



CNMC Goldmine Holdings Limited

3Q2019 Results Briefing

13 November 2019

(These presentation slides are available on the Company's corporate website www.cnmc.com.hk)

3Q 2019

Financial Highlights

Financial Highlights

Income statement	3Q 2019	3Q 2018	Change	9M 2019	9M 2018	Change
Revenue (US\$' million)	11.11	11.53	-3.6%	31.50	26.94	16.9%
Results from operating activities (US\$' million)	2.27	1.32	71.9%	6.31	1.36	363.4%
Net profit (US\$' million)	2.34	0.63	271.2%	5.21	1.06	391.0%
Net profit margin	21.1%	5.5%	15.6%	16.5%	3.9%	12.6%
Net profit (excluding FX Impact and other one-off expenses) (US\$' million)	1.81	1.88	-3.7%	4.58	3.56	28.7%
Net profit margin (excluding FX Impact and other one-off expenses)	16.3%	16.3%	0.0%	14.5%	13.2%	1.3%
Earnings per share (US cents)	0.49	0.06	716.7%	1.03	0.11	836.4%
Earnings per share (SG cents)	0.67	0.08	737.5%	1.40	0.15	833.3%

Note: Other one-off expenses in 2018 included listing expenses for the proposed dual primary listing on HKEX and share performance expenses which terminated on 4 July 2018, whereas there was a refund of withholding tax for prior years and relevant reversal of provisions made previously included in other one-off expenses in 2019.

