

# **CNMC GOLDMINE HOLDINGS LIMITED**

*1Q2015 Results Briefing*



## DISCLAIMER

The materials used herein and this presentation (collectively, the “Presentation”) have been prepared by CNMC Goldmine Holdings Limited (“CNMC”) solely for use at the presentation to be made to qualified investors and investment professionals. By viewing the Presentation, or by reading the materials used at the Presentation, you agree to be bound by the following limitations:

- The Presentation is strictly confidential and may not be copied, published, distributed or transmitted or disclosed by recipients to third parties.
- The Presentation does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities or an inducement to enter into any investment activity, nor shall any part or all of the Presentation form the basis of, or be relied on in connection with, any contract or investment decision in relation to any securities.
- The Presentation contains forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in our opinion, reasonable. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. Given these risks, uncertainties and other factors, viewers of the Presentation are cautioned not to place undue reliance on these forward-looking statements.
- The Presentation is only directed at qualified investors and investment professionals and other persons should not rely on or act upon the Presentation or any of its contents.
- The Presentation does not constitute a recommendation regarding the securities of the Company. By attending this presentation you acknowledge that you will be solely responsible for your own assessment of the market and the market position of the Company and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the business of the Company.
- The Presentation reflects the affairs of the Company as at the date it is presented to the investors. Any further discussions of the Company or any of their respective affiliates with any of the recipients shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since such date.





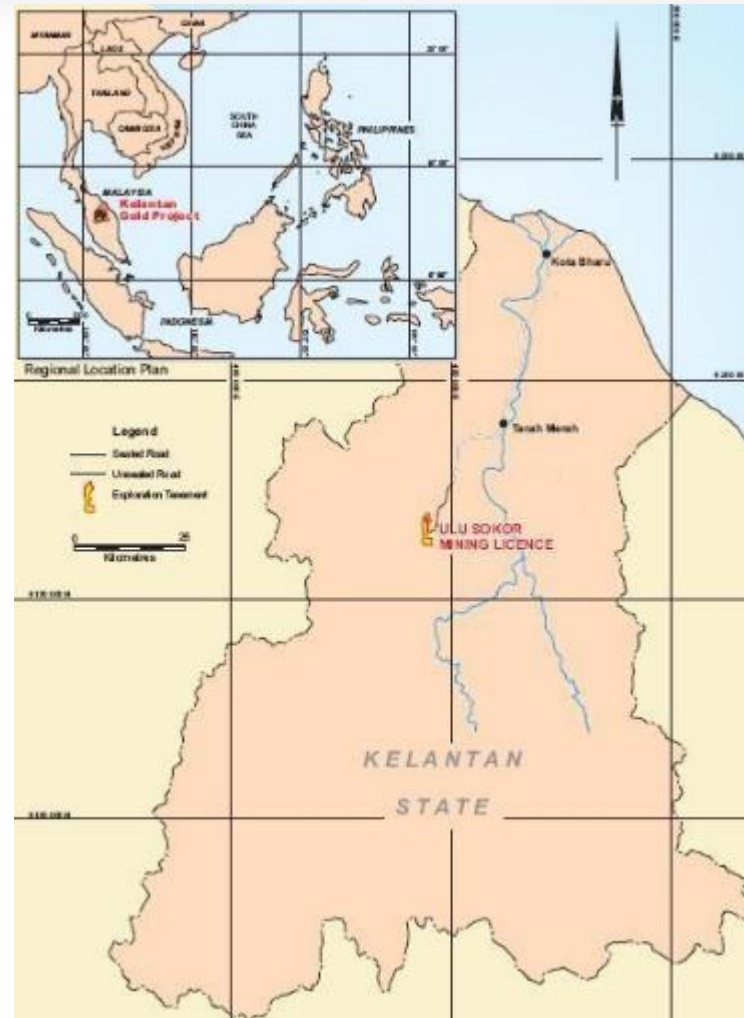
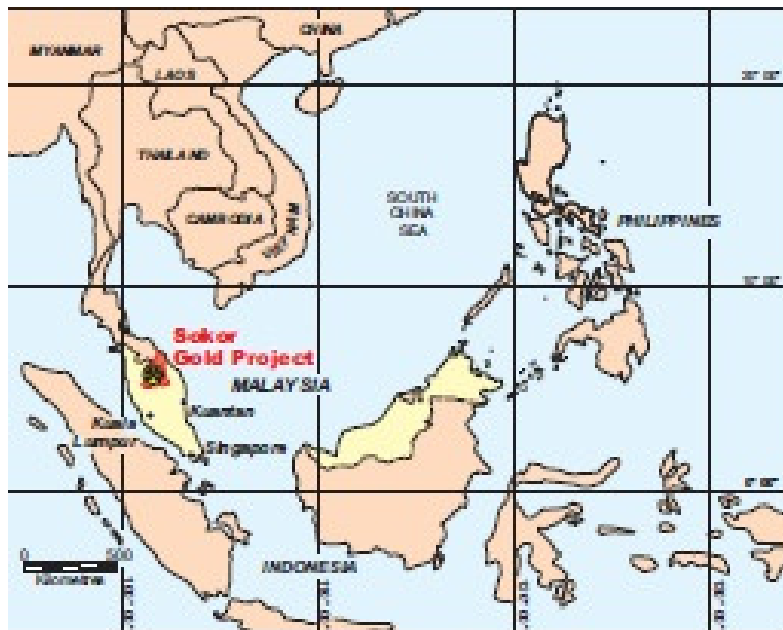
**ABOUT CNMC**



