabilities as a result of the increased profit position; (iv) increase in loans and borrowings due to the recognition of new leased equipment.

As at 30 June 2023, the Group has a positive working capital of US\$8.91 million compared to US\$8.28 million as at 31 December 2022.

Statement of cash flows

The Group achieved net operating cash inflows in 1H2023 amounting to US\$9.40 million, as compared to net operating cash outflow of US\$4.42 million in 1H2022. The positive turnaround was mainly due to operating profit before working capital changes of US\$5.80 million, adjusted for the decrease in inventories of US\$2.78 million, increase in trade and other payables of US\$1.65 million, which was partially offset by the increase in trade and other receivables of US\$0.47 million and tax paid of US\$0.36 million.

Net cash used in investing activities amounted to US\$1.06 million in 1H2023 mainly comprising payments to acquire property, plant and equipment for the construction of the underground mining facilities.

Net cash used in financing activities amounted to US\$1.12 million in 1H2023 mainly due to dividends paid to equity holders of the Company, preference shares holders and non-controlling interests, as well as payment made for lease liabilities during 1H2023.

As at 30 June 2023, the Group had cash and cash equivalents of US\$8.41 million, an increase of US\$7.13 million from US\$1.28 million as at 31 December 2022.

- 3(a) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, 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 the 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 (S\$)	Share capital (US\$)
As at 30 June 2023	405,289,100	22,890,024	18,032,233
As at 31 December 2022	405,289,100	22,890,024	18,032,233

As at 30 June 2023, the Company held 2,403,900 ordinary shares as treasury shares (30 June 2022: 2,403,900). The total number of issued shares of the Company (excluding treasury shares) as at 30 June 2023 was 405,289,100 (30 June 2022: 405,289,100).

The percentage of the aggregate number of treasury shares held against the total number of shares issued (excluding treasury shares) as at 30 June 2023 was 0.6% (30 June 2022: 0.6%).

Save for the above, the Company did not have any outstanding options, convertible securities, treasury shares or subsidiary holdings as at 30 June 2023 and 30 June 2022.

- 3(b) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of immediately preceding year.**

	Company As at 30 June 2023 (Unaudited)	Company As at 31 December 2022 (Audited)
Total number of issued shares	407,693,000	407,693,000
Treasury shares	(2,403,900)	(2,403,900)
Total number of issued shares, excluding treasury shares	405,289,100	405,289,100

- 3(c) 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. There were no sales, transfers, cancellations and/or use of treasury shares during and as at the end of the financial period reported on.

- 3(d) 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. There were no subsidiary holdings during and as the end of the current financial period reported on.

- 4 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 auditors.

- 5 Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).**

Not applicable. The figures have not been audited or reviewed by the auditors.

- 6 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern):—**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**

Not applicable.

- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

Not applicable.

7 Whether the same accounting policies and methods of computation as in the issuer’s most recently audited annual financial statements have been applied.

Please refer to Note 2: Basis of preparation of the notes to the condensed financial statements herein.

8 If there were 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.

Please refer to Note 2: Basis of preparation of the notes to the condensed financial statements herein.

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

The 1H2023 result is consistent with the Company’s profit guidance announced on 28 July 2023.

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.

Efforts in recent years by the Group to diversify its portfolio of minerals are finally paying off, with the sale of lead, zinc and silver concentrates giving it new streams of revenue with effect from 1H2023. These mineral concentrates, which are exported to China, are produced from the Group’s flotation plant, which started operating in 2022 and can process about 550 tonnes of ore daily. The Group intends to ramp up production of these concentrates to increase sales, even as it continues to invest in expanding underground mining capacity for its flagship gold operations at the Sokor gold field in Kelantan.

Global demand for refined zinc metal is forecast to rise by 2.1% to 13.8 million tonnes in 2023, after a 3.9% contraction last year, according to a recent assessment³ by the International Lead and Zinc Study Group (“ILZSG”), an entity set up by the United Nations since 1959 to promote data transparency in global markets for lead and zinc. Global demand for refined lead metal is anticipated to increase 1.7% this year to 12.5 million tonnes, ILZSG says. Against this backdrop, the Group will make every effort to drive and sustain the growth of its new business segment hinges on several factors beyond its control, including the quality of its ores and the spot prices of these minerals.