**Net asset
value of
US\$45.20
million**

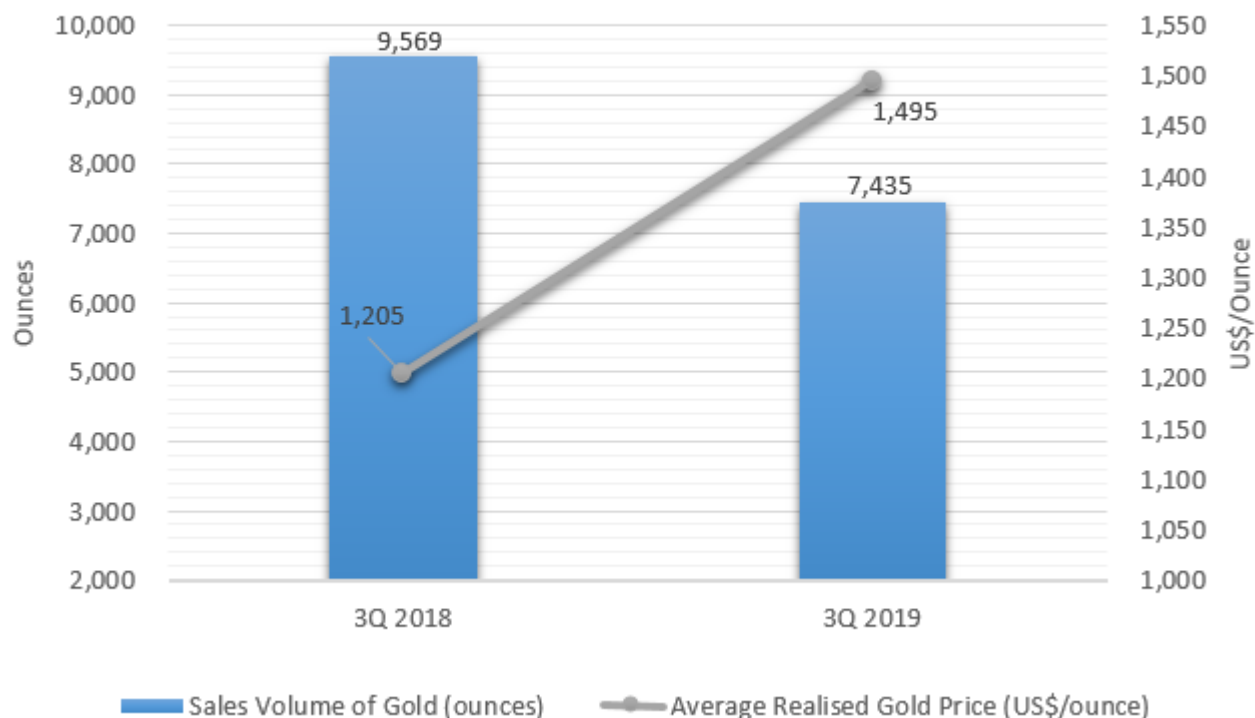
**Current
ratio of
2.20**

**Debt/Equity
ratio of
0.02**

**Net cash
position of
US\$15.8
million**

Revenue

Sales Volume and Average Realised Gold Price



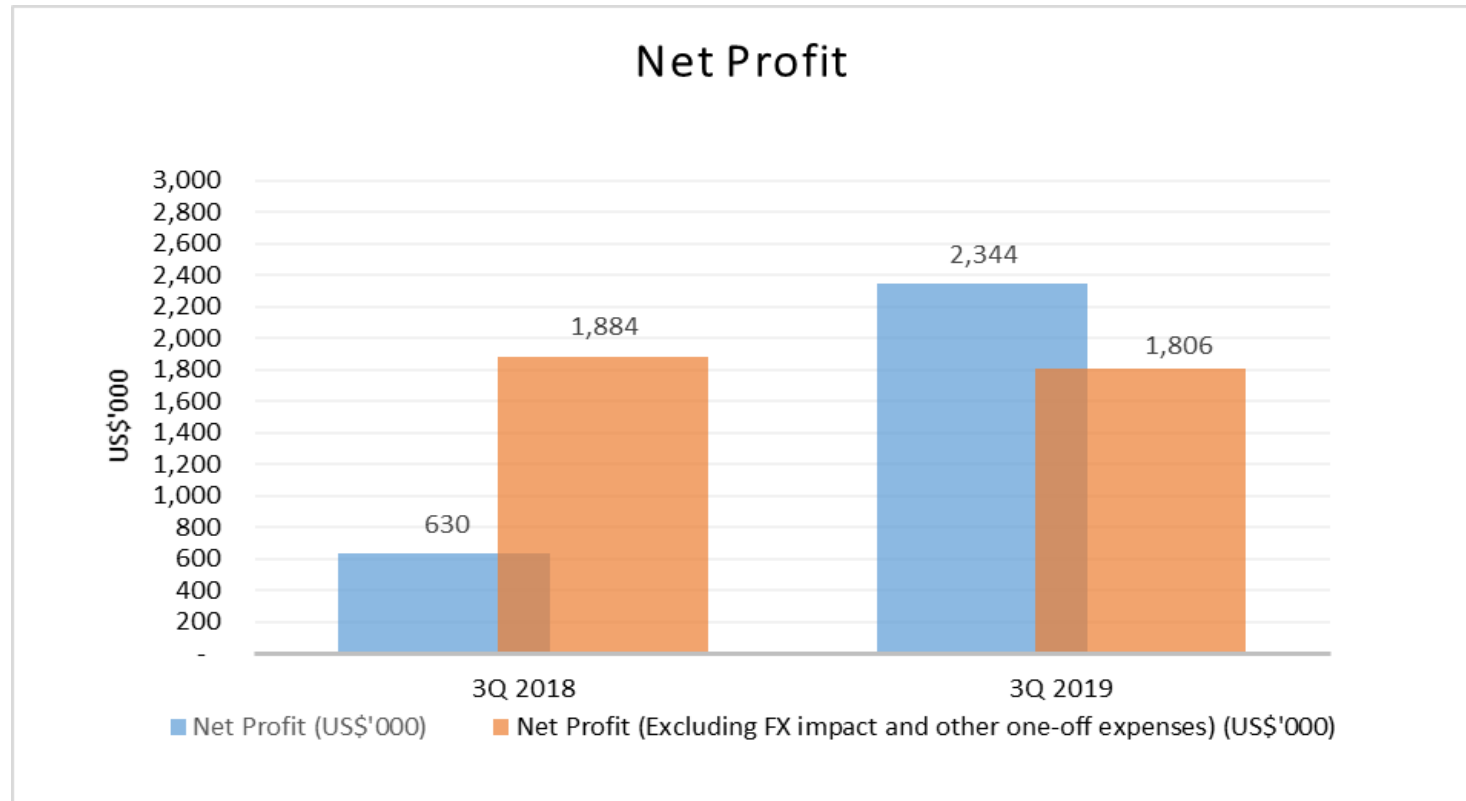
Revenue down 3.6%:

↓ Sales volume of fine gold, from 9,569 ounces to 7,435 ounces

Partly offset by:

↑ Average realised gold price, from US\$1,205/ounce to US\$1,495/ounce

Net Profit



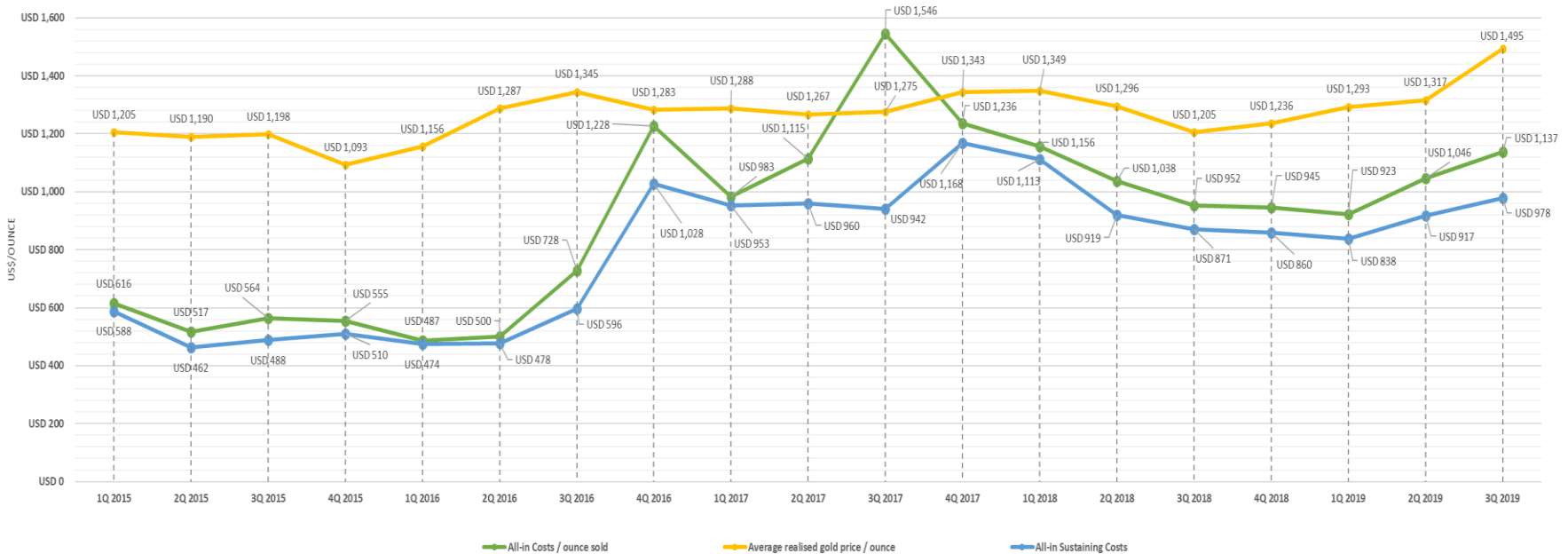
Net profit of US\$2.34 million in 3Q 2019 compared to net profit of US\$0.63 million in 3Q 2018 mainly due to foreign exchange impact and other one-off expenses, i.e. listing expenses and share performance expenses incurred in 3Q 2018, as well as refund of withholding tax for prior years and relevant reversal of provisions made previously being adjusted in 3Q 2019.

