

**CNMC GOLDMINE HOLDINGS LIMITED**

*4<sup>th</sup> Quarterly Report*



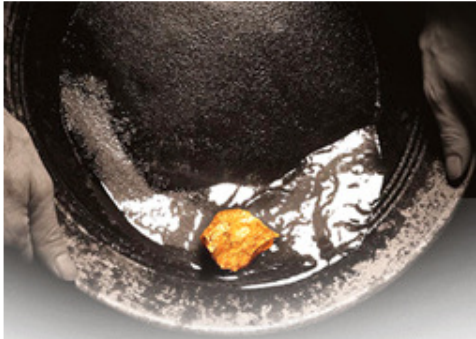
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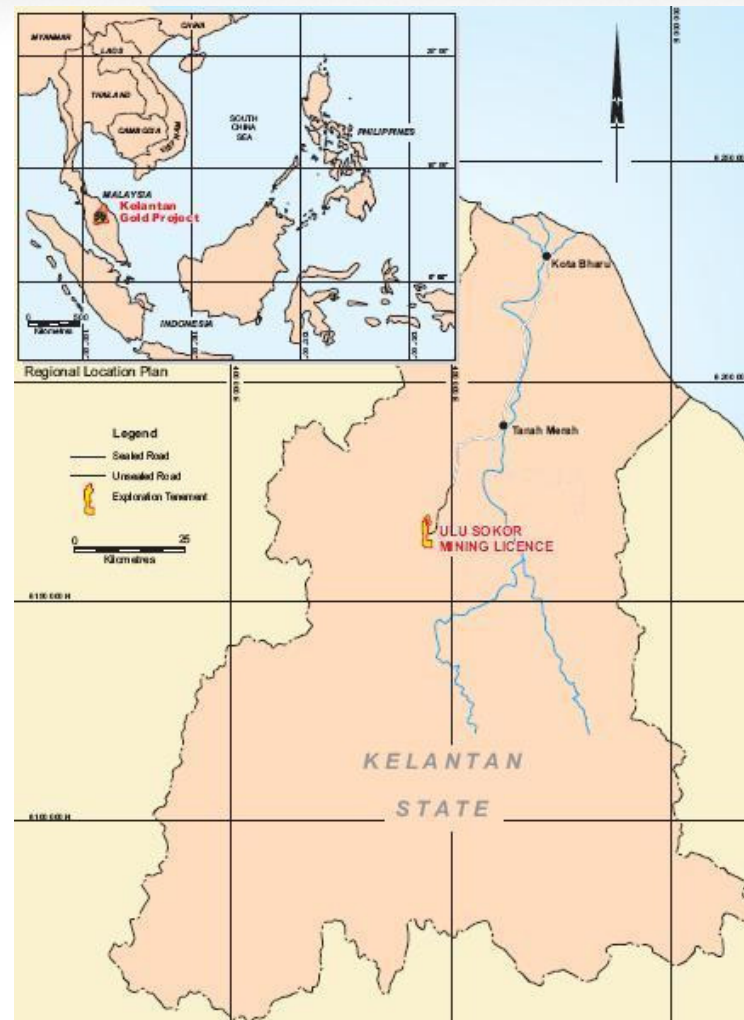
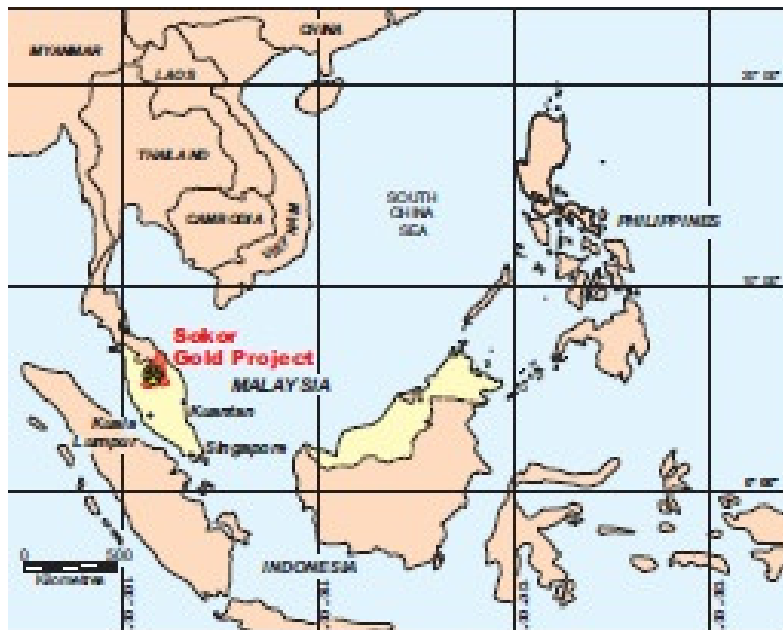
**ABOUT CNMC**

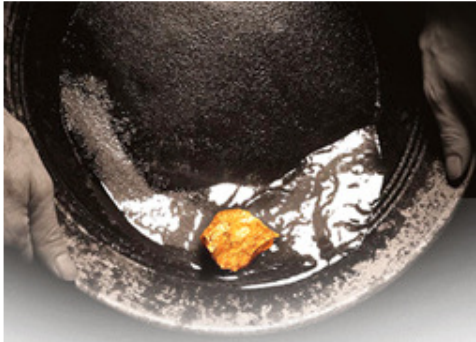


# ABOUT CNMC

## OVERVIEW OF CNMC

- We are a mineral exploration and mining company, focusing on the production and sale of gold.
- Our principal mining activity is in Kelantan, Malaysia.





## ABOUT CNMC

### THE SOKOR GOLD ZONE

The project is a gold exploration and mining project located in Kelantan State, Malaysia

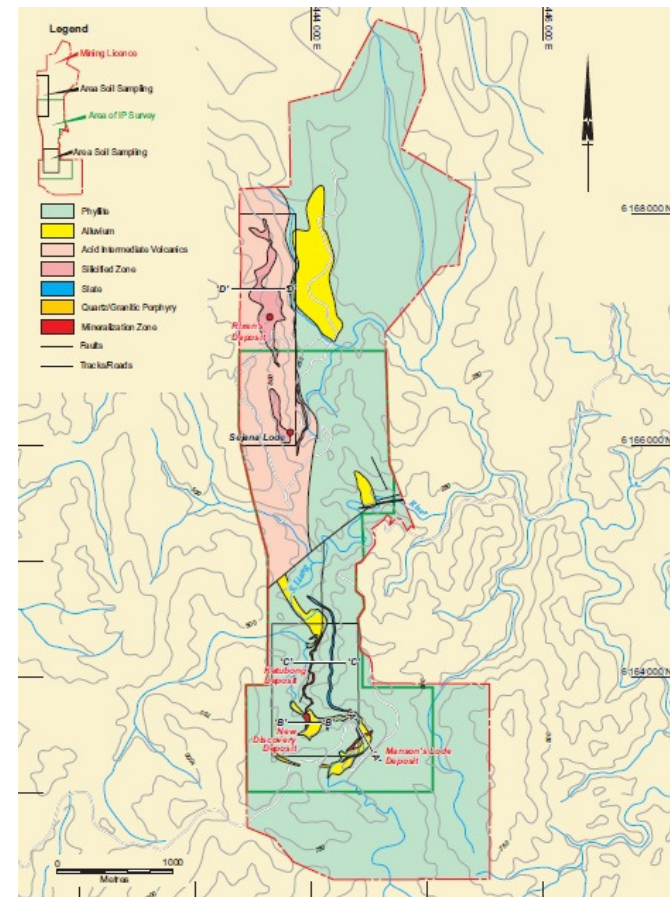
CNMC has –

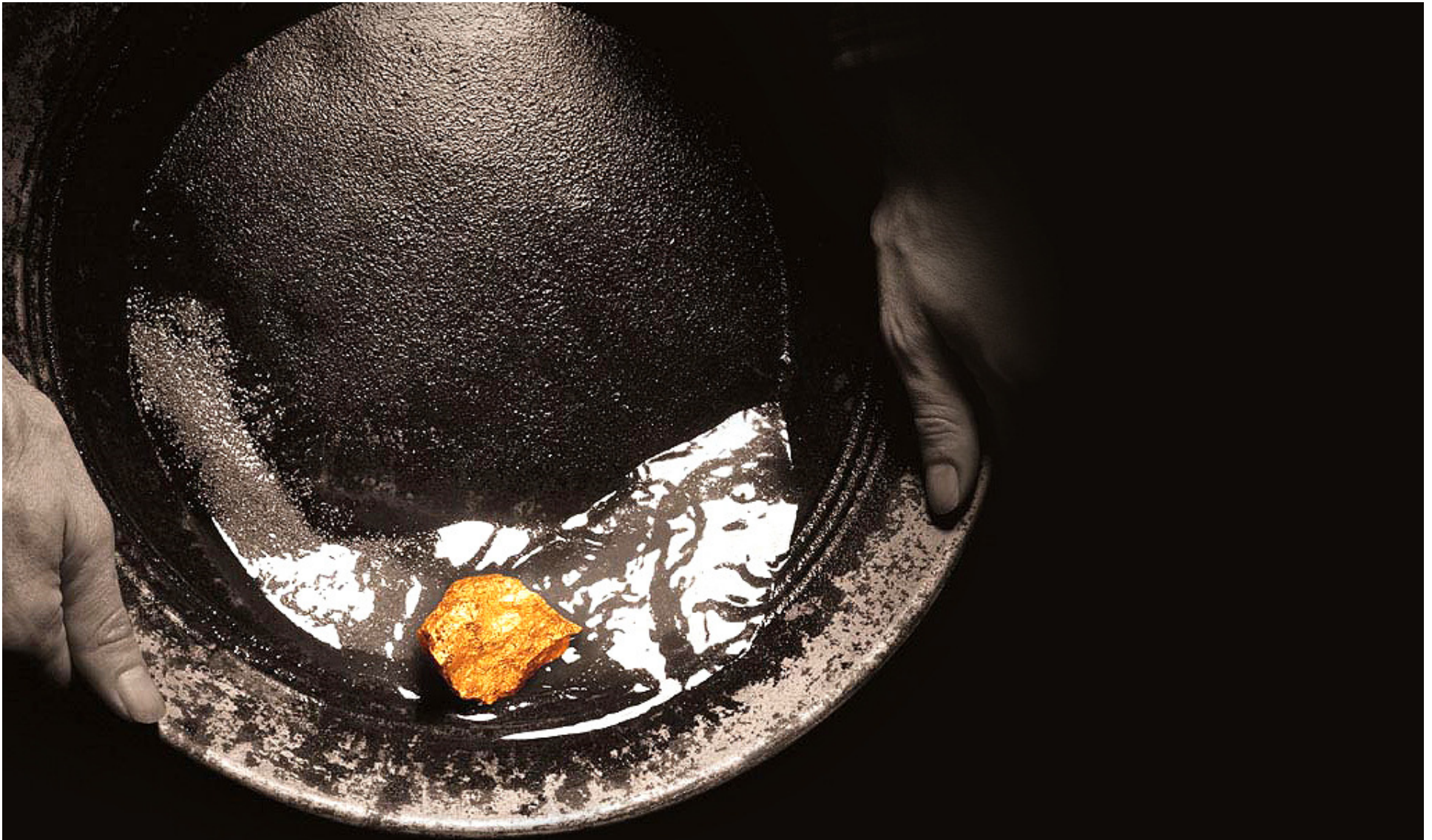
- **Gold mining** for an area of 10km<sup>2</sup> (“Sokor Block”) separate from the exploration area (“Sokor Gold Field Project”)