Construction of two additional underground gold mining facilities at Sokor remains underway. Barring any unforeseen circumstances, the first facility is expected to be completed later this year, with the second facility likely coming on stream next year. Both facilities will enable the Group to mine more higher-grade gold ore from underground mining.

³ ILZSG Spring 2023 Meetings/Forecasts (27 April 2023):

https://www.ilzsg.org/wp-content/uploads/3.PRESS%20RELEASES/20230427_ILZSG%20April%202023%20Press%20Release.pdf

Despite being sensitive to rising interest rates, gold prices have generally been resilient so far this year, even going above US\$2,000 an ounce on a few occasions. The Federal Reserve, the world's most influential central bank, last raised interest rates on 26 July 2023 and now appears to be less determined than at the start of the year to hike rates further, or do so aggressively, given the slowdown in US inflation in recent month⁴. This is expected to bode well for gold prices in the foreseeable future.

Lastly, as part of its ESG strategies, the Group is also using more energy-efficient power generators in an attempt to reduce fuel consumption and carbon emissions and expects that the reduction in fuel usage may help lower site and factory expenses, which are currently one of the biggest cost item for the Group.

11 Dividend information

If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

Yes

(b) (i) Amount per share (cents)

Interim dividend

Name of Dividend	1 st interim Tax-exempt dividend
Dividend Type	Cash
Dividend Amount per Share	S\$0.0020 per ordinary share
Tax Rate	Tax-exempt one-tier

(ii) Previous corresponding period (cents)

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)

Tax-exempt (one-tier)

(d) The date the dividend is payable.

The payment of the said dividends will be made on 29 September 2023

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Notice is hereby given that the Share Transfer Book and Register of Members of the Company will be closed from 5.00 p.m. on 18 September 2023 for the preparation of

⁴ <https://www.reuters.com/markets/rates-bonds/fed-poised-hike-rates-markets-anticipate-inflation-endgame-2023-07-26/>

dividend payment. Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue #14-03/07 Keppel Bay Tower, Singapore 098632 up to 5.00 p.m. on 18 September 2023 will be registered to determine shareholders' entitlements to the interim one-tier tax exempt dividend.

Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with the ordinary shares in the capital of the Company as at 5.00 p.m. on 18 September 2023 will be entitled to the interim one-tier tax exempt dividend.

- (f) **If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

Not applicable.

- 12. If the Group has obtained a general mandate from shareholders for interested persons 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 1H2023, the Group did not enter into any IPT of S\$100,000 and more.

Additional Disclosure Required for Mineral, Oil and Gas companies

13a Rule 705 (6)(a) of the Catalist Listing Manual

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

In 2Q2023, funds/cash were mainly used for the following production activities, as compared to the projections:-

Purpose	Amount (US\$ million) Actual	Amount (US\$ million) Projected
Exploration and evaluation activities	0.57	0.54
Payments for plant and machinery	0.60	0.46
Payments for diesel and other production materials	3.31	2.36
Royalty and tribute fees to government	1.40	2.00
Rental of equipment	0.47	0.47
Upkeep of equipment and motor vehicles	0.14	0.21
General working capital	2.28	2.11
Total	8.77	8.15

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 2023 to 30 September 2023 (“3Q2023”)), the Group’s use of funds/cash for production activities is expected to be as follows:-

Purpose	Amount (US\$ million)
Exploration and evaluation activities	0.47
Payments for plant and machinery	0.43
Payments for diesel and other production materials	3.34
Royalty and tribute fees to government	2.54
Rental of equipment	0.48
Upkeep of equipment and motor vehicles	0.21
General working capital	2.13
Total	9.60

The Group’s exploration plans for 3Q2023 are as follows:-

(a) Geological Investigation

The Group’s exploration focus will remain on its producing asset, the Ulu Sokor concession and preliminary exploration works could be initiated for Pulai concession if the overlapping issues can be resolved.

Ulu Sokor concession:

Exploration activities will focus on the following areas:

i) Manson Lode Deposit

Exploration activities will continue to determine the extents of the base metal-gold mineralisation discovered; and.

ii) New Found Deposit

Exploration activities to focus on exploration for gold mineralisation at a deeper depth at the western part of the mine pit and verify eastward extension of gold mineralisation.

CNMC Pulai concession:

Exploration activities are planned in the following areas if the overlapping issues can be resolved.:

i) Serunai South

Exploration activities to prospect for gold mineralisation; and

ii) Iron Ore

Exploration activities will resume to prospect economically exploitable iron or other mineral deposits in the area.