Analysis Of All-In Costs And Margin

	3Q 2019	3Q 2018	Changes
	US\$ / gold ounce sold		%
Mining related costs	645	519	24.3%
Royalty and tribute expenses	171	158	8.2%
Adjusted operating costs	816	677	20.5%
General and administrative costs	149	130	14.6%
Capital expenditure	13	64	-79.7%
All-in sustaining costs	978	871	12.3%
Capital exploration (non-sustaining)	24	6	300.0%
Capital expenditure (non-sustaining)	135	75	80.0%
All-in costs (A)	1,137	952	19.4%
Average realised gold price (B)	1,495	1,205	24%
All-in Margin (C= B - A)	358	253	41%
All-in Margin (%) (C / B)	24%	21%	3%

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.

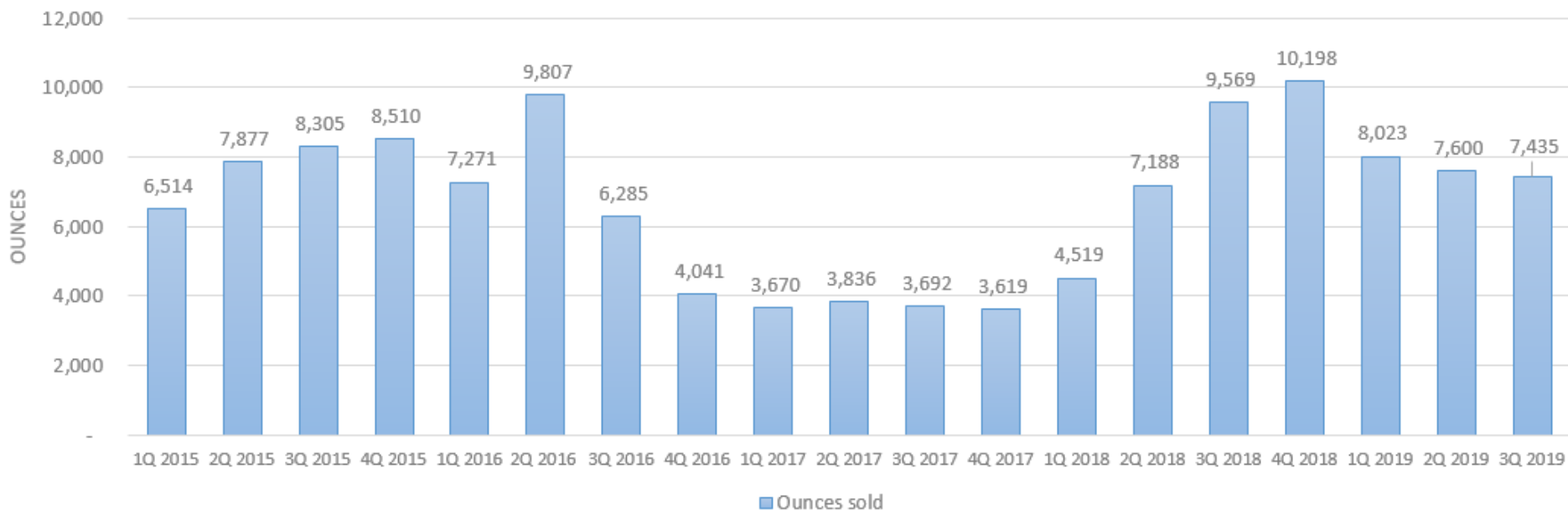
Summary Of All-In Costs And Margin



All-in costs of US\$1,137 per ounce in 3Q 2019 were higher than all-in costs of US\$952 per ounce in 3Q 2018, mainly due to decrease in sales of fine gold along with higher capital expenditure in non-sustaining operations resulting from construction work-in-progress of underground mining facility and production expansion infrastructure.

Quarterly Production Volume

Fine gold sold



3Q 2019

Exploration Progress

Exploration Progress

SOKOR

- Conducted geophysics surveys at Sg. Amang, Rixen, and Tiger areas;
- 33 drillholes were completed in Sokor Project; and
- 2,059 half core samples and 258 rock chip samples were analyzed.

KELGOLD

- Trenching activities in Southwestern anomaly zone continued to be carried out during 3Q2019; and
- 14 trenches with total footage of 1,874 metres were completed.