# 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

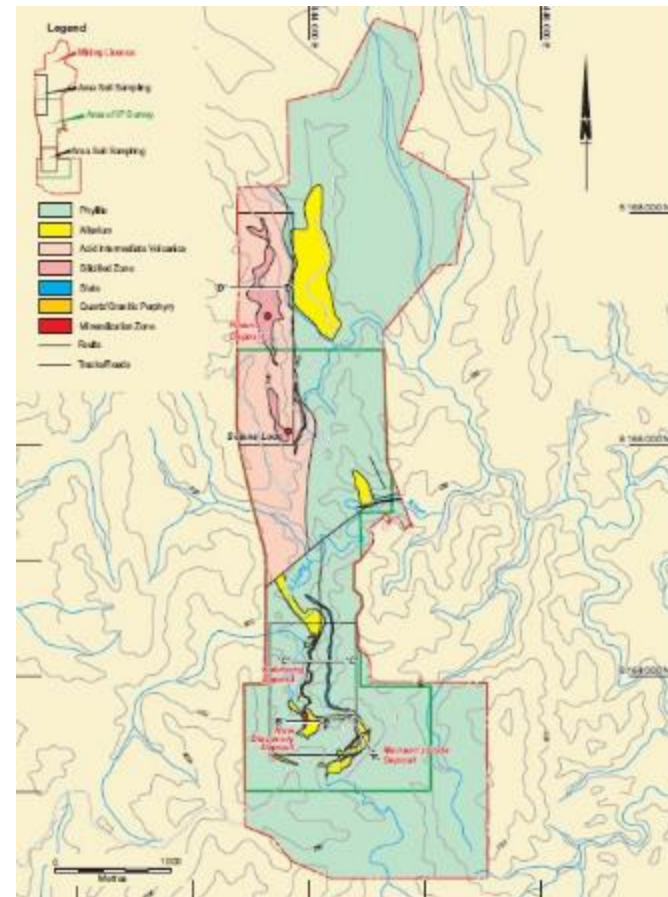
CNMC has –

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

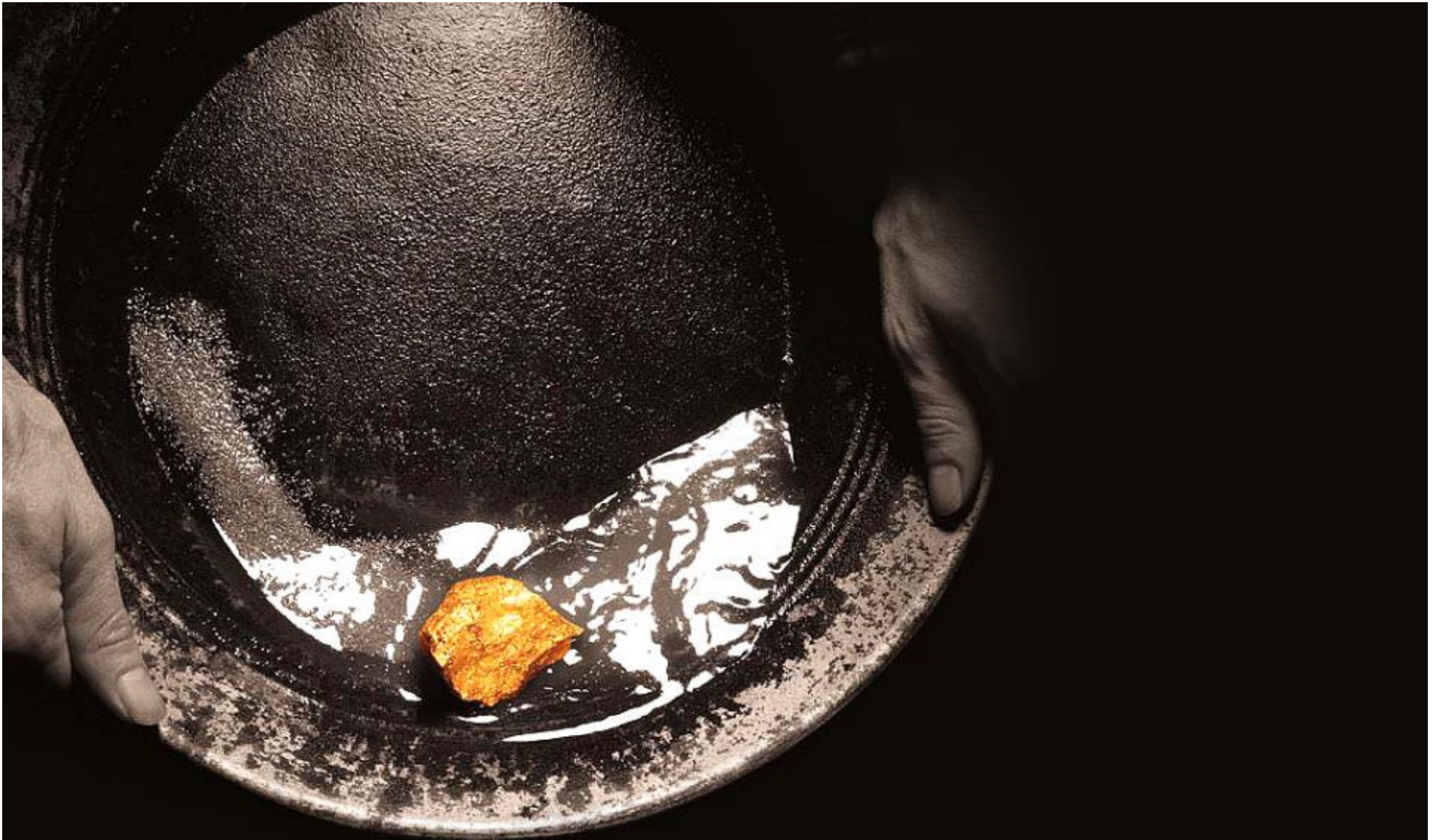
**The mining licences were obtained with full support from Kelantan State Government**