**The mining licences were obtained with full support from Kelantan State Government**

### 4 IDENTIFIED AREAS

- Manson’s Lode
- New Discovery
- Sg. Ketubong
- Rixen





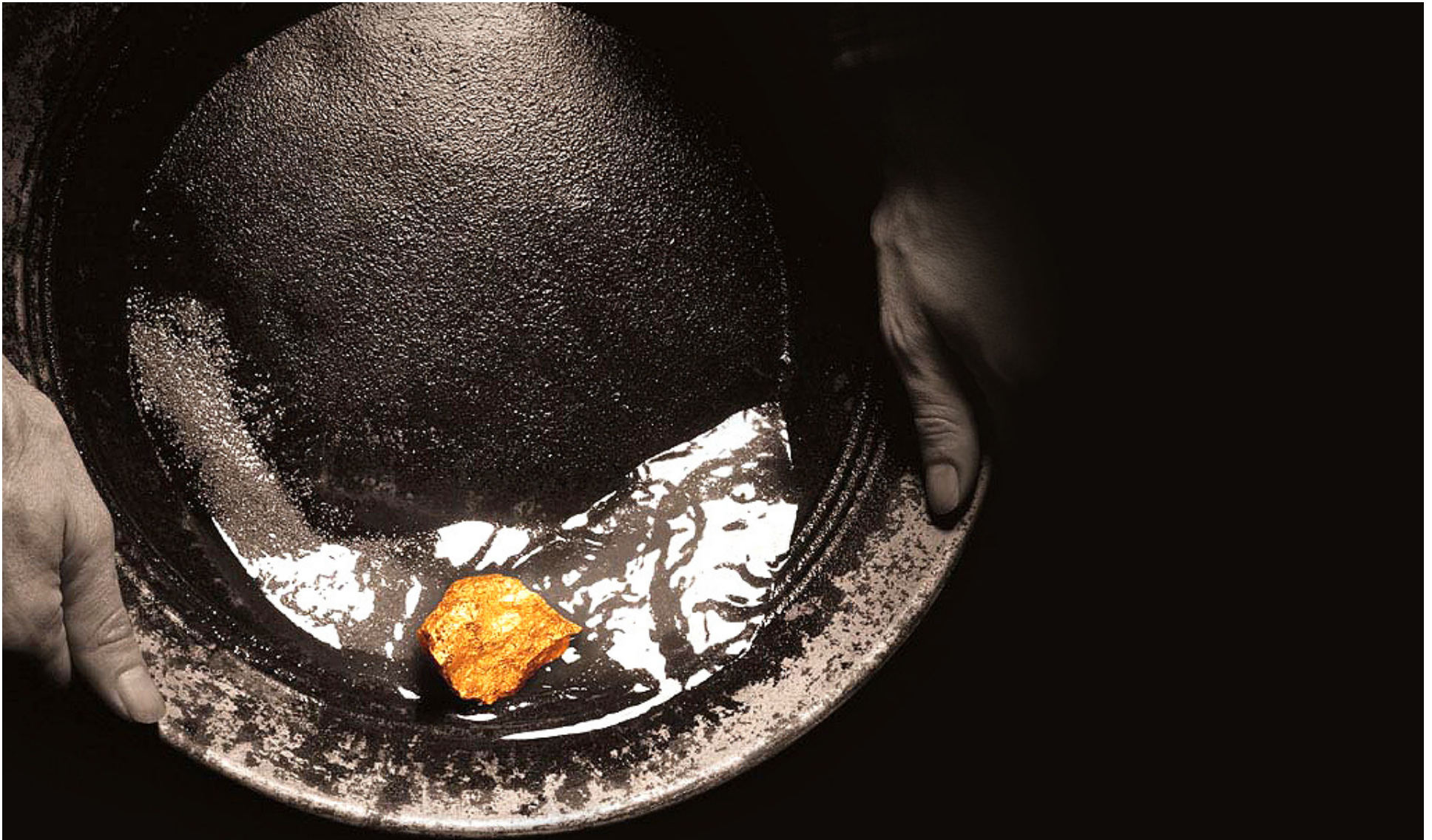
**JORC COMPLIANT GOLD RESOURCE**

## JORC COMPLIANT GOLD RESOURCE

As at 31 December 2013, the total Measured, Indicated and Inferred gold Mineral Resources for the Sokor Gold Project (above a 0.3 g/t gold cut-off grade at *Rixen* and a 0.5 g/t gold cut-off grade at *Manson's Lode, New Discovery and Ketubong*) is 9.14 million tonne at 1.6g/t gold with contained gold of 465,000 ounces. The total Measured, Indicated and Inferred gold resources for the Sokor Gold Project, previously reported in December 2012, was 7.8 million tonne at 1.6 g/t gold with contained gold of 410,000 ounces.

**Sokor Project – Mineral Resource statement as at 31 December 2013 (inclusive of Ore Reserves)**

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	0.53	3.3	55	0.43	3.3	45	+1
Indicated	Gold	4.64	1.4	210	3.76	1.4	170	+19
Inferred	Gold	3.97	1.5	200	3.22	1.5	160	+11
<b>Total</b>	<b>Gold</b>	<b>9.14</b>	<b>1.6</b>	<b>465</b>	<b>7.41</b>	<b>1.6</b>	<b>375</b>	<b>+13</b>
Measured	Silver	0.33	64	680	0.27	64	550	+7
Indicated	Silver	0.16	48	235	0.13	48	190	0
Inferred	Silver	0.16	60	315	0.13	60	260	+877
<b>Total</b>	<b>Silver</b>	<b>0.65</b>	<b>58</b>	<b>1,230</b>	<b>0.53</b>	<b>58</b>	<b>1,000</b>	<b>+36</b>
Measured	Lead	0.33	1.7	5,590	0.27	1.7	4,530	+16
Indicated	Lead	0.16	1.0	1,580	0.13	1.0	1,280	+23
Inferred	Lead	0.16	1.6	2,550	0.13	1.6	2,070	+1,046
<b>Total</b>	<b>Lead</b>	<b>0.65</b>	<b>1.5</b>	<b>9,720</b>	<b>0.53</b>	<b>1.5</b>	<b>7,880</b>	<b>+54</b>
Measured	Zinc	0.33	1.7	5,620	0.27	1.7	4,550	+13
Indicated	Zinc	0.16	0.9	1,440	0.13	0.9	1,170	+27
Inferred	Zinc	0.16	1.7	2,820	0.13	1.7	2,290	+1,539
<b>Total</b>	<b>Zinc</b>	<b>0.65</b>	<b>1.5</b>	<b>9,880</b>	<b>0.53</b>	<b>1.5</b>	<b>8,010</b>	<b>+57</b>



**PRODUCING GOLD MINE**





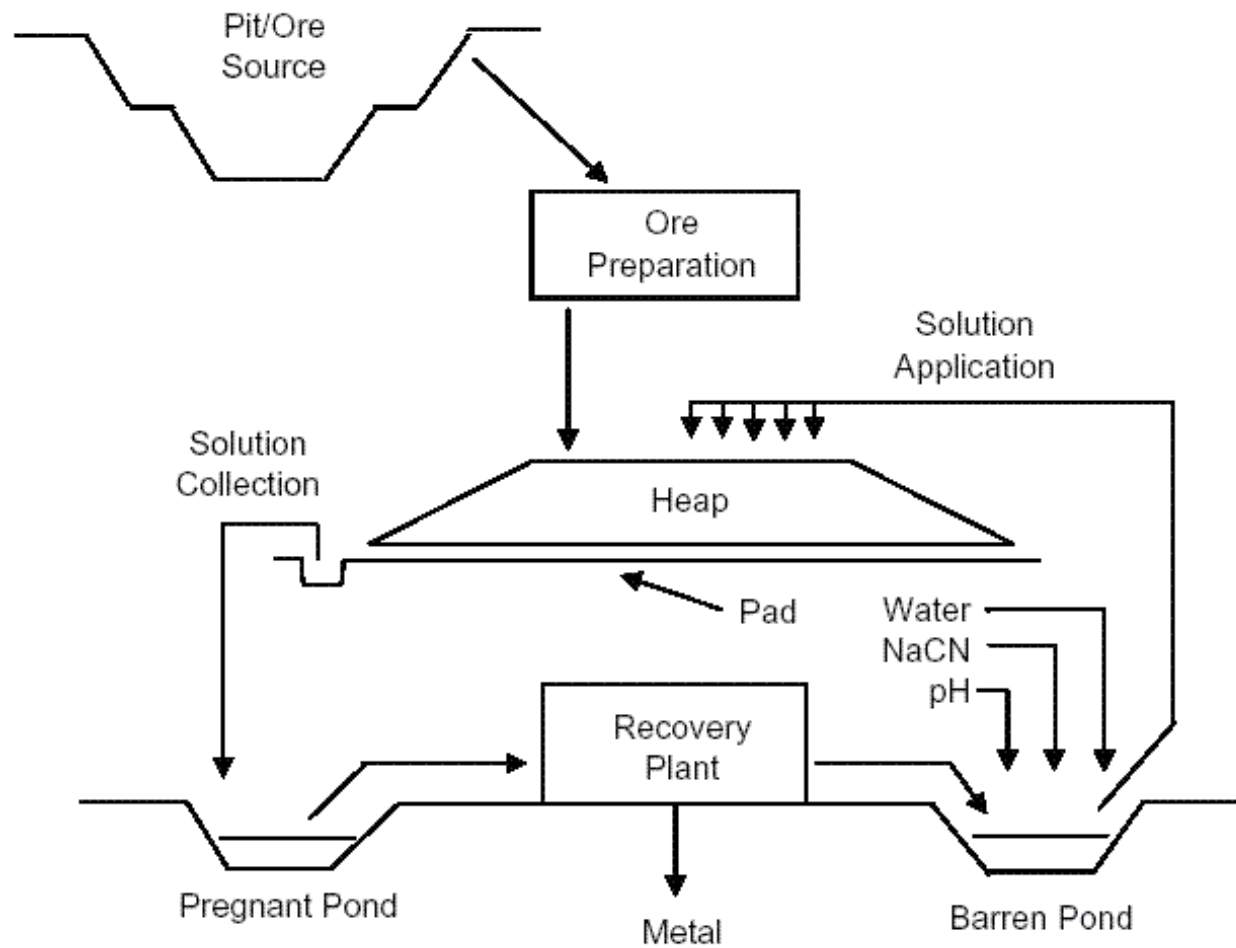
## PRODUCING GOLD MINE

### PRODUCTION FACILITIES

- Three leaching yards with estimated leaching capacity of 1 million tonnes of ore per annum
- Brand new gold de-absorption plant comprising of full set gold de-absorption, active carbon re-generation, and smelting system in operation