PULAI

- Geologist from Geophysics survey team conducted geological mapping work in feldspar mine



Milestones

2019 Milestones

	Milestone
2 April 2019	Gold resources amounted to 17.91 million tonnes at 1.6g/t gold as at 31 December 2018. This translates into 914,000 ounces of contained gold, up 26% compared to 31 December 2017.
28 June 2019	Acquisition of 51% of issued share capital of CNMC Mining Sdn. Bhd.
23 July 2019	Taken delivery of all machineries and equipment needed for setting up flotation plant at Sokor. Installation work to commence shortly.

Expansion Plans

Growth Initiatives For Sokor

- Ultimate objective is to:
 - *Further boost gold production;*
 - *Better manage operating expenses; and*
 - *Diversify mining portfolio to include lead and zinc production*



Growth Initiatives For Sokor

- Further boost gold production:
 - *Additional gold de-absorption and smelting facility next to the existing CIL plant to scale up operations and boost production efficiency;*
 - *Underground mining to complement existing open-pit mining to ensure continuous supply of high-grade ore to CIL plant; and*
 - *Exploring the possibility of expanding CIL plant as part of efforts to double production capacity.*

Growth Initiatives For Sokor

- Better manage operating expenses:
 - *Two new heap leaching pads to enable continuous leaching and eliminate the process of removing ore from the pads after being processed; and*
 - *Liaising with relevant authorities to erect a power line to reduce dependence on third-party suppliers of diesel, one of CNMC's main mining consumables.*

Growth Initiatives For Sokor

- Diversify mining portfolio:
 - *Currently constructing a flotation facility for processing approximately 500 tonnes of ore a day to monetise silver, lead and zinc resources.*



Additional Growth Drivers

- Expedite exploration at the two Kelantan-based mining assets acquired in 2017 with a view to preparing them for production:
 - *KelGold has rights to explore for gold, iron ore and other minerals at a 15.5km² site in Kelantan.*
 - *51%-owned by CNMC; 11 licences to explore for and mine gold, iron ore and feldspar in 38.4km² brownfield site*
- Continue to explore acquisition opportunities in Malaysia:
 - *In-house team regularly reviews potential deals*

Company Outlook

1

Barring unforeseen circumstances, revenue to increase in 2019 compared to 2018, driven by higher gold production

2

Potential new source of income from sales of lead and zinc concentrate once flotation plant starts commercial operation during 2021 *(subject to award of commercial operation permits from relevant authorities)*

Stock Data & Dividend

Stock Data & Dividend

(SGX: 5TP) (Reuters: CNMC.SI) (Bloomberg: CNMC:SP)	8 Nov 2019
Price per share	S\$0.265
Market capitalisation	S\$108.04 Million
Share issued	407.69 Million
P/E ratio (Note 1)	14.56
Dividend Yield (Note 2)	1.51%

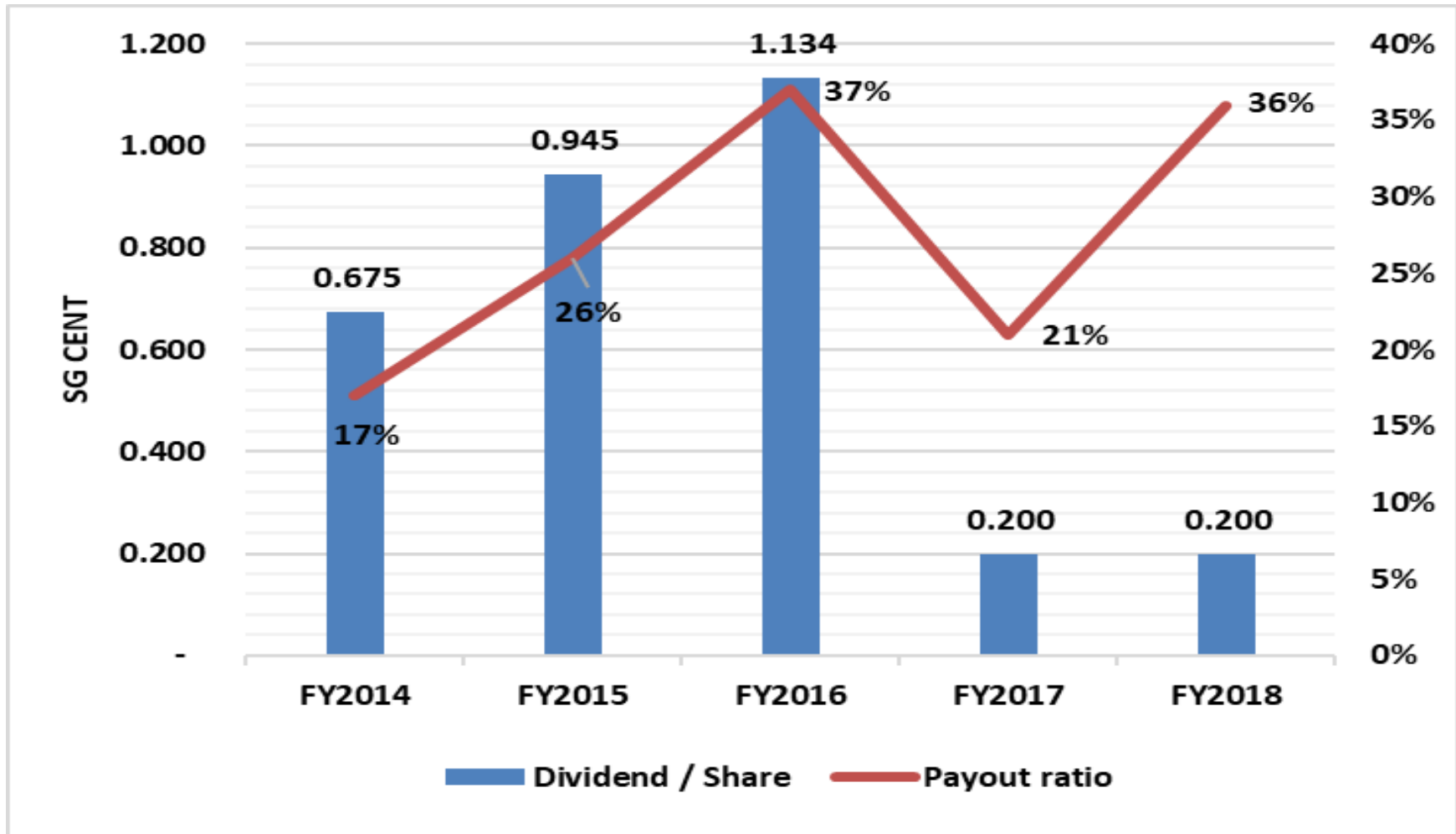
Note 1 :