## 4 IDENTIFIED AREAS

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







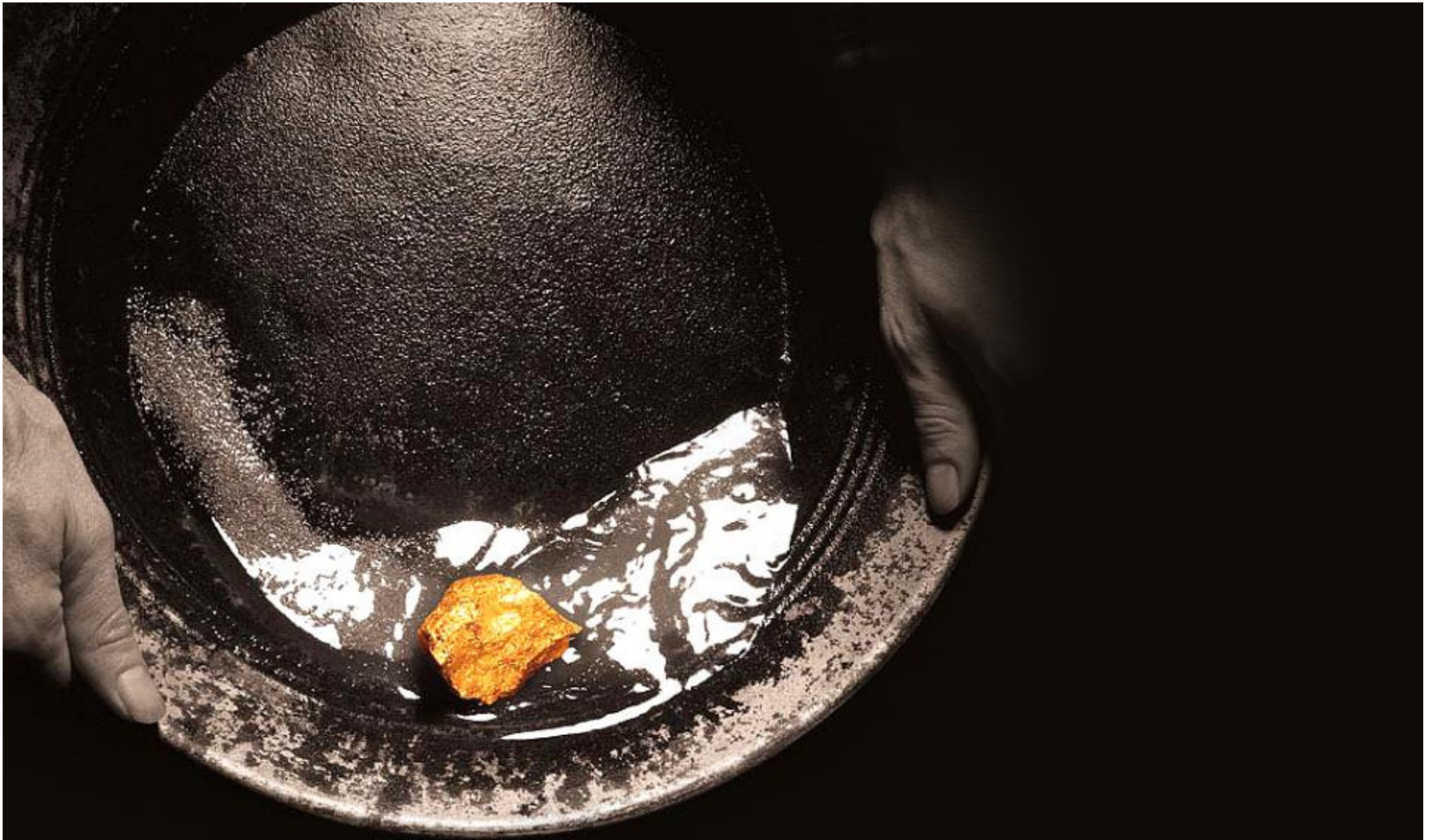
**JORC COMPLIANT GOLD RESOURCE**

## JORC COMPLIANT GOLD RESOURCE

As at 31 December 2014, 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 10.81 million tonne at 1.5g/t gold with contained gold of 506,000 ounces. The total Measured, Indicated and Inferred gold resources for the Sokor Gold Project, previously reported in December 2013, was 9.14 million tonne at 1.6 g/t gold with contained gold of 465,000 ounces.

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	0.55	3.2	57	0.45	3.2	46	+1
Indicated	Gold	6.75	1.3	287	5.47	1.3	232	+34
Inferred	Gold	3.51	1.4	163	2.84	1.4	132	-17
<b>Total</b>	<b>Gold</b>	<b>10.81</b>	<b>1.5</b>	<b>506</b>	<b>8.76</b>	<b>1.5</b>	<b>410</b>	<b>+8</b>
Measured	Silver	0.33	62	659	0.27	62	534	-3
Indicated	Silver	0.16	72	360	0.13	72	291	+52
Inferred	Silver	0.45	33	473	0.37	33	383	+49
<b>Total</b>	<b>Silver</b>	<b>0.94</b>	<b>50</b>	<b>1,492</b>	<b>0.76</b>	<b>53</b>	<b>1,208</b>	<b>+21</b>
Measured	Lead	0.33	1.7	5,569	0.27	1.7	4,511	0
Indicated	Lead	0.16	1.7	2,628	0.13	1.7	2,129	+66
Inferred	Lead	0.45	0.9	4,252	0.37	0.9	3,444	+67
<b>Total</b>	<b>Lead</b>	<b>0.94</b>	<b>1.3</b>	<b>12,449</b>	<b>0.76</b>	<b>1.3</b>	<b>10,084</b>	<b>+28</b>
Measured	Zinc	0.33	1.7	5,487	0.27	1.7	4,444	-2
Indicated	Zinc	0.16	2.0	3,062	0.13	2.0	2,480	+112
Inferred	Zinc	0.45	1.0	4,459	0.37	1.0	3,612	+58
<b>Total</b>	<b>Zinc</b>	<b>0.94</b>	<b>1.4</b>	<b>13,007</b>	<b>0.76</b>	<b>1.4</b>	<b>10,536</b>	<b>+32</b>