Kelgold concessions:

No major exploration activities have been planned because the Group's exploration focus for 3Q2023 will remain on its producing asset, the Ulu Sokor and the CNMC Pulai concession.

(b) Diamond drilling program

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

23 drillholes with total footage of 2,850 meters are planned for 3Q2023. The Group's geology department may revise the drilling plan based on the assay results of each drillhole.

13b Rule 705 (6)(b) of the Catalist Listing Manual

On behalf of the Board, we, the undersigned, hereby confirm that, to the best of its knowledge, nothing has come to its attention which may render the information provided in item 13a above to be false or misleading in any material aspect.

14 Rule 705 (7) of the Catalist Listing Manual

Details of exploration (including geophysical surveys), 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 2Q2023, the variance between budgeted and actual usage of funds/cash was mainly due to the increased mining activities and timing difference in making certain payments.

The Group carried out the following exploration activities in 2Q2023 and capitalised US\$0.64 million for exploration and evaluation expenditures.

(a) Geological Investigation

Ulu Sokor concession:

Exploration activities were carried out in the following areas:

i) Manson’s Lode Deposit

Twenty-five drillholes intersected with base metal orebodies.

ii) New Found Deposit

No exploration activities were carried out at New Found Deposit as planned due to focus of exploration activities at Manson’s Lode Deposit.

CNMC Pulai and Kelgold concession:

No exploration activities were carried out in the CNMC Pulai and Kelgold concessions because the Group’s exploration focus for 2Q2023 remain on its producing asset, the Ulu Sokor concession.

(b) Drilling Program

Twenty-eight (28) drillholes were completed in 2Q2023 with total footage of 3,368.50 meters at the Ulu Sokor concession

Drillholes	Designed locations		Completed depths (m)	Dip(°)
	Easting	Northing		
ZKM106-9	444735.65	613515.48	169.68	75
ZKM104-6	444708.63	613478.23	162.23	70
ZKM103-6	444679.69	613472.90	162.23	67
ZKM105-7	444723.70	613500.17	169.83	71
ZKM102-10	444665.80	613447.20	162.20	75
ZKM117-5	444994.38	613615.80	186.33	90
ZKM119-1	445025.99	613679.25	111.23	70
ZKM121-1	445060.80	613708.37	102.23	70

Drillholes	Designed locations		Completed depths (m)	Dip(°)
	Easting	Northing		
ZKM110-8	444862.75	613507.22	105.23	60
ZKM103-7	444685.71	613454.04	156.23	60
ZKM107-1	444776.35	613503.63	168.00	75
ZKM109-2	444816.74	613538.42	186.80	75
ZKM102-11	444677.64	613424.56	165.60	75
ZKM0-10	444644.58	613401.83	162.08	73
ZKM1-14	444640.69	613352.95	160.83	85
ZKM4-7	444571.59	613364.13	135.23	65
ZKM4-8	444571.23	613364.83	121.55	90
ZKM3-10	444571.34	613365.89	81.03	65
ZKM6-8	444528.10	613352.32	81.23	65
ZKM7-7	444484.21	613323.58	87.08	65
ZKM9-7	444443.43	613299.47	87.6	65
ZKM9-8	444443.43	613299.47	78.23	85
ZKM11-10	444416.05	613259.69	72.23	70
ZKM11-11	444414.93	613259.30	58.10	85
ZKM13-5	444390.26	613230.93	60.33	90
ZKM13-6	444390.22	613228.68	63.60	70
ZKM15-5	444352.43	613198.41	54.33	90
ZKM15-6	444352.43	613198.41	57.23	65

(c) Half core sampling and analysis

A total of 1,905 half core samples from the Ulu Sokor concession were sent to the in-house production laboratory for gold, silver, lead, zinc and copper analysis.

15 Confirmation pursuant to Rule 705(5) of the Catalist Listing Manual

On behalf of the Board, we, the undersigned, hereby confirm that, to the best of its knowledge, nothing has come to the attention of the Board which may render the Group's unaudited condensed interim financial statements for the six months ended 30 June 2023 to be false and misleading in any material aspect.

16 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

**17 Disclosures on incorporation, acquisition and realisation of shares pursuant to
Catalist Rule 706A.**

Not applicable.

By Order of the Board

Choo Chee Kong
Executive Vice Chairman

Lim Kuoh Yang
Chief Executive Officer

14 August 2023

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 Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.