Market price per share @ 8 November 2019 / trailing earnings per share (S\$) for the year ended 30 September 2019.

Note 2 :

CNMC intends to pay an interim tax-exempt dividend of 0.20 Singapore cent per share. Dividend Yield is based on FY2018 final dividend of 0.20 Singapore cent per share and FY2019 1st interim dividend of 0.20 Singapore cent per share for FY2019.

Dividend Payout Ratio Track Record



Peer Comparison

How CNMC Compares with Other Gold Miners Listed on SGX

Company	Ticker	Exchange	Market cap (mil)	Operating status	Profitable: (full year) Yes/No	Latest annual output (oz)	P/E	P/B	Dividend yield (%)	Share price YTD gain/loss (%)
CNMC	5TP	Singapore	S\$108.0	Production, exploration	Yes	31,473	14.6	1.8	1.5	23.3
Anchor Resources	43E	Singapore	S\$10.0	Exploration	No	N.A.	N.A.	2.2	N.A.	-65.2
Wilton Resources	5F7	Singapore	S\$84.5	Production, exploration	No	529	N.A.	14.3	N.A.	-5.7
LionGold Corp	A78	Singapore	S\$31.7	Production, exploration	Yes	41,830	25.0	2.5	N.A.	0.0

Source: Companies, ShareInvestor.com

All figures based on close of trading on 8 November 2019



About CNMC

About CNMC

- Involved in exploration and mining of gold, and processing of mined ore into gold dores
- Commenced operations in 2007; first Catalist-listed gold producer on SGX-ST (listed in October 2011)
- Current flagship project – Sokor Gold Field in Kelantan, Malaysia
- CNMC founded by Prof Lin Xiang Xiong, Chief Advisor for China International Trade to Kelantan State Government