**PRODUCING GOLDMINE**



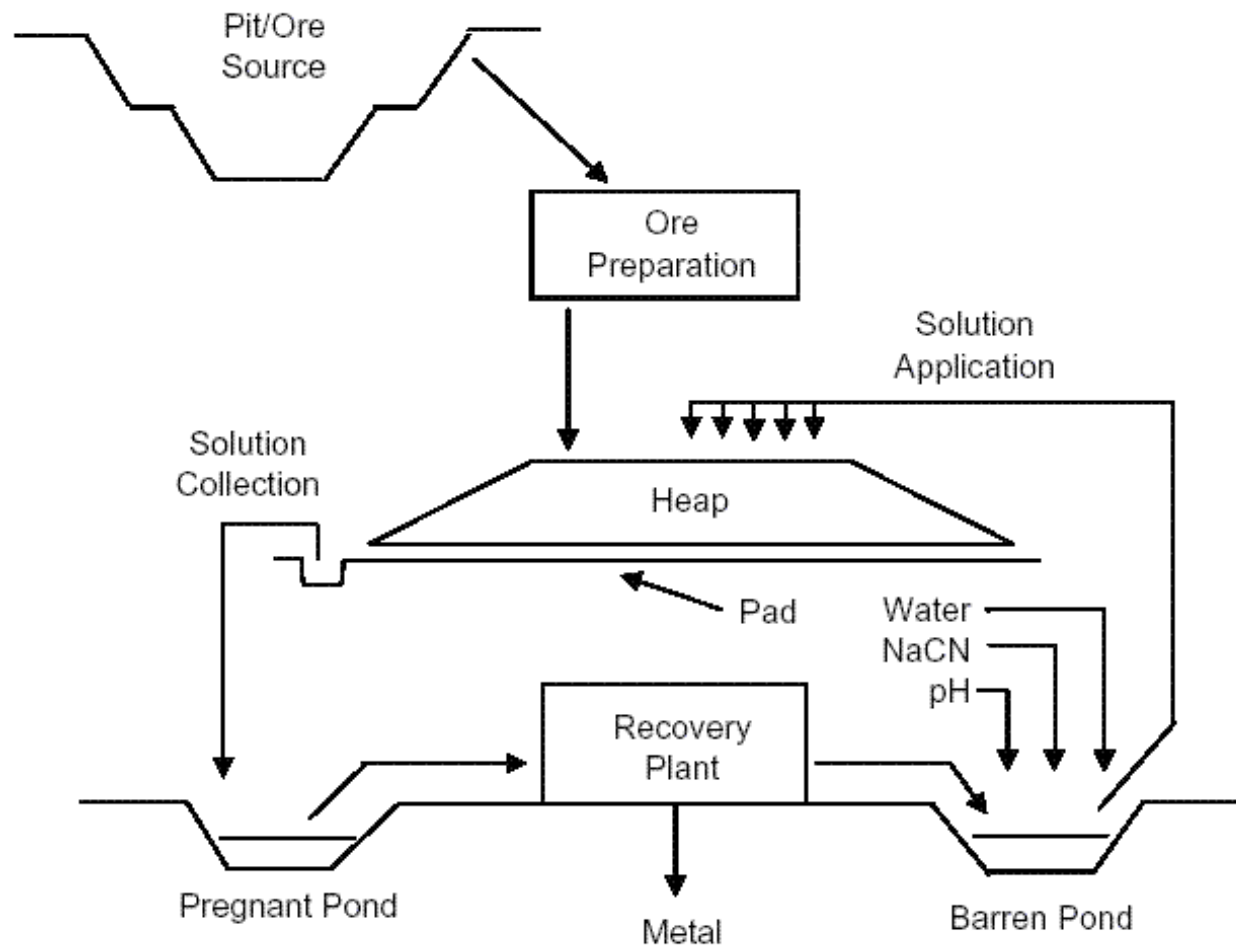
# PRODUCING GOLDMINE

## 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

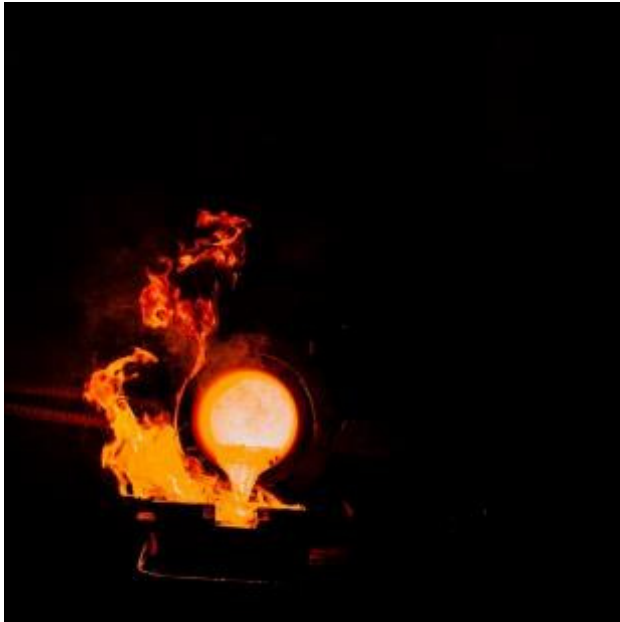




## PRODUCING GOLDMINE

### GOLD PRODUCTION

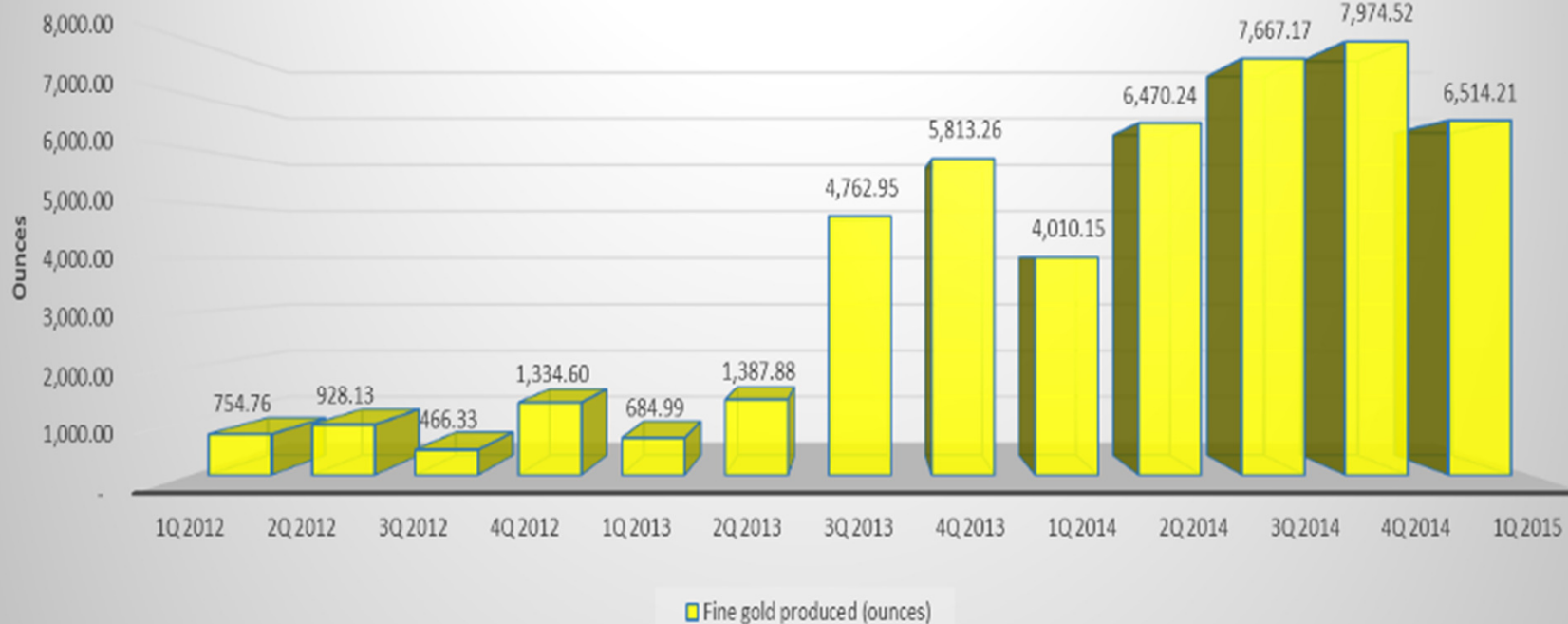
- Commenced gold production and have successfully completed more than 180 gold pours since July 2010.
- Gold production increased annually since FY2010.