# HEAP LEACH FLOW CHART



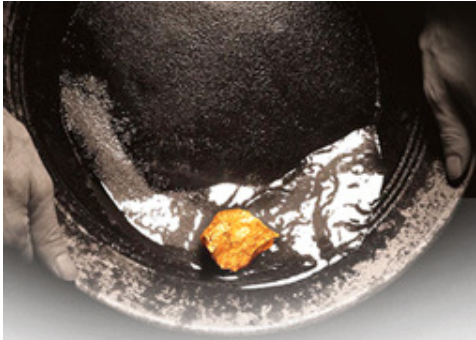
# PRODUCING GOLD MINE

## GOLD PRODUCTION

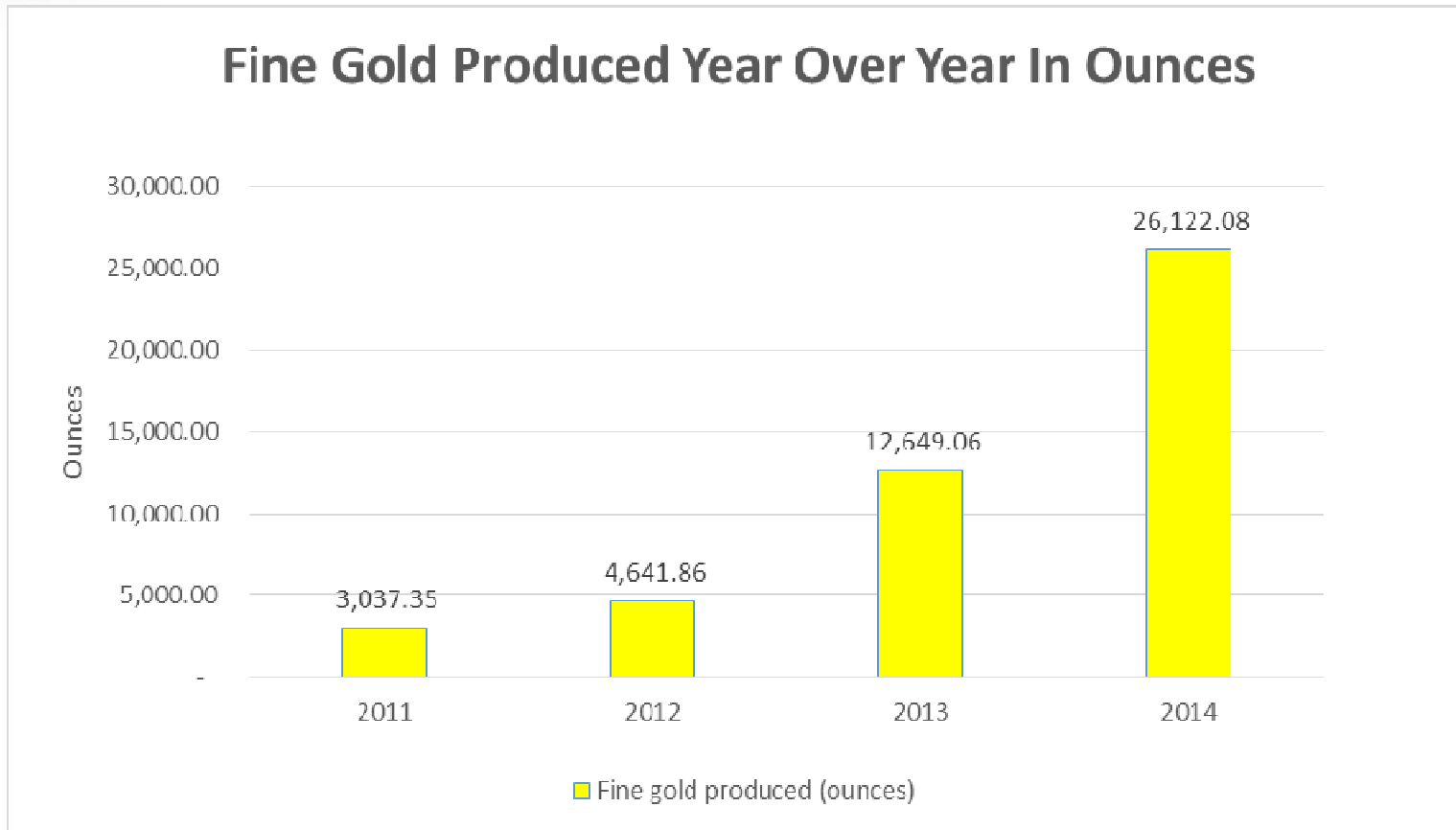
- Commenced gold production and have successfully completed more than 180 gold pours since July 2010.
- Gold production increased annually since FY2010.

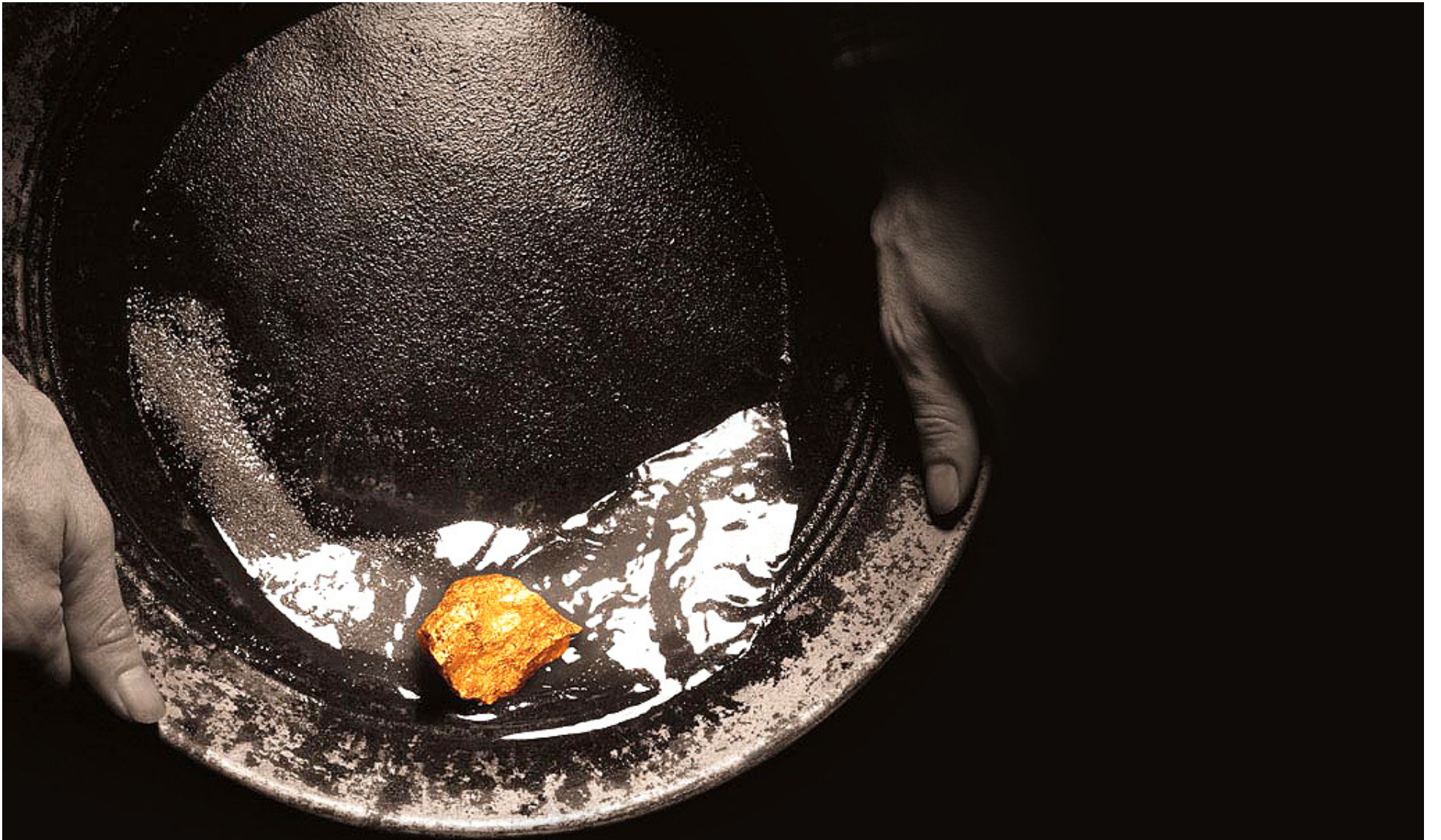


# PRODUCING GOLDMINE



## Fine Gold Produced Year Over Year In Ounces





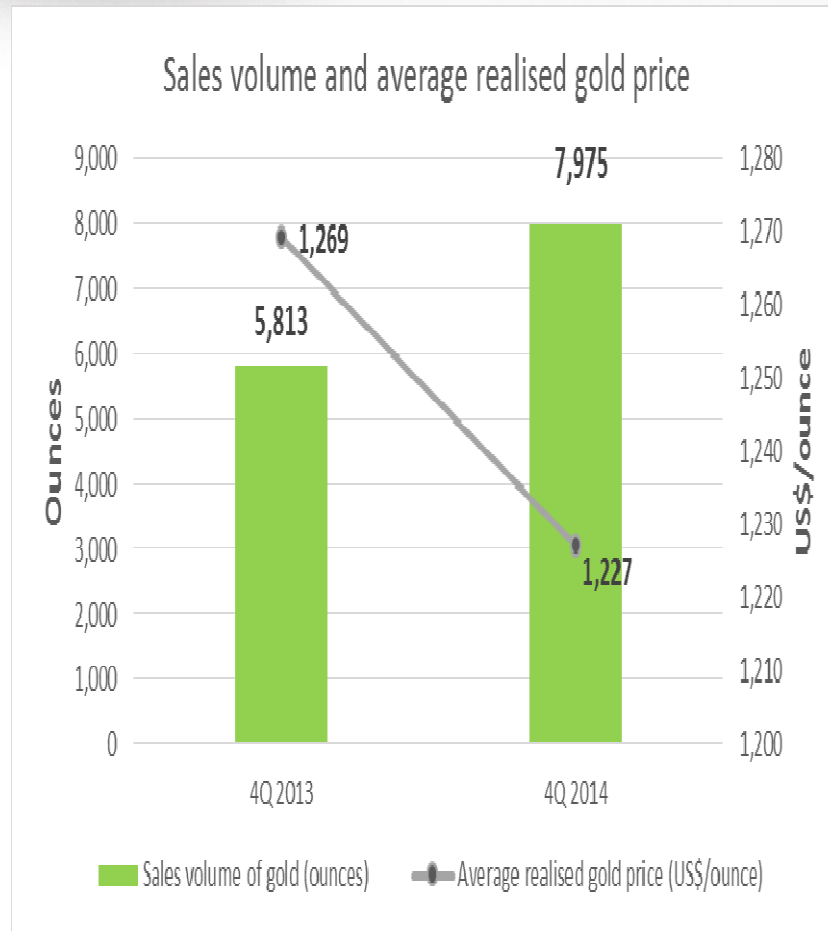
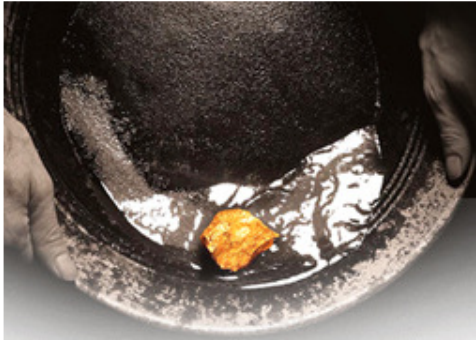
## 4Q FINANCIAL HIGHLIGHTS

## FINANCIAL HIGHLIGHTS: 4Q 2014 VS 4Q 2013

Income statement	4Q 2014	4Q 2013	Change
Revenue (US\$' million)	9.79	7.38	↑ 32.6%
Results from operating activities	4.37	3.09	↑ 41.3%
Net profit	4.04	2.09	↑ 93.5%
Net profit margin	41.3%	28.3%	↑ 45.7%
Earnings per share (US cents)	0.78	0.40	↑ 95.0%
Earnings per share (SG cents)	1.02	0.50	↑ 104.0%
Statement of financial position	As at 31/12/14	As at 31/12/13	Change
Net assets value (US\$' million)	25.16	14.22	↑ 76.9%
Net assets value per share (US cents)	6.17	3.49	↑ 76.8%
Net assets value per share (SG cents)	8.16	4.43	↑ 84.2%
Current ratio	3.20	0.83	↑ 285.5%
Debt/equity ratio	0.01	0.08	↓ 87.5%

\* Net asset value represents total assets less total liabilities and non-controlling interest.