Asset Portfolio

3 projects in Malaysia's Kelantan state

**Sokor
(10km²)**

Flagship project

- Producing gold since 2010

**KelGold Mining
(15.5km²)**

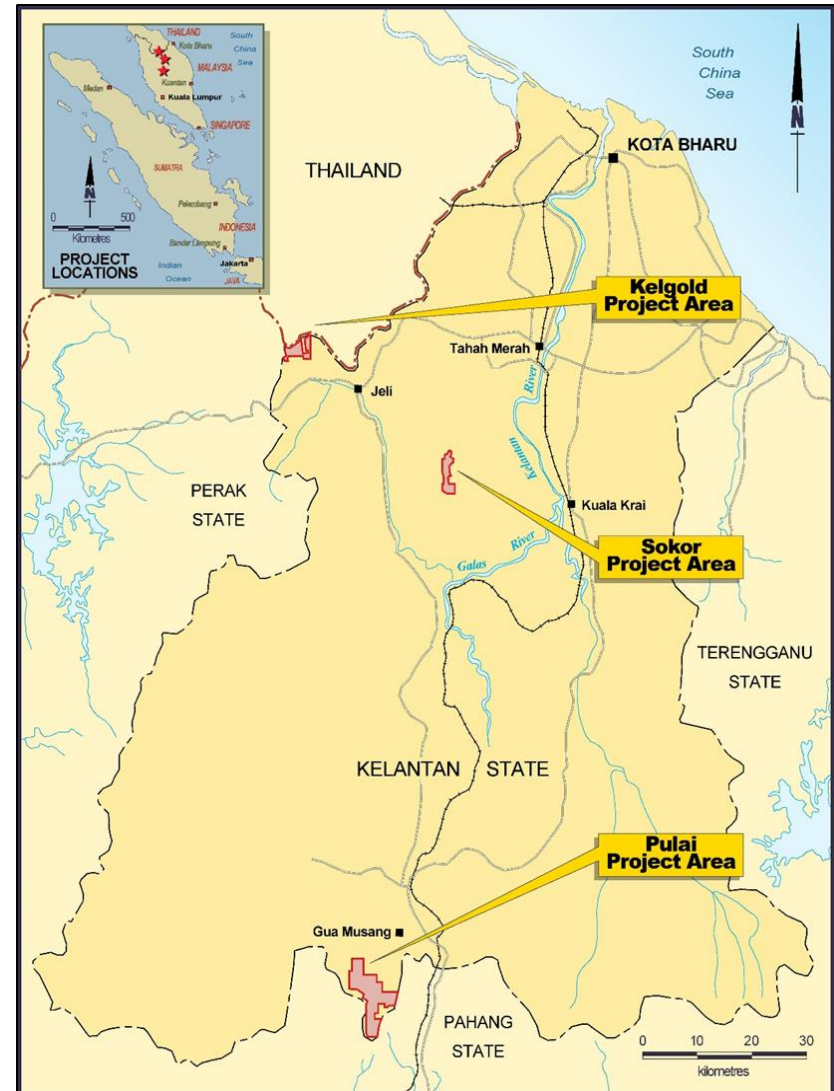
Greenfield asset

- Acquired in 2017
- In exploration phase

**Pulai Mining
(38.4km²)**

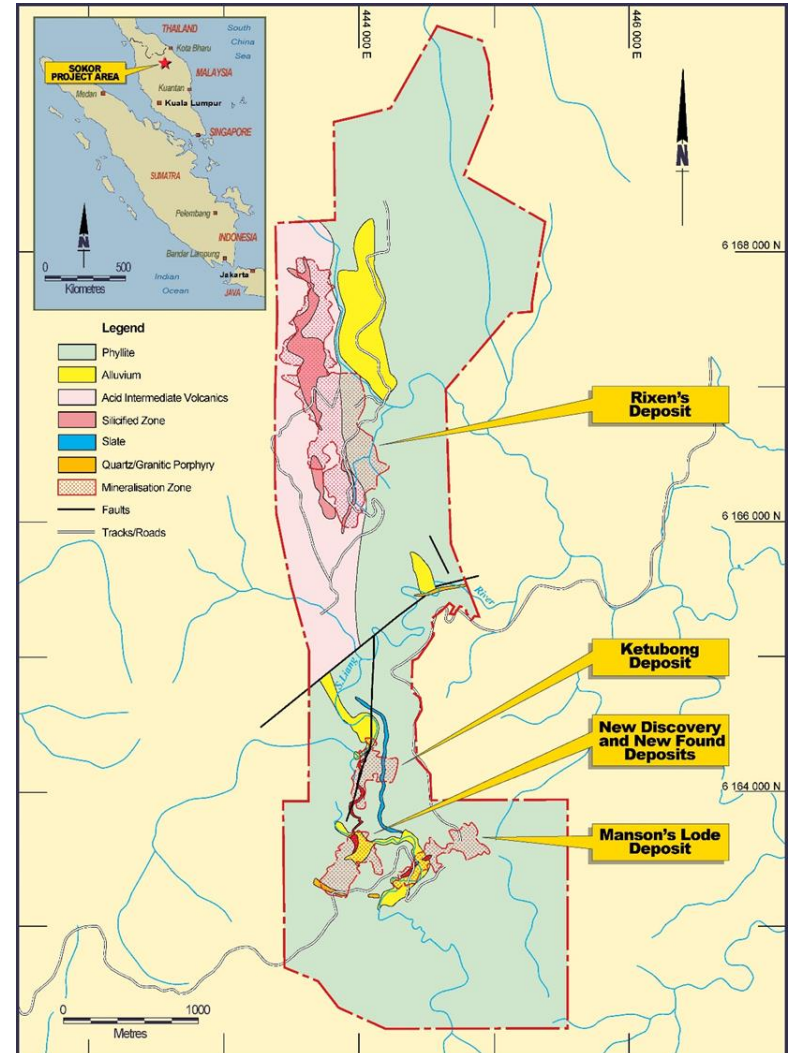
Brownfield asset

- Acquired in 2017
- In exploration phase
- Producing feldspar

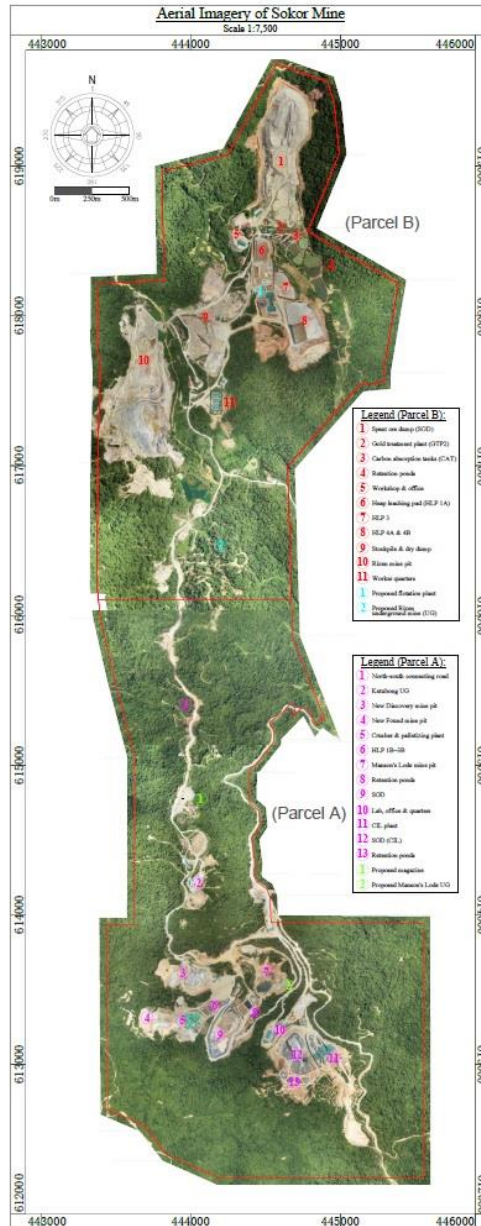


Sokor Gold Field Project

- Spanning an area of 10km², Sokor has 914,000 ounces of JORC-compliant gold resources (including ore reserves) as at 31 December 2018
- Achieved first gold pour on 21 July 2010
- Produced more than four and a half metric tonnes of fine gold bullion since production commenced
- Five identified areas: Manson's Lode, New Discovery, New Found, Sg. Ketubong, Rixen
- Mining licences obtained with full support from Kelantan State Government