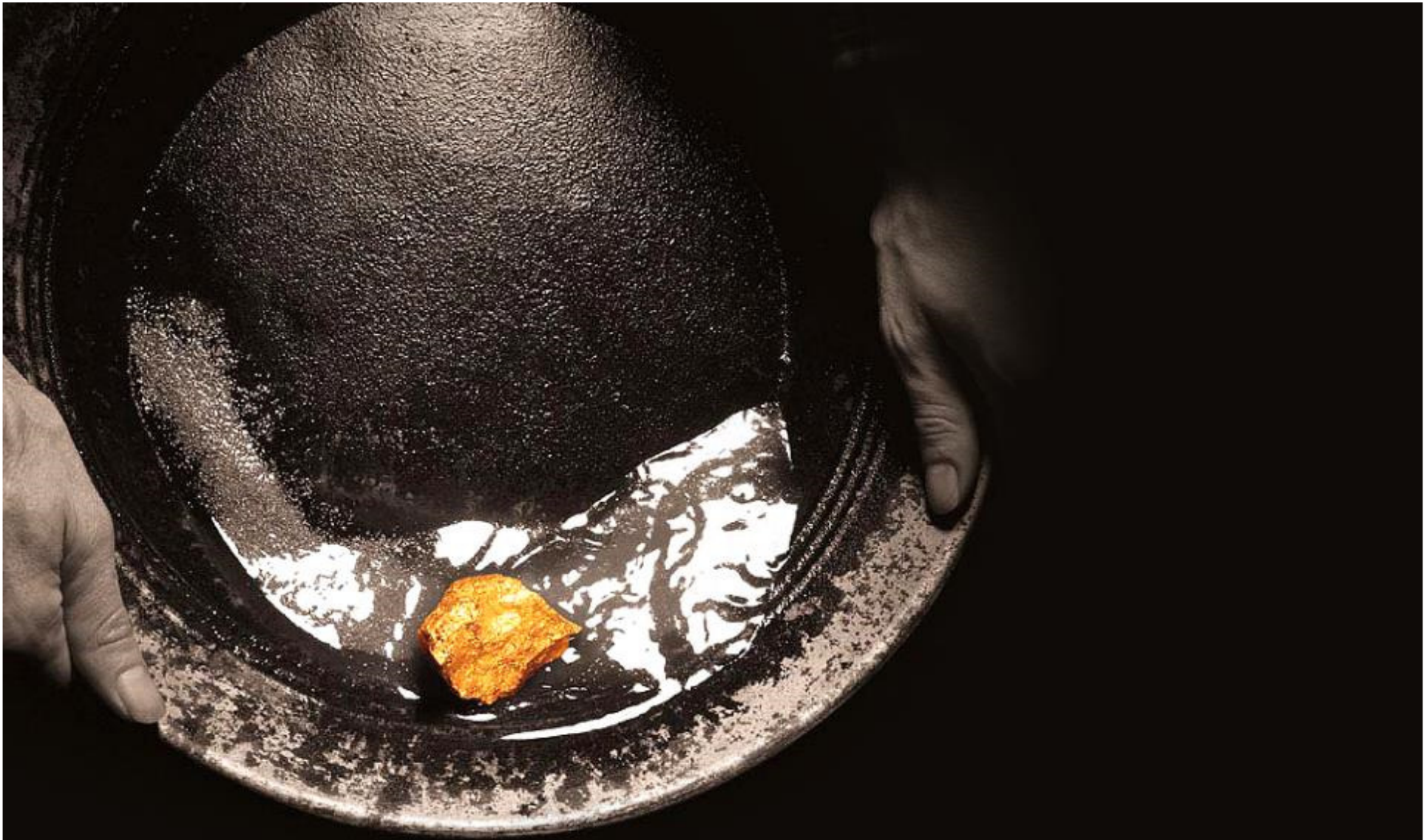
# PRODUCING GOLDMINE



### Fine Gold Produced Quarter By Quarter In Ounces







## 1Q2015 FINANCIAL HIGHLIGHTS

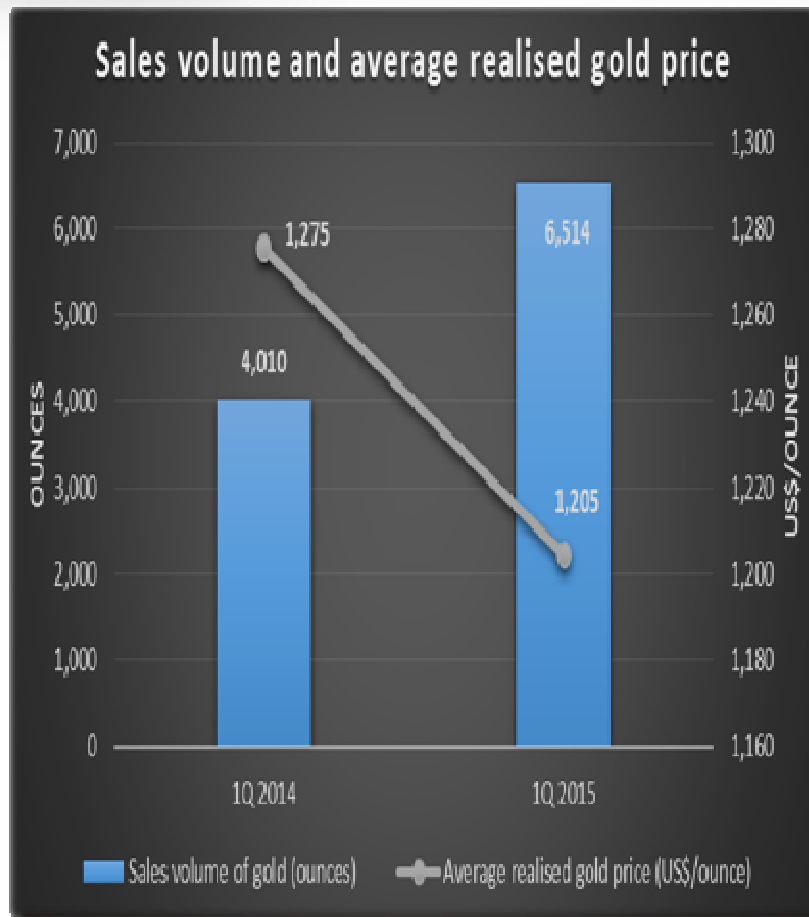
## FINANCIAL HIGHLIGHTS: 1Q 2015 VS 1Q 2014