# HIGHLIGHTS ON REVENUE



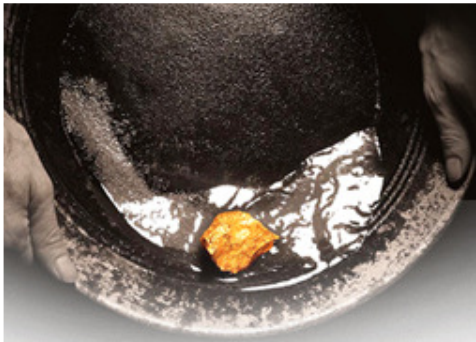
## Highlights

Revenue ↑ 32.6% mainly due to:

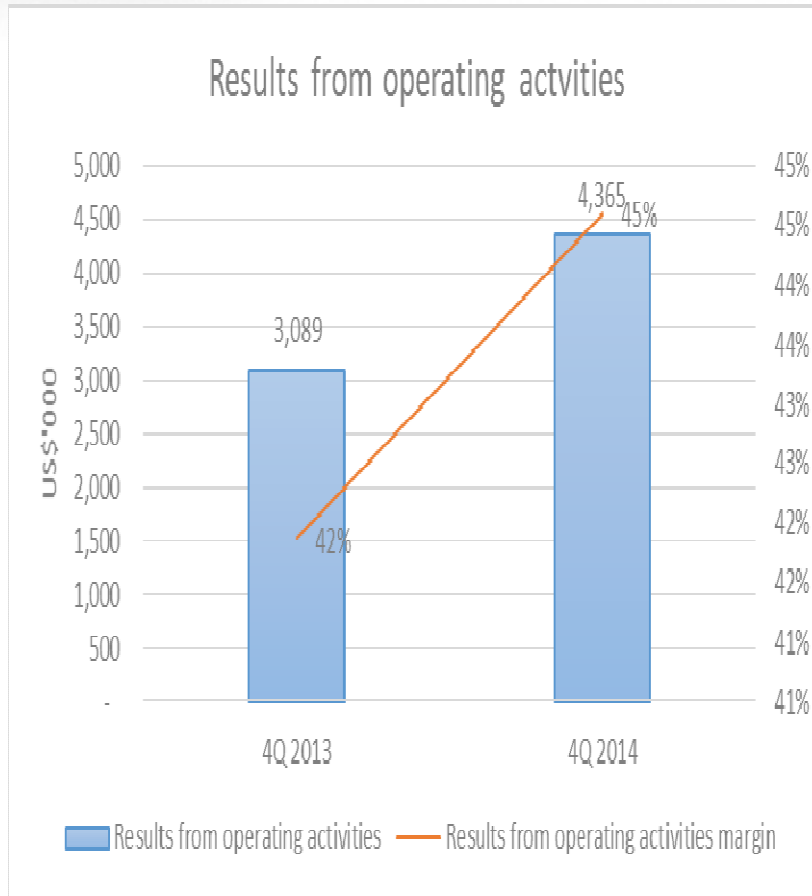
- ↑ sales volume of fine gold, from 5,813 ounces to 7,975 ounces

But partly offset by:

- ↓ average realised gold price, from US\$1,269/ounce to US\$1,227/ounce



# HIGHLIGHTS ON RESULTS FROM OPERATING ACTIVITIES



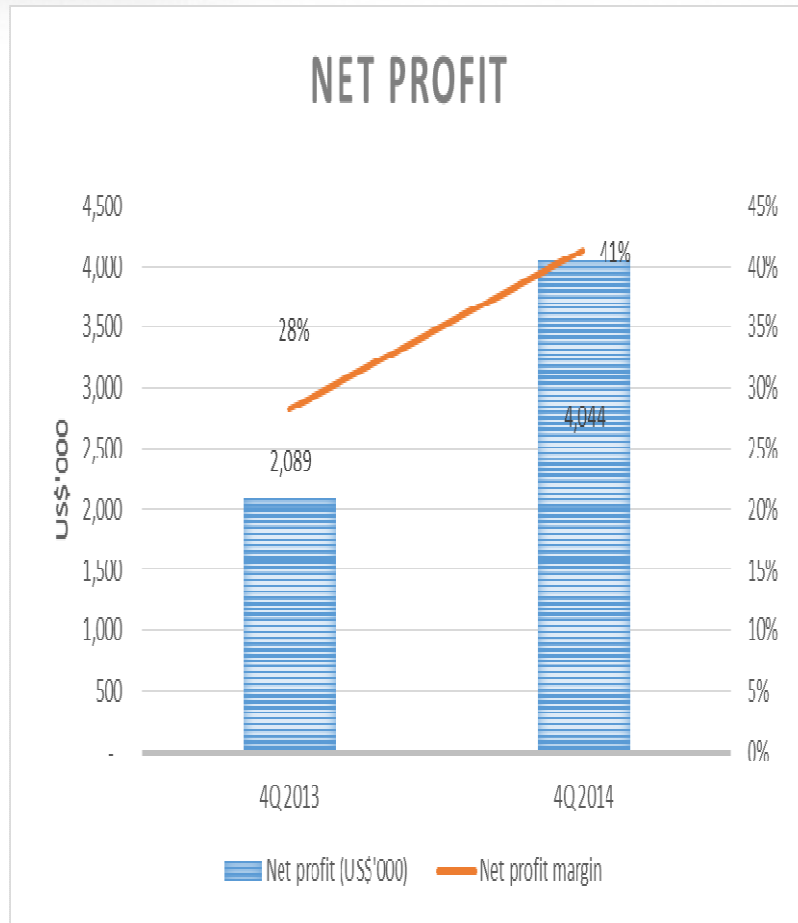
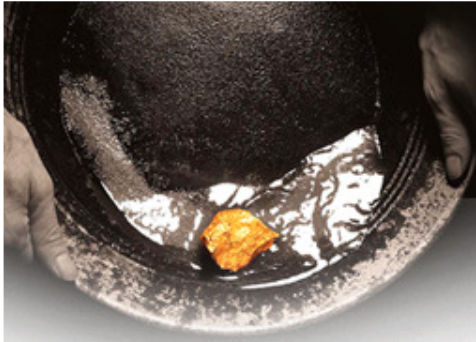
## Highlights

**Results from operating activities ↑ by 41.3% mainly due to:**

- ↑ revenue, despite ↑ operating expenses in tandem with rising sales volume of fine gold



# HIGHLIGHTS ON NET PROFIT AFTER TAX

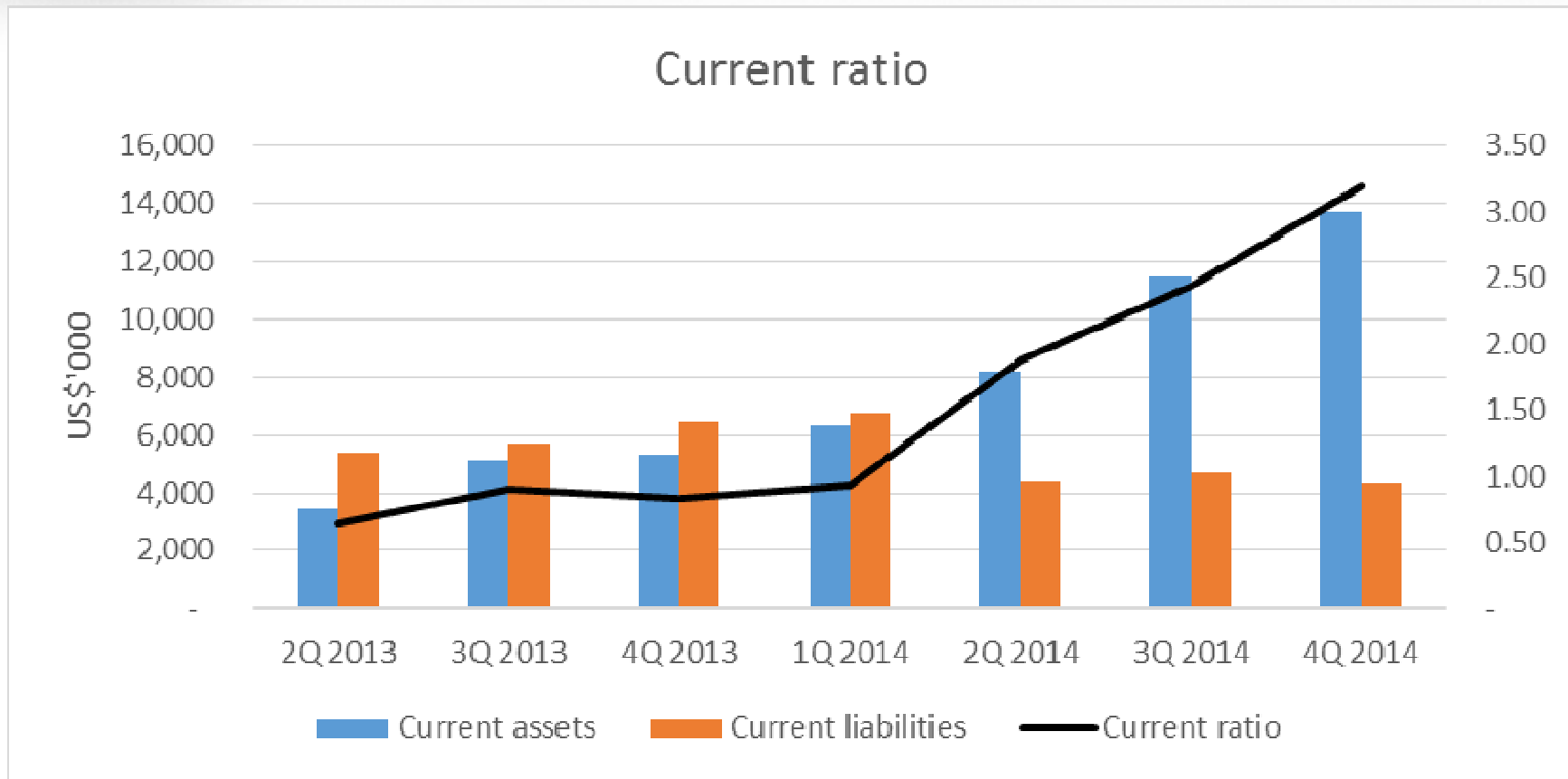


## Highlights

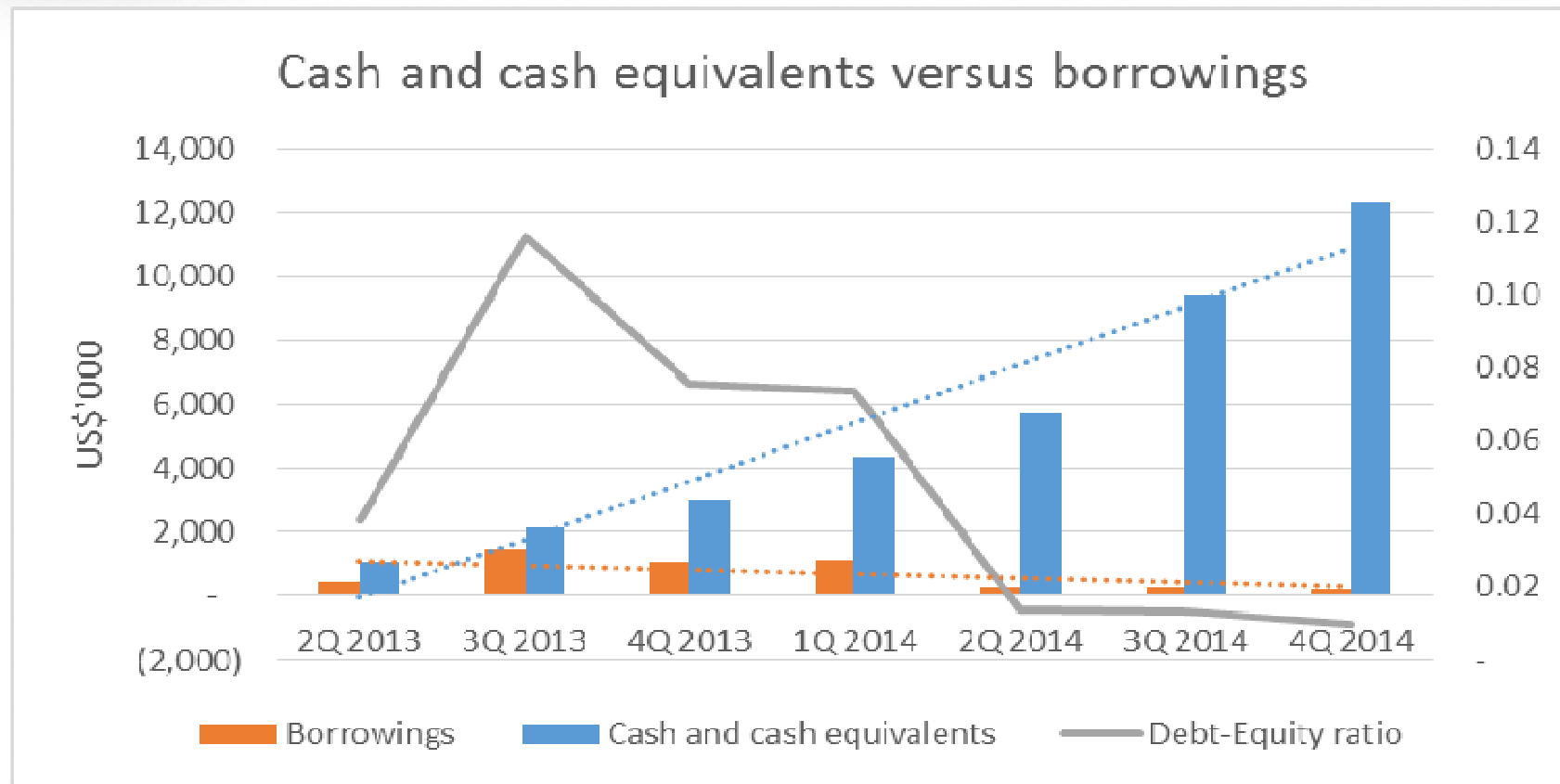
**Net profit ↑ by 93.5% mainly due to:**