Aerial View of Sokor Project



Production Facilities

3 production plants at Sokor for processing all types of gold ore

Carbon-in-leach plant

- For higher-grade ore
- Gold recovery rate of more than 90%



Heap leaching plant

- For low-grade ore
- Gold recovery rate of up to 65%

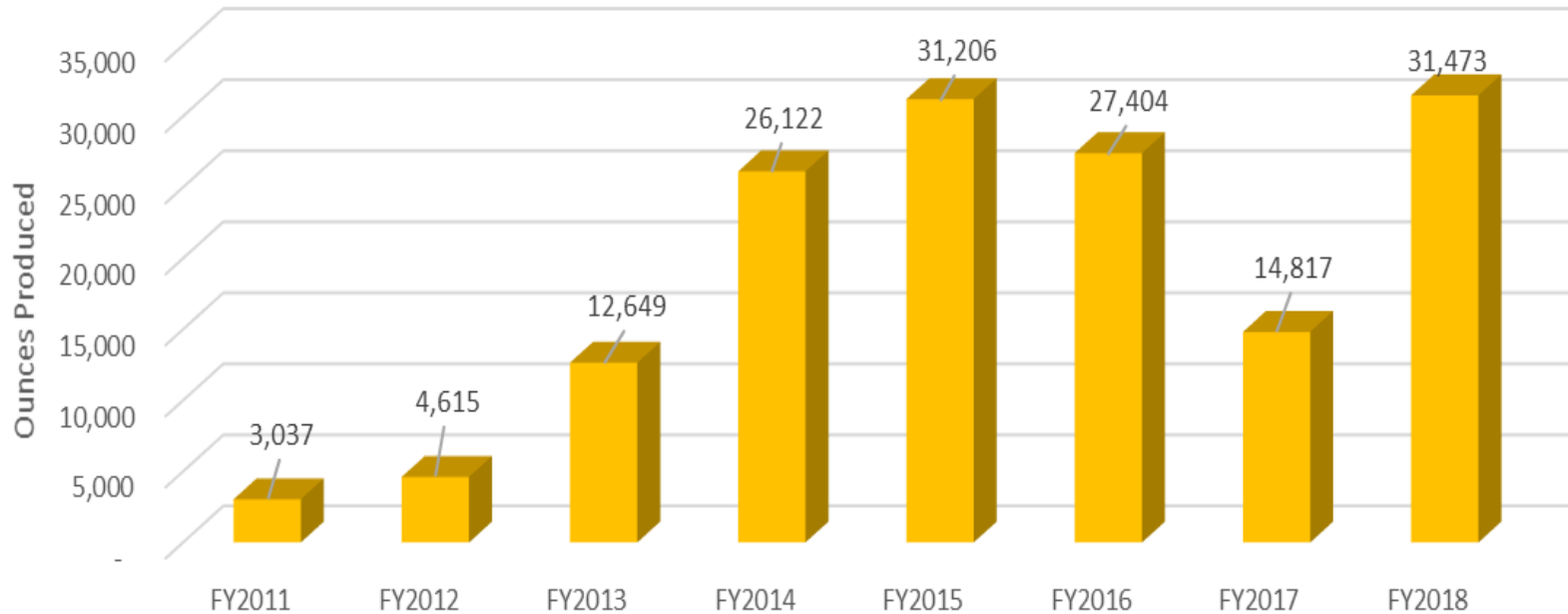
Vat leaching plant

- For muddier/clayey ore
- Gold recovery rate of up to 80%



Fine-Gold Production

Fine Gold Produced Year Over Year In Ounces



- Commenced gold production in July 2010 and has since successfully produced more than 100,000 ounces (3 metric tonnes) of fine gold
- Fine gold production increased 112.4% to 31,473 ounces in FY2018 from 14,817 ounces in FY2017