Income statement	1Q 2015	1Q 2014	Change
Revenue (US\$' million)	7.85	5.11	↑ 53.4%
Results from operating activities	2.61	2.18	↑ 19.7%
Net profit	2.54	1.55	↑ 63.4%
Net profit margin	32.3%	30.3%	↑ 6.5%
Earnings per share (US cents)	0.48	0.31	↑ 54.8%
Earnings per share (SG cents)	0.65	0.39	↑ 66.7%
Statement of financial position	As at 31/03/15	As at 31/12/14	Change
Net assets value (US\$' million)	27.12	25.16	↑ 7.8%
Net assets value per share (US cents)	6.65	6.17	↑ 7.8%
Net assets value per share (SG cents)	9.14	8.16	↑ 12.0%
Current ratio	4.08	3.20	↑ 27.6%
Debt/equity ratio	0.01	0.01	↓ 25.4%

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



## HIGHLIGHTS ON REVENUE



## Highlights

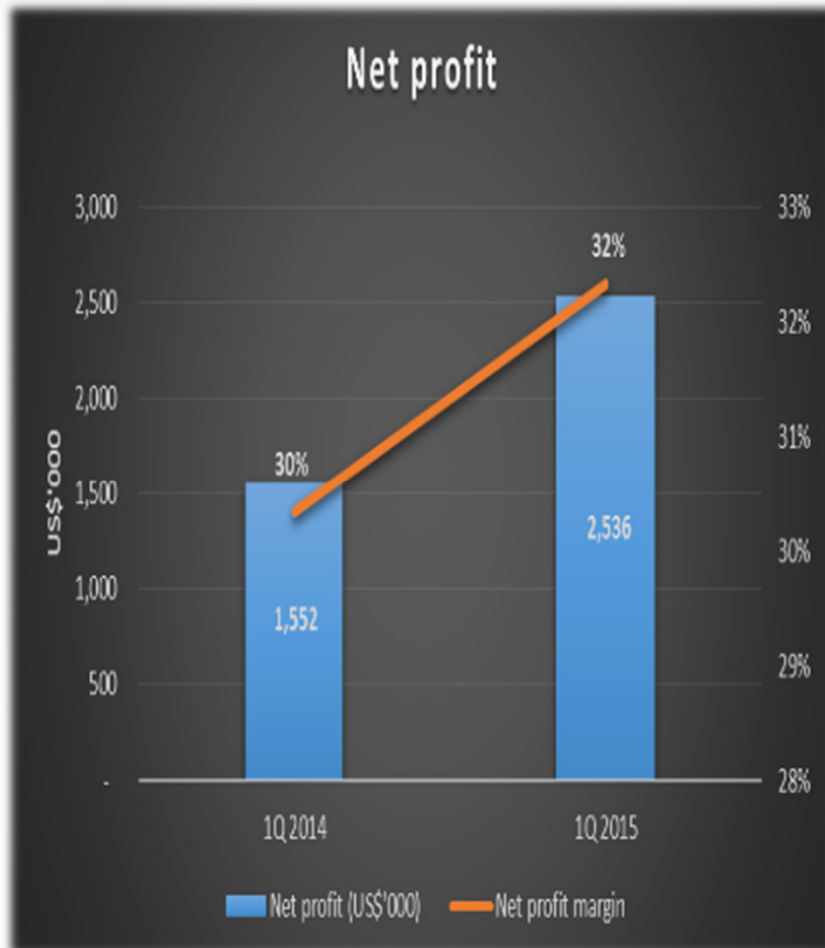
Revenue **↑ 53.4%** mainly due to:

- **↑** Sales volume of fine gold, from 4,010 ounces to 6,514 ounces

But partly offset by:

- **↓** Average realised gold price, from US\$1,275/ounce to US\$1,205/ounce

# HIGHLIGHTS ON NET PROFIT



## Highlights

**Net profit ↑ by 63.4% mainly due to:**

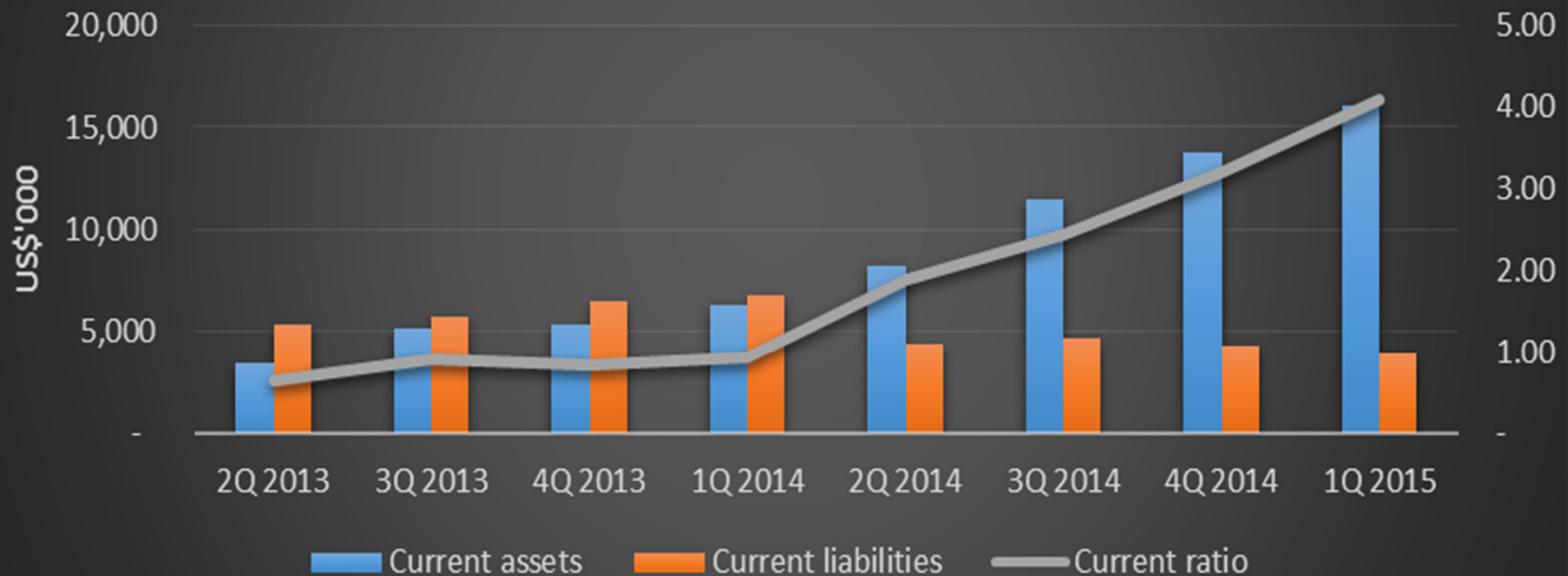
- ↑ Revenue and tax savings due to the tax exemption granted in May 2014, effective from July 2013