- ↑ revenue and tax savings due to the tax exemption granted in May 2014, effective from July 2013

# CURRENT ASSETS, CURRENT LIABILITIES & CURRENT RATIO

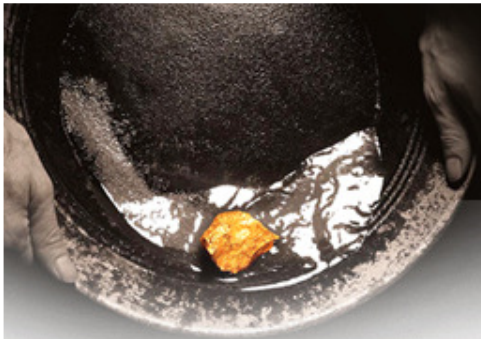


# CASH AND CASH EQUIVALENTS VERSUS BORROWINGS



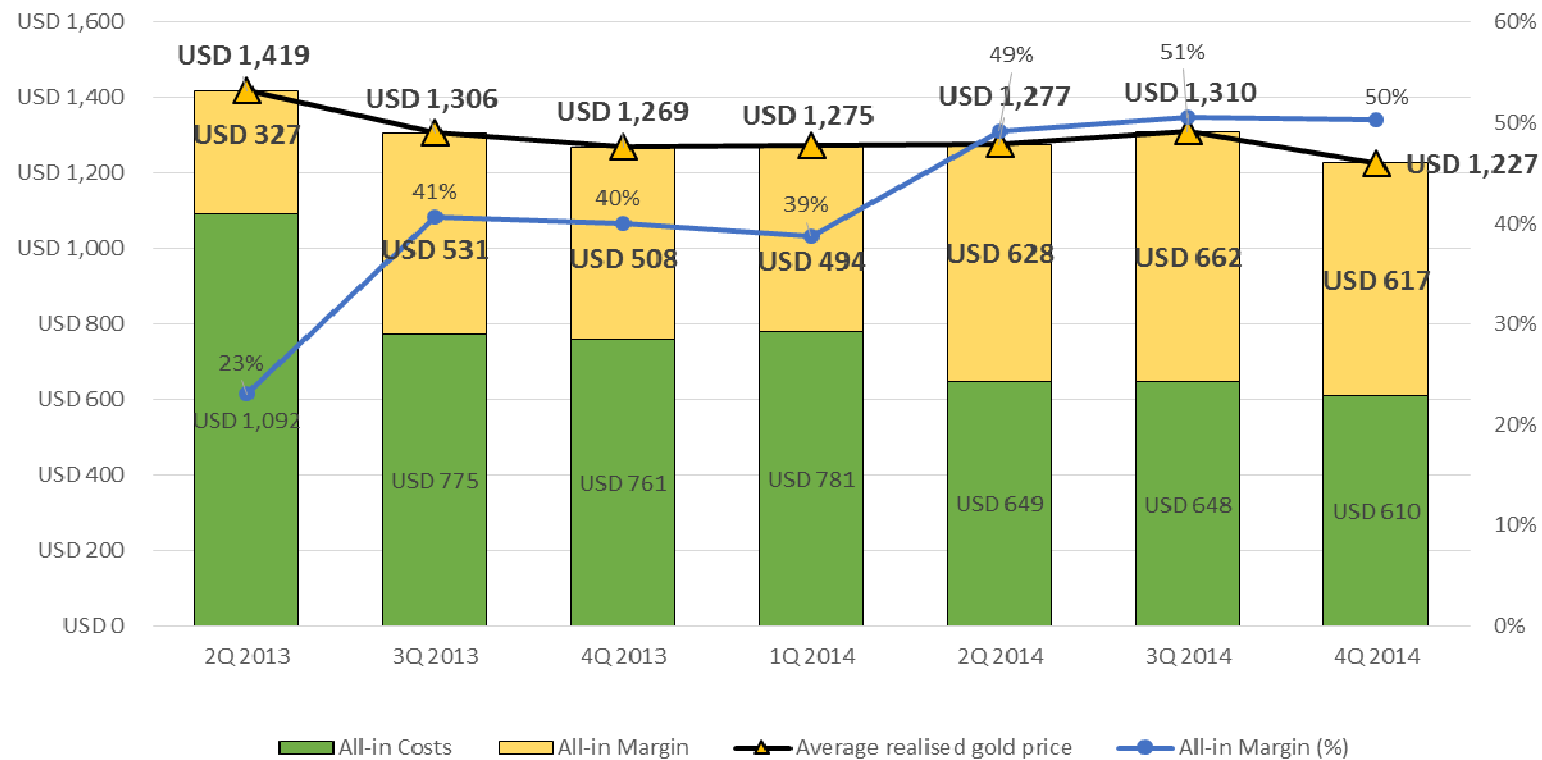
## SUMMARY OF ALL-IN COSTS AND MARGIN

	4Q 2014	4Q 2013	Changes
	US\$ / gold ounce sold		%
Mining related costs	285	287	-1%
Royalty and tribute expenses	93	99	-6%
Adjusted operating costs	378	386	-2%
General and administrative costs	107	167	-36%
Capital expenditure	30	57	-47%
All-in sustaining costs	515	610	-16%
Capital exploration (non-sustaining)	60	99	-39%
Capital expenditure (non-sustaining)	35	52	-33%
All-in costs (A)	610	761	-20%
Average realized gold price (B)	1,227	1,269	-3%
All-in Margin (C= B - A)	617	508	21%
All-in Margin (%) (C / B)	50%	40%	26%



# SUMMARY OF ALL-IN COSTS AND MARGIN

All-in Margin in US\$/ cost gold ounce sold





## NON-GAAP MEASURE METRICS BY WGC

Adjusted operating costs, all-in sustaining costs and all-in non-sustaining costs were recommended by the World Gold Council (“WGC”) for gold mining companies in end June 2013.

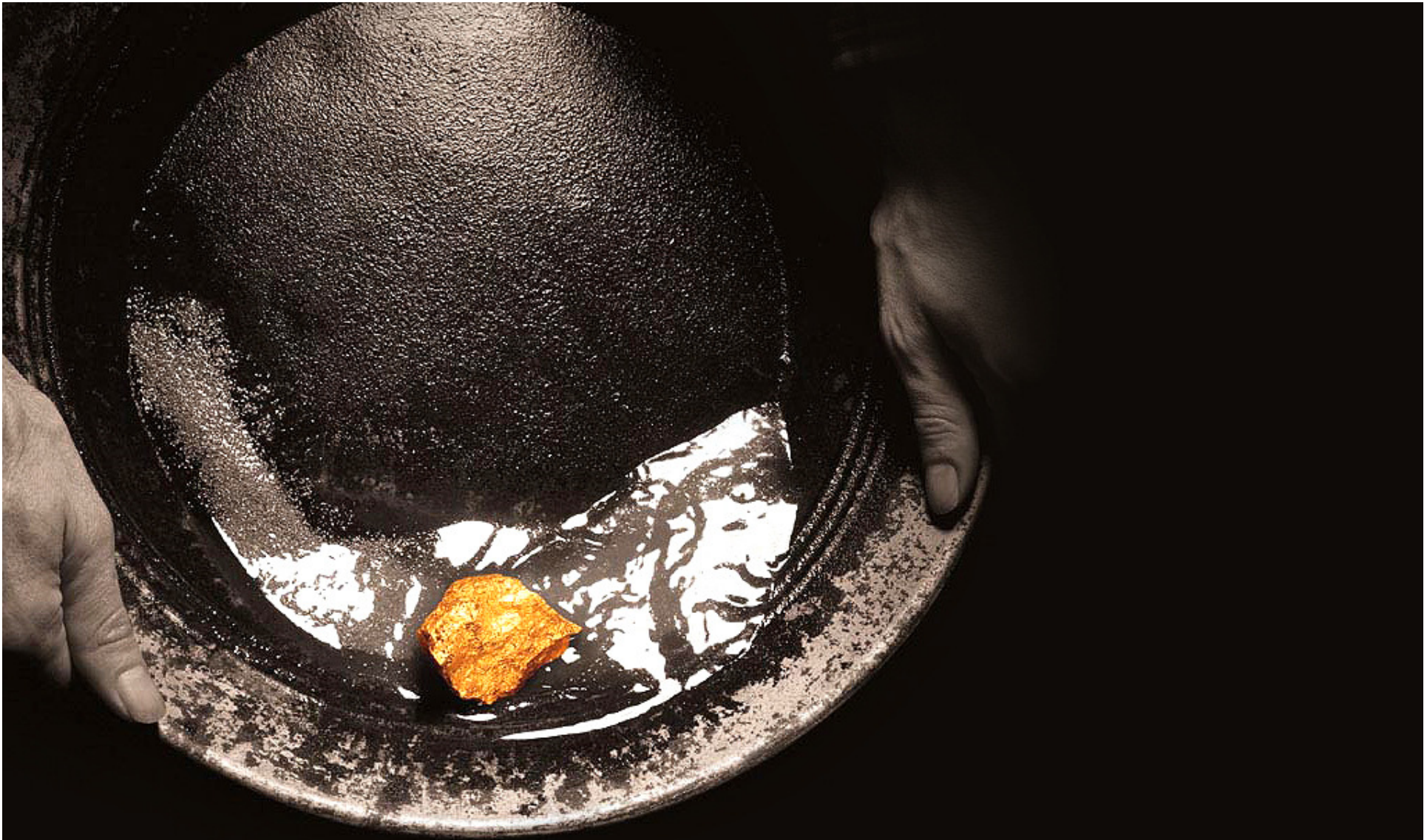
- **Adjusted operating costs** includes production costs such as mining production and maintenance costs, royalties, and operating costs such as storage, net of by-product credits. The increase of gold ounces sold resulted in lower cost per gold ounce sold as fixed costs portion remains constant. These 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.



## NON-GAAP MEASURE METRICS BY WGC

- **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.
- **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.

This non-generally accepted accounting principles measure metrics are intended to provide greater clarity into comparing the costs associated with producing gold across gold mining companies.