JORC-Compliant Gold Resources

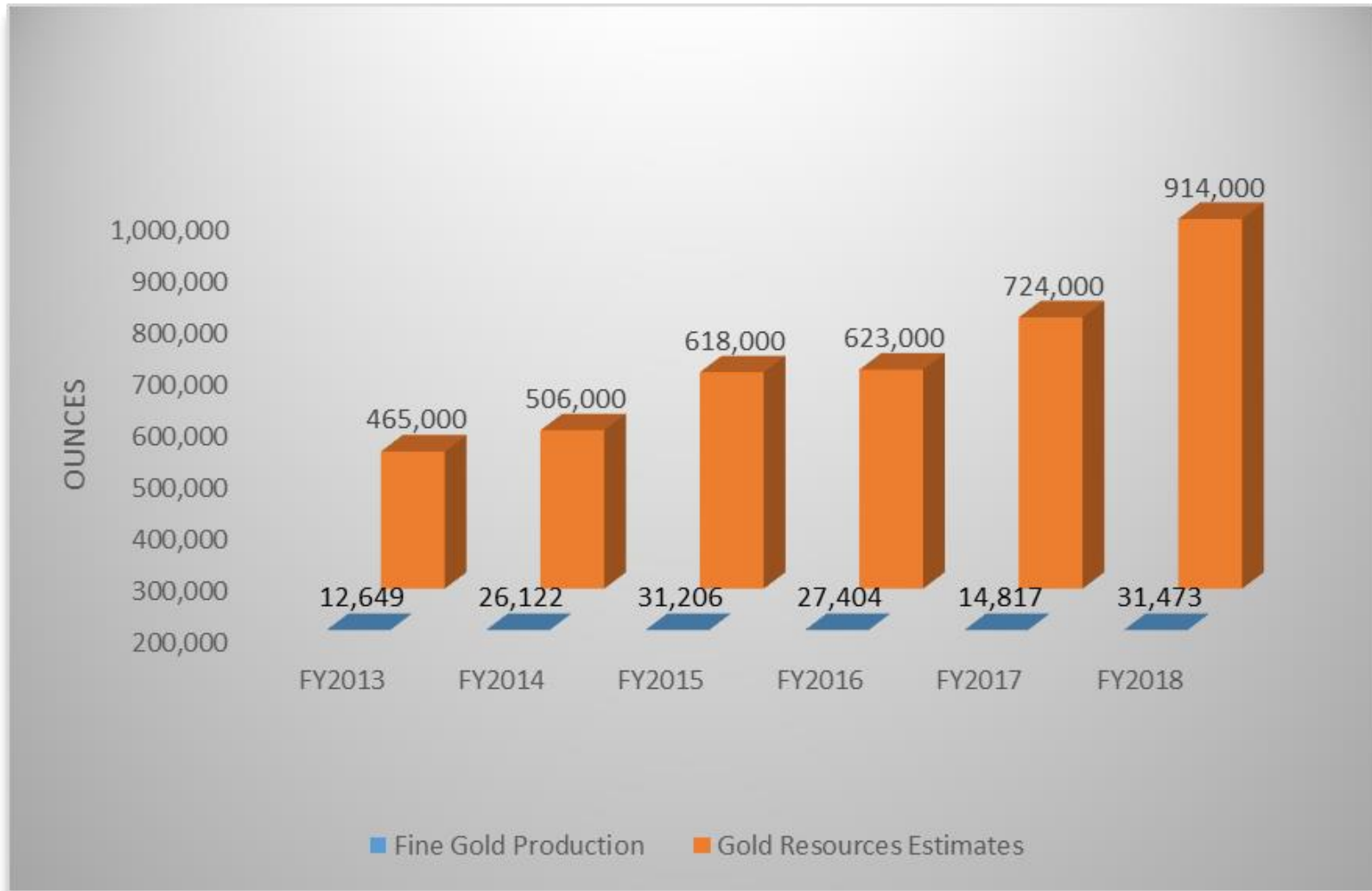
Category	Mineral type	Gross attributable to licence			Gross attributable to CNMC			Change from previous update (%)
		Tonnes (millions)	Grade (Au g/t, Ag g/t, Pb%, Zn%)	Contained metal (Au koz, Ag koz, Pb t, Zn t)	Tonnes (millions)	Grade (Au g/t, Ag g/t, Pb%, Zn%)	Contained metal (Au koz, Ag koz, Pb t, Zn t)	
Measured	Gold	0.41	2.8	37	0.33	2.8	30	-25%
Indicated	Gold	9.22	1.5	438	7.47	1.5	355	56%
Inferred	Gold	8.27	1.7	439	6.70	1.7	355	12%
Total	Gold	17.91	1.6	914	14.50	1.6	740	26%
Measured	Silver	0.34	63	683	0.27	63	553	0%
Indicated	Silver	0.17	74	407	0.14	74	330	0%
Inferred	Silver	0.90	29	838	0.73	29	679	0%
Total	Silver	1.41	42	1,928	1.14	42	1,562	0%
Measured	Lead	0.34	1.5	5,058	0.27	1.5	4,097	0%
Indicated	Lead	0.17	1.5	2,560	0.14	1.5	2,074	0%
Inferred	Lead	0.90	1.7	15,407	0.73	1.7	12,480	0%
Total	Lead	1.41	1.6	23,025	1.14	1.6	18,650	0%
Measured	Zinc	0.34	1.9	6,370	0.27	1.9	5,160	0%
Indicated	Zinc	0.17	2.0	3,365	0.14	2.0	2,726	0%
Inferred	Zinc	0.90	1.5	13,770	0.73	1.5	11,154	0%
Total	Zinc	1.41	1.7	23,505	1.14	1.7	19,039	0%

Table extracted from Sokor Project – updated Mineral Resources and Ore Reserves Estimate as at 31 December 2018.

As at 31 December 2018, total measured, indicated and inferred gold resources for the Sokor Project (above a 0.5 g/t gold cut-off grade at Manson's Lode and for the transitional and fresh rock at Ketubong, New Discovery and New Found, and above a 0.17 g/t gold cut-off grade at Rixen) were 17.91 million tonnes at 1.6 g/t gold grade, which would amount to 914,000 ounces of contained gold (31 December 2017: 13.86 million tonnes at 1.6 g/t gold with contained gold of 724,000 ounces).

Resources and Production

Gold Resources Versus Fine Gold Production



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