# CURRENT ASSETS, CURRENT LIABILITIES & CURRENT RATIO



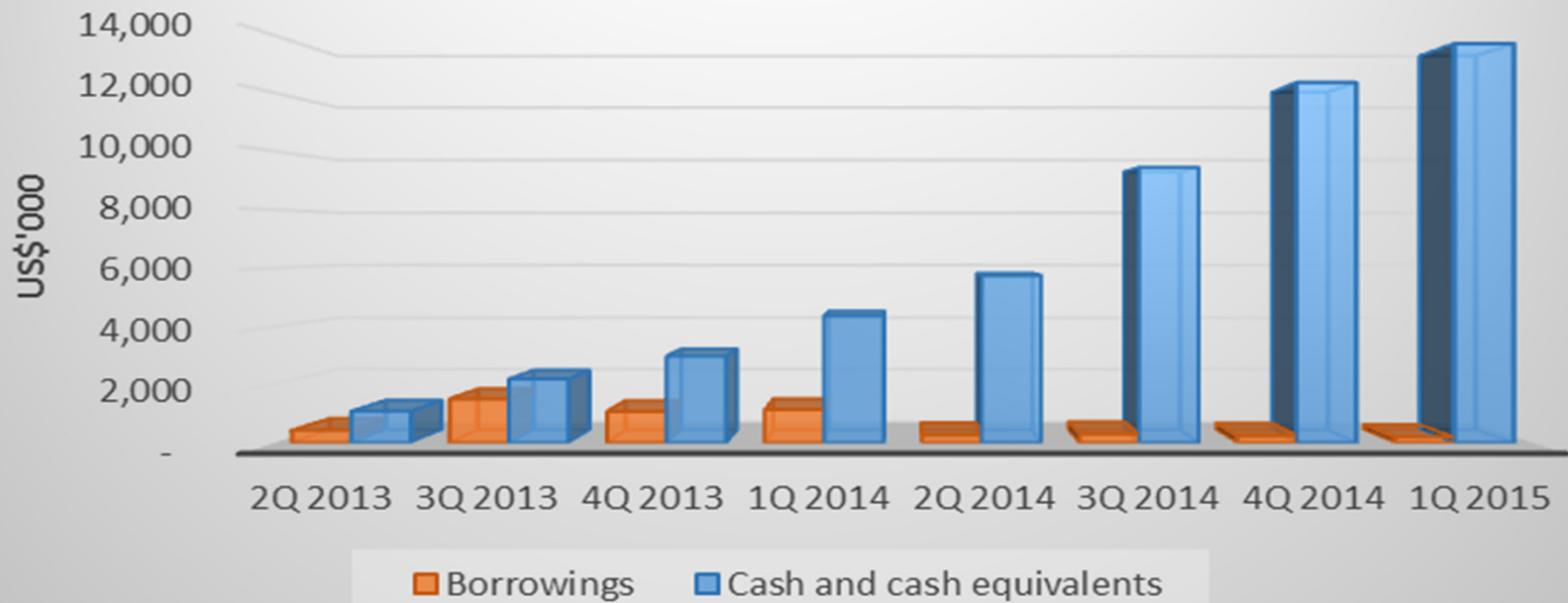
## Current assets versus current liabilities, Current ratio



# CASH AND CASH EQUIVALENTS VERSUS BORROWINGS



## Cash and cash equivalents versus borrowings



## SUMMARY OF ALL-IN COSTS AND MARGIN

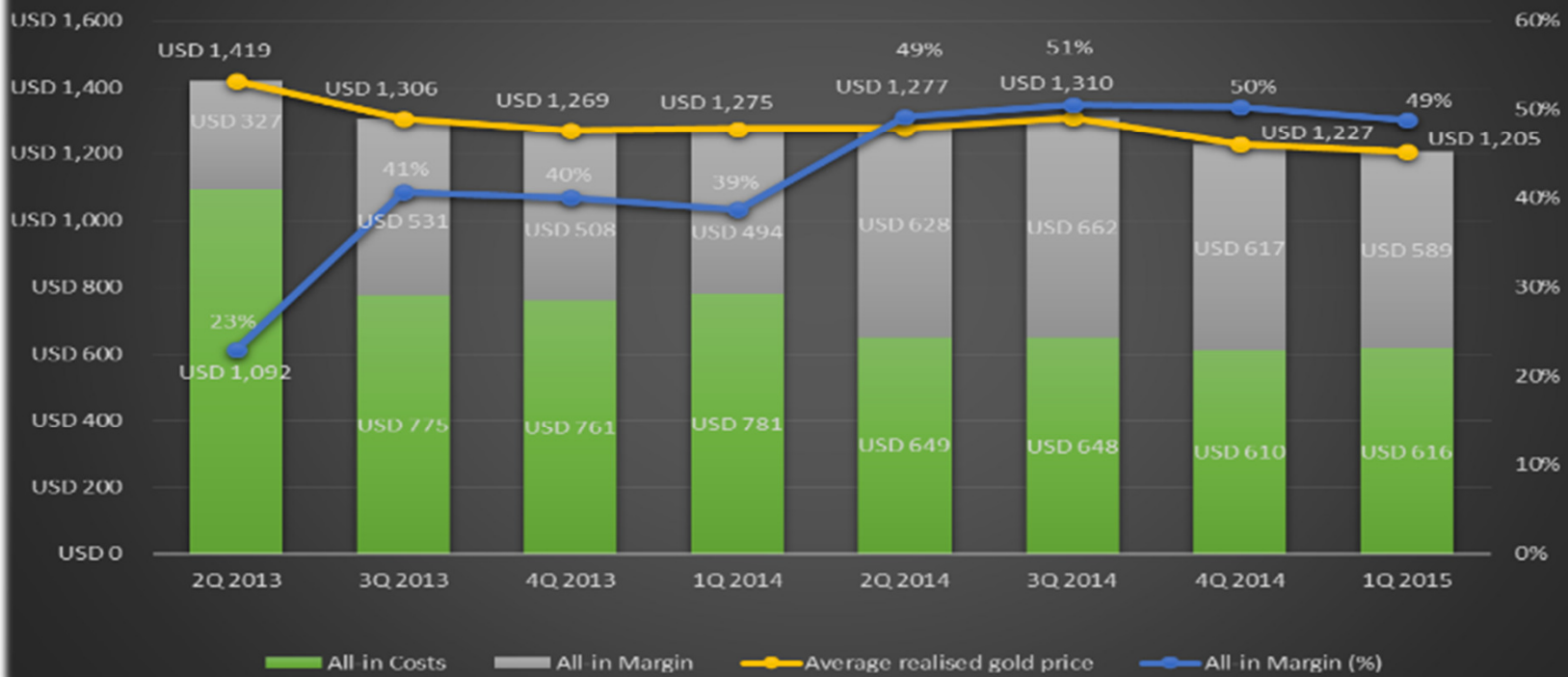
	1Q 2015	1Q 2014	Changes
	US\$ / gold ounce sold		%
Mining related costs	379	382	-1%
Royalty and tribute expenses	92	101	-9%
Adjusted operating costs	471	483	-2%
General and administrative costs	101	81	25%
Capital expenditure	16	46	-65%
All-in sustaining costs	588	610	-4%
Capital exploration (non-sustaining)	6	12	-50%
Capital expenditure (non-sustaining)	22	159	-86%
All-in costs (A)	616	781	-21%
Average realized gold price (B)	1,205	1,275	-6%
All-in Margin (C= B - A)	589	494	19%
All-in Margin (%) (C / B)	49%	39%	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.