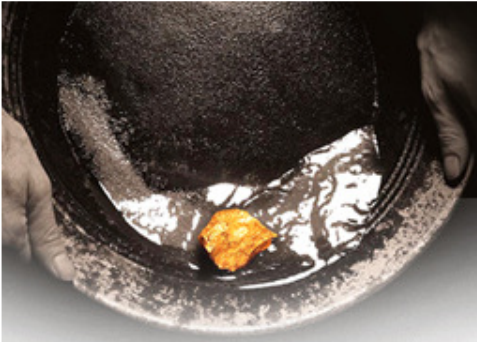


## **FY2014 FINANCIAL HIGHLIGHTS**

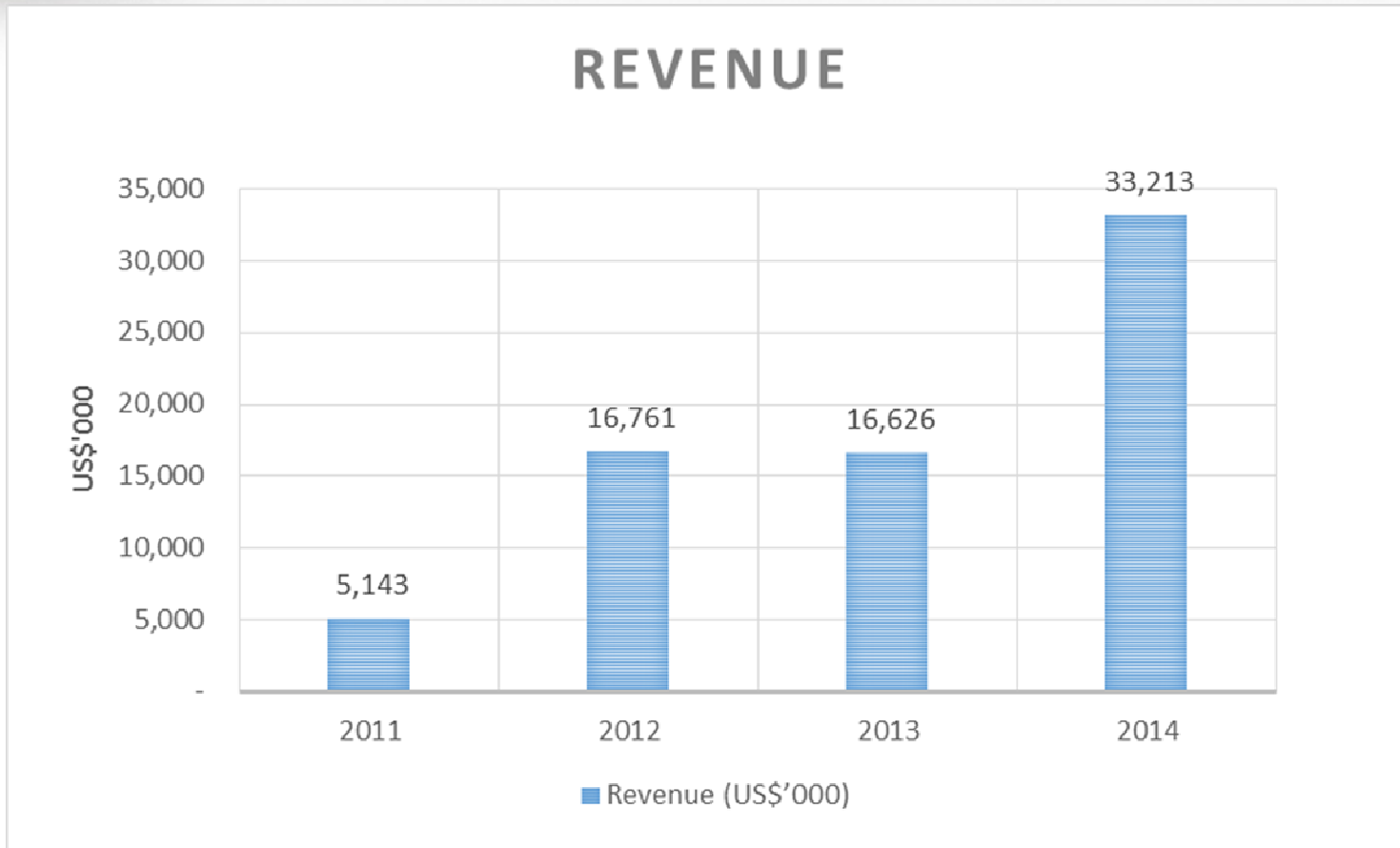


## FINANCIAL HIGHLIGHTS: FY2014 VS FY2013

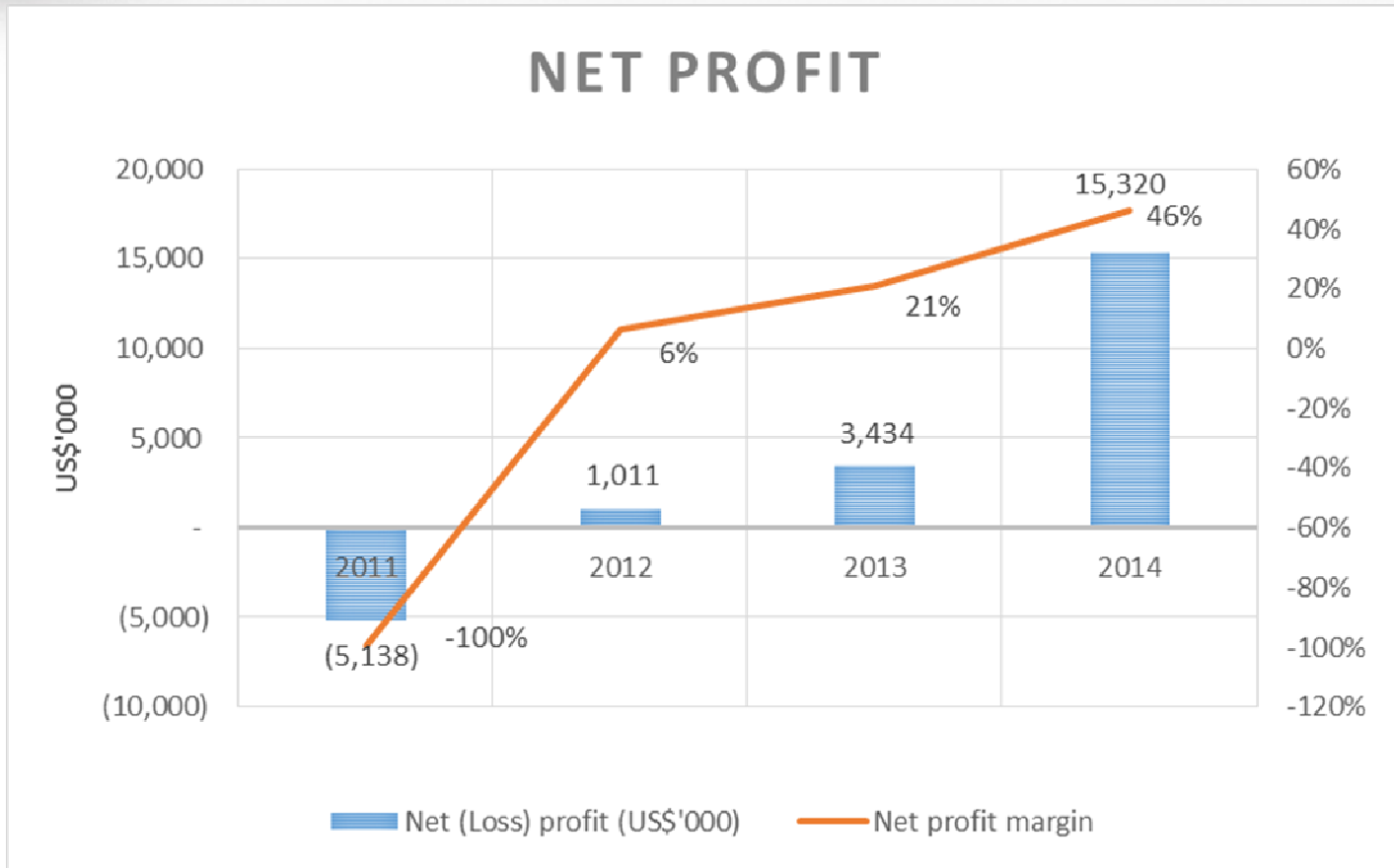
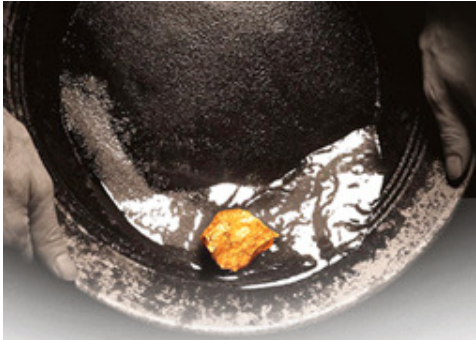
Income statement	FY2014	FY2013	Change
Revenue (US\$' million)	33.21	16.63	↑ 99.7%
Results from operating activities	14.80	5.22	↑ 183.5%
Net profit	15.32	3.43	↑ 346.6%
Net profit margin	46.1%	20.6%	↑ 123.7%
Earnings per share (US cents)	3.00	0.65	↑ 361.5%
Earnings per share (SG cents)	3.91	0.82	↑ 376.8%
Statement of financial position	As at 31/12/14	As at 31/12/13	Change
Net assets value (US\$' million)	25.16	14.22	↑ 76.9%
Net assets value per share (US cents)	6.17	3.49	↑ 76.8%
Net assets value per share (SG cents)	8.16	4.43	↑ 84.2%
Current ratio	3.20	0.83	↑ 285.5%
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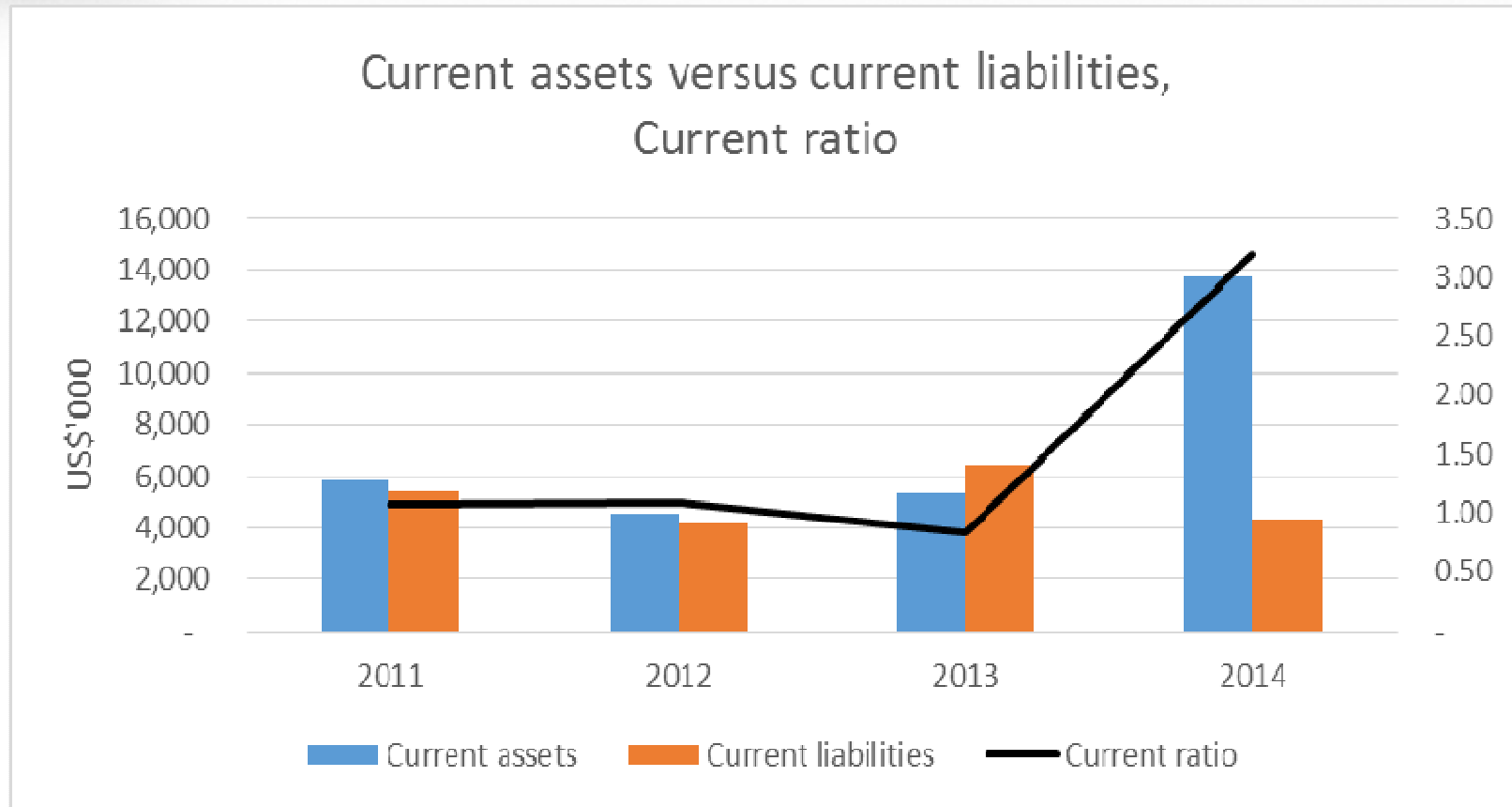
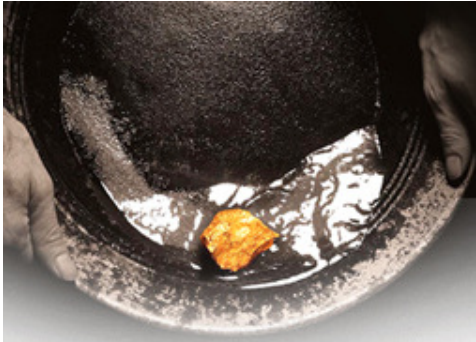
## REVENUE: FY2011 TO FY2014

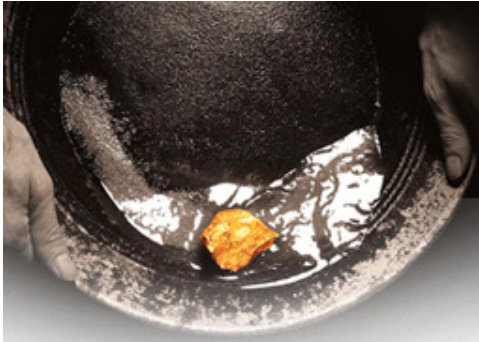


# NET PROFIT: FY2011 TO FY2014

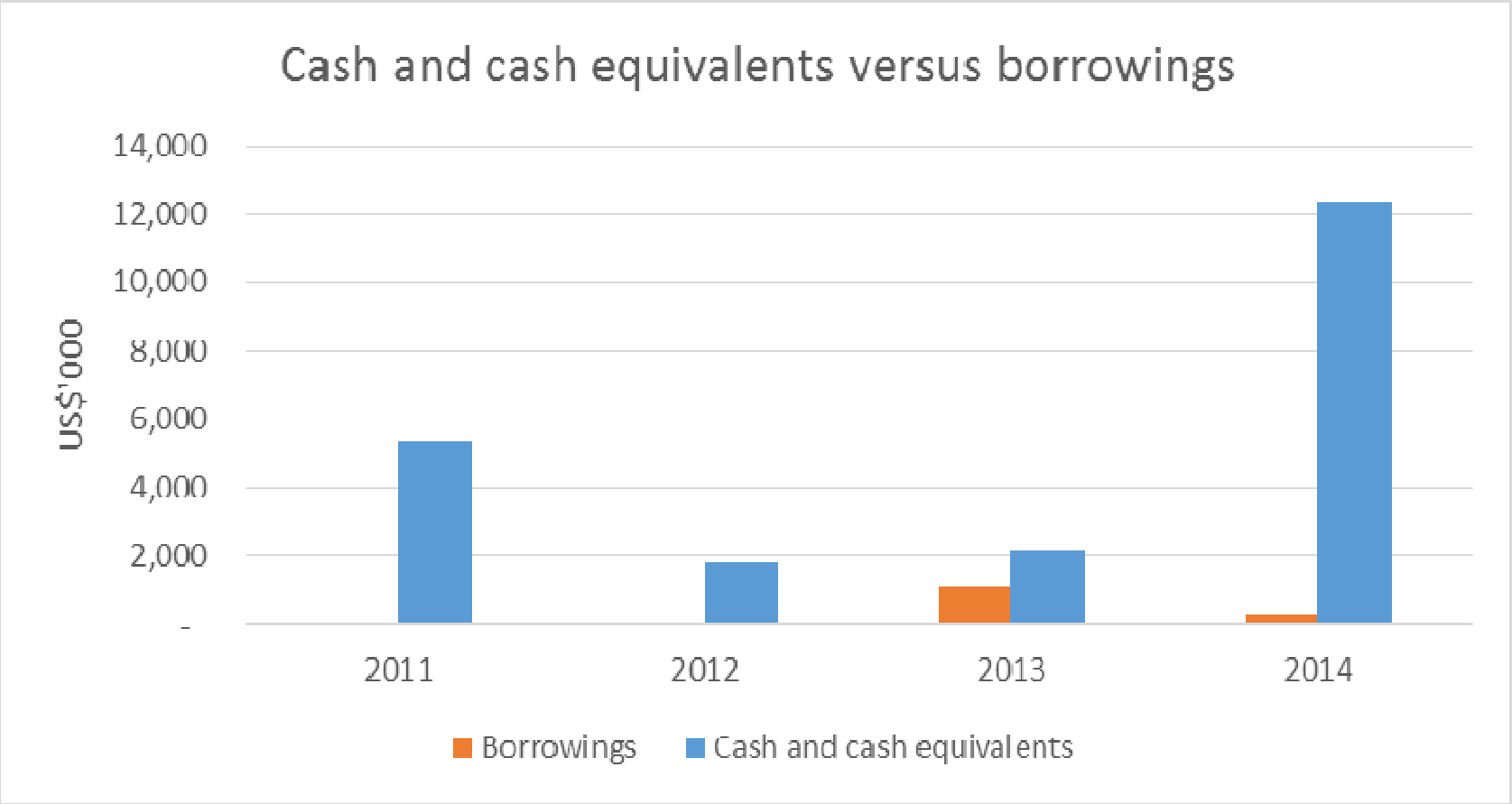


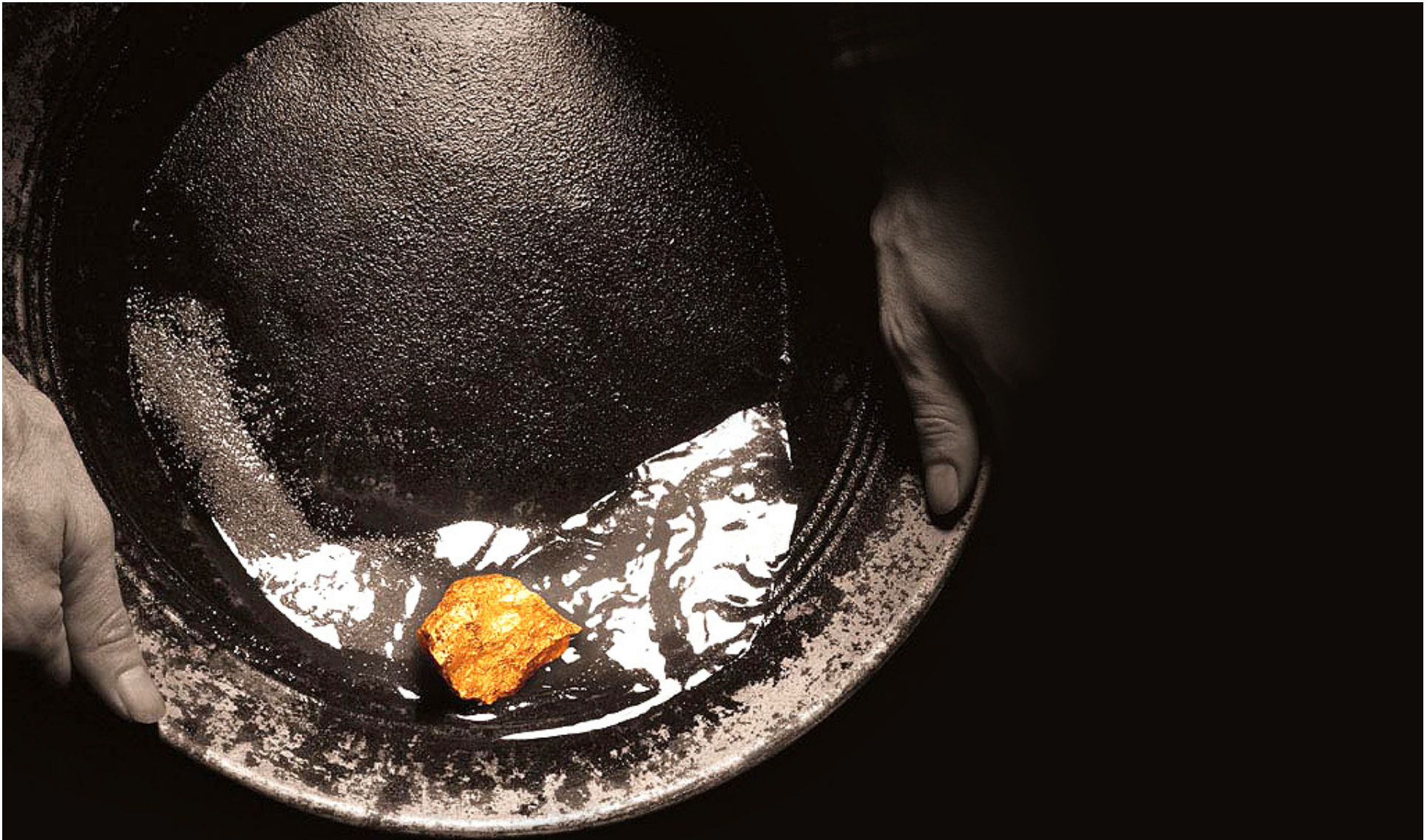
# CURRENT ASSETS, CURRENT LIABILITIES AND CURRENT RATIO: FY2011 TO FY2014





# CASH AND CASH EQUIVALENTS & BORROWINGS: FY2011 TO FY2014





**MILESTONES ACHIEVED IN 2014**



## MILESTONES ACHIEVED IN 2014

➤ **28<sup>th</sup> February 2014**

**CNMC Produced Another Record Single Gold Pour of 2,314.42 Ounces of Gold Doré Bars**

*(Produced 2,314.42 ounces of gold doré bars, as compared to the previous record of 2,130.74 ounces, this reflects an increase of approximately 8.6%)*

➤ **11<sup>th</sup> April 2014**

**Qualified Person's Report on Updated Mineral Resources and Ore Reserves Estimates as at 31 Dec 2013**

*(As at 31 Dec 2013, the total Measured, Indicated and Inferred gold Mineral Resources for the Sokor Gold Project (above a 0.3 g/t gold cut-off grade at Rixen and a 0.5 g/t gold cut-off grade at Manson's Lode, New Discovery and Ketubong) is 9.14 million tonne at 1.6g/t gold with contained gold of 465,000 ounces)*

➤ **14<sup>th</sup> April 2014**

**Early Redemption of Convertible Loan**

*(Early redemption of convertible loan of an aggregate principal amount of S\$1.45 million)*

➤ **15<sup>th</sup> May 2014**

**Pioneer Status Incentive from The Malaysian Investment Development Authority**

*(Tax exemption of 100% on statutory income for a period of 5 years in relation to the production of gold doré bar beginning from 1 July 2013 until 30 June 2018)*



## MILESTONES ACHIEVED IN 2014

➤ **20<sup>th</sup> May 2014**

**Commencement of Production at CNMC's Third Leach Yard**

*(Construction of the third leach yard with leaching capacity of up to 600,000 tonnes, has been completed and commenced production)*

➤ **4<sup>th</sup> June 2014**

**CNMC Utilises OREpack Drillspacing Optimiser Program**

*(Employed OREpack™ Drillspacing Optimiser Program to achieve the best mineral resource block model quality at optimal cost)*

➤ **9<sup>th</sup> July 2014**

**Record Gold Pour in the Month of June 2014**

*(Produced 4,356.47 ounces of gold doré bars in the month of June, which is the highest record to date for monthly output surpassing previous record of 3,419.51 ounces, this reflects an increase of approximately 27.4%)*

➤ **18<sup>th</sup> July 2014**

**CNMC Produced More Than One Metric Tonne of Gold Bullion at Sokor Gold Project**

*(Produced 2,586.75 ounces of gold doré bars, as compared to the previous record of 2,314.42 ounces, this reflects an increase of approximately 11.7%. With this production, the Company's Sokor Gold Project has to date produced more than one metric tonne of gold bullion since gold production commenced in July 2010)*





## MILESTONES ACHIEVED IN 2014

➤ **11<sup>th</sup> August 2014**

**Declaration of 1<sup>st</sup> Interim Dividend**

*(Declared an interim one-tier tax exempt dividend of S\$0.0015 per ordinary share)*

➤ **18<sup>th</sup> September 2014**

**Completion of the Installation of 350 Tonnes Per Hour Crushing System**

*(Construction of a 350 tonnes per hour crushing system has been completed and undergoing trial runs)*

➤ **1<sup>st</sup> October 2014**

**CNMC Produced a Record 5,201.28 Ounces of Gold Doré Bars in the Month of September 2014**

*(Produced 5,201.28 ounces of gold doré bars in the month of September, which is the highest record to date for monthly output surpassing previous record of 4,356.47 ounces, this reflects an increase of approximately 19.4%)*

➤ **19<sup>th</sup> November 2014**

**CNMC Produced Another Record Single Gold Pour of 2,945.01 Ounces of Gold Doré Bars**

*(Produced 2,945.01 ounces of gold doré bars in a single gold pour, which is the highest production single output surpassing previous record of 2,314.42 ounces, this reflects an increase of approximately 27.2%)*

➤ **18<sup>th</sup> December 2014**

**Declaration of 2<sup>nd</sup> Interim Dividend**

*(Declared an interim one-tier tax exempt dividend of S\$0.0015 per ordinary share)*

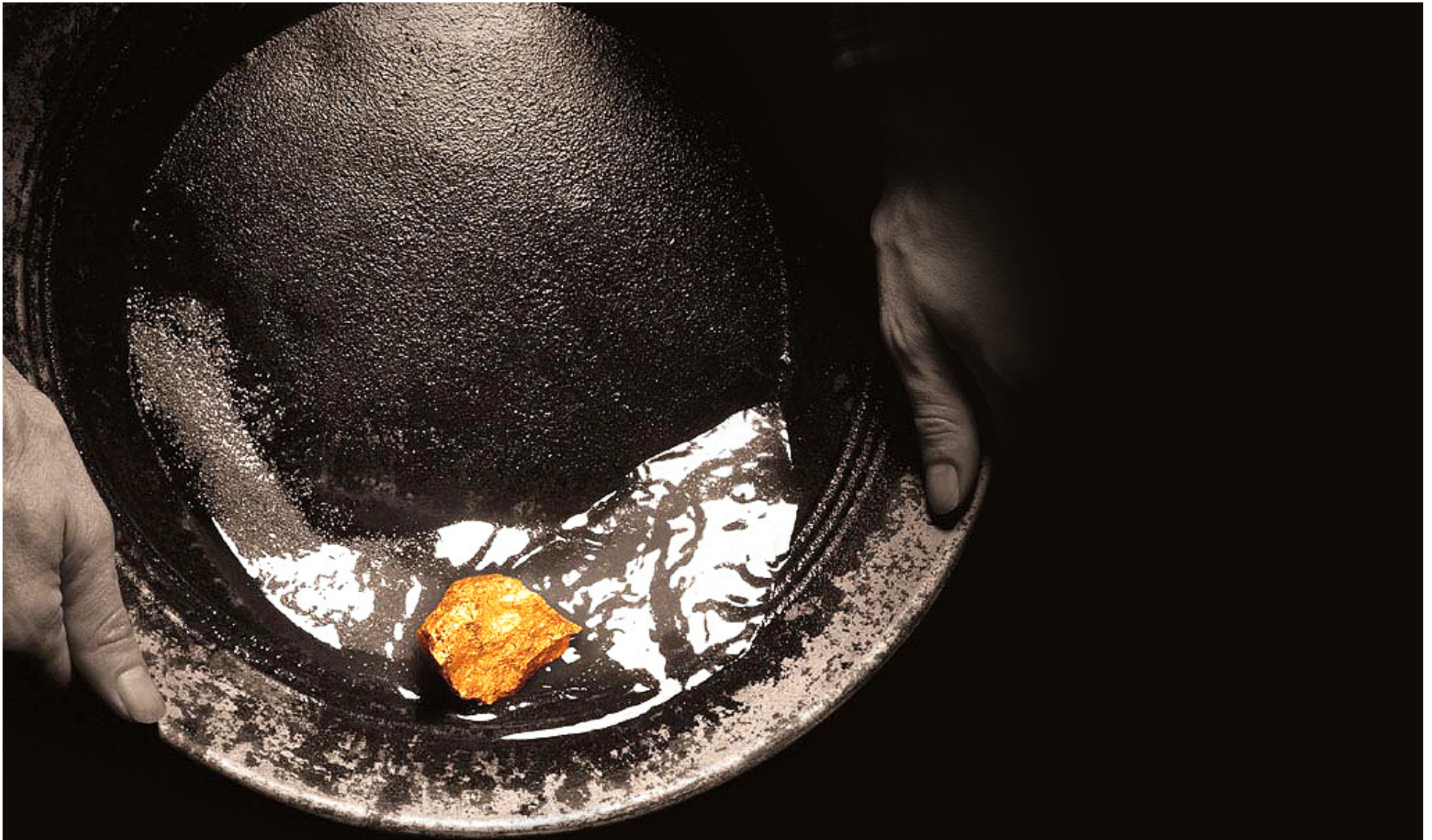


**PLANS FOR 2015**



## PLANS FOR 2015

- **Continue Gold Production Expansion Programs:**
  - Increase leaching capacity and enhance gold recovery process with the aim of increasing gold production
  
- **Cost Optimization Programs:**
  - Further streamline production process to reduce wastage of raw material thereby reducing gold production cost to enhance profitability
  - Leverage economies of scale from increased production capacity to lower material costs from key suppliers
  
- **Accelerate Exploration Activities:**
  - To increase gold resources and reserves in Sokor Gold Project
  - To increase silver, lead and zinc resources and reserves in Sokor Gold Project
  
- **Portfolio Expansion Programs:**
  - To explore opportunities in the acquisition and development of other mining projects in Malaysia and highly prospective exploration and mining projects located in SE Asia and Australasia



**PROFITABLE DIVIDEND PAYING GOLDMINE**



## PROFITABLE DIVIDEND PAYING GOLDMINE

(SGX: 5TP)  
(Reuters: CNMC.SI)  
(Bloomberg: CNMC:SP)

12 February 2015

Price per share

S\$0.26

Market capitalisation

S\$106.00 Million

Share issued

407.69 Million

P/E ratio <sup>(Note)</sup>

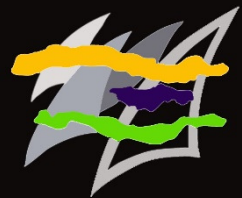
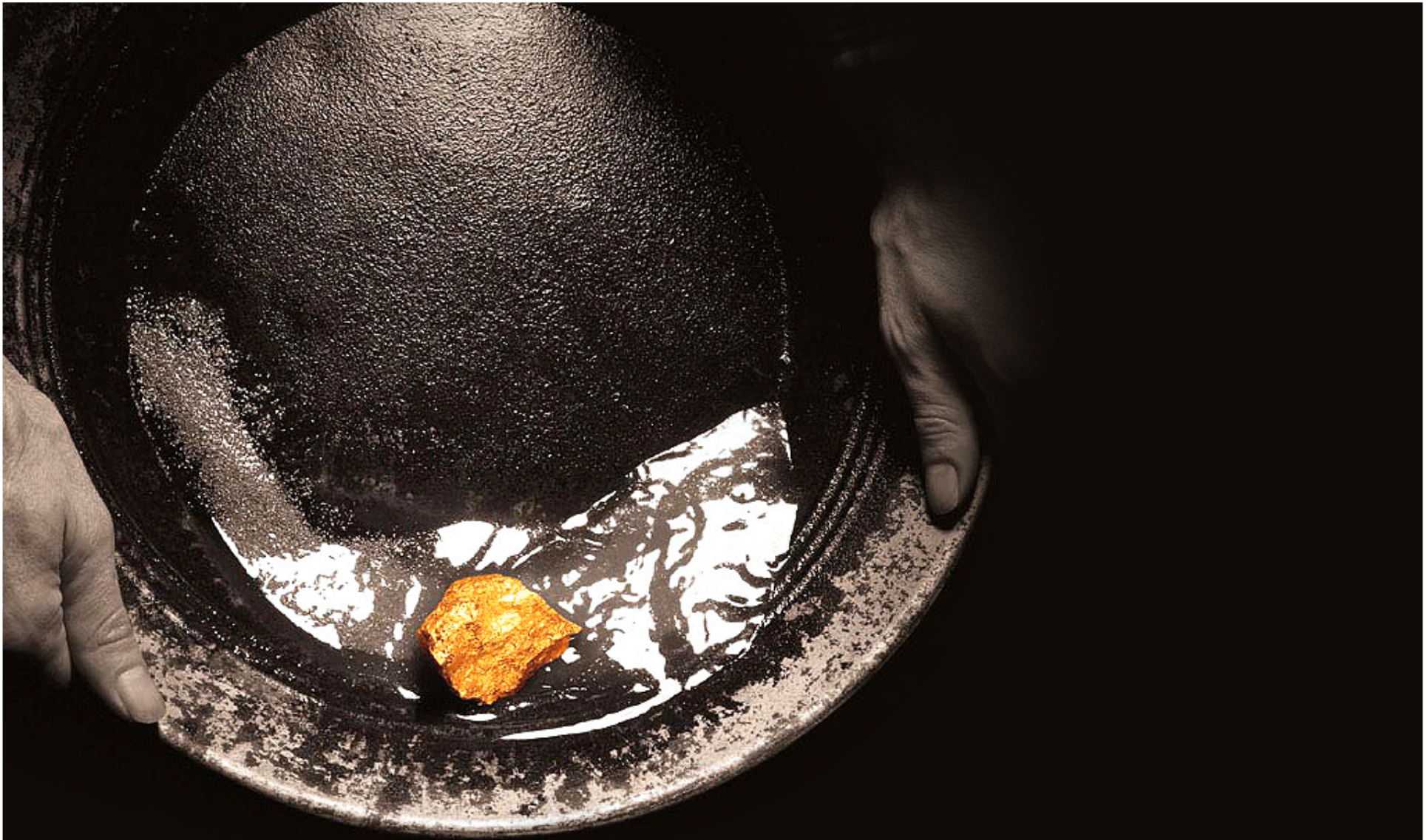
6.65

Dividend Yield

2.60%

Note: Market price per share @ 12 February 2014 / Earning per share (S\$) as of 31 December 2014.





**QUESTION ANSWER SESSION**