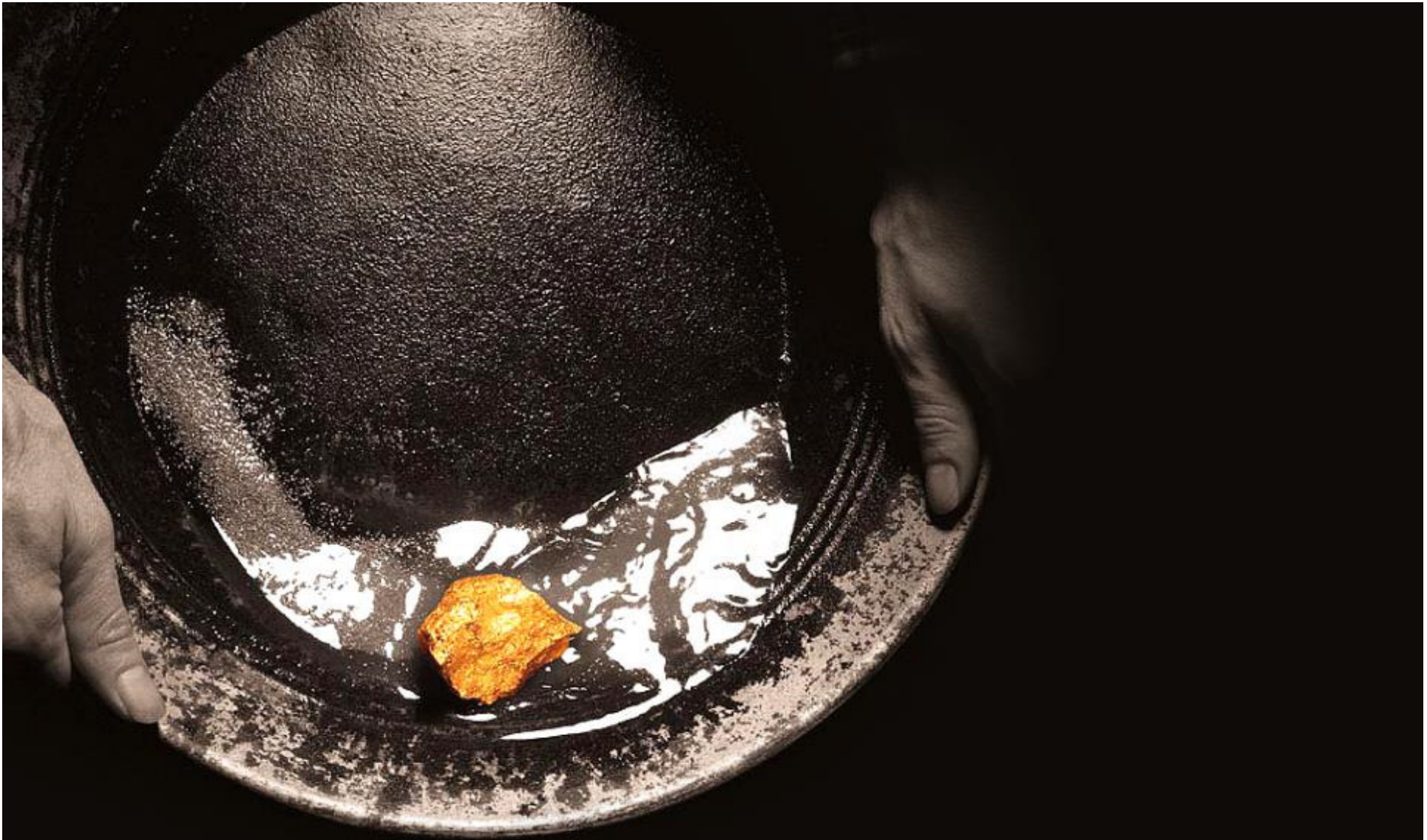


## NON-GAAP MEASURE METRICS BY WGC

- **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.





**MILESTONES ACHIEVED IN 2015**



## MILESTONES ACHIEVED IN 2015

➤ **6<sup>th</sup> January 2015**

**CNMC Produced A Total of 4,681.15 Ounces of Gold Doré Bars In The Month of December 2014 In Spite Of Inclement Weather**

*(CNMC produced a total of 4,681.15 ounces of gold dore bars despite the continuous heavy rainfall experienced during the seasonal North-East monsoon period)*

➤ **16<sup>th</sup> February 2015**

**Financial Statements of FY 2014 Results**

*(FY2014 net profit more than quadrupled to record US\$15.32 million on back of strong gold production)*

➤ **2<sup>nd</sup> April 2015**

**Qualified Person's Report on Updated Mineral Resources and Ore Reserves Estimates as at 31 Dec 2014**

*(As at 31 Dec 2014, 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) was 10.81 million tonne at 1.5g/t gold with contained gold of 506,000 ounces)*

➤ **8<sup>th</sup> April 2015**

**Completion Of On-Site Fine Ore Agglomeration Test-Work And The Re-Start Of Existing Vat Leach**

*(Successfully conducted fine ore agglomeration test-work and submitted applications to relevant governmental departments to restart the existing vat leach operations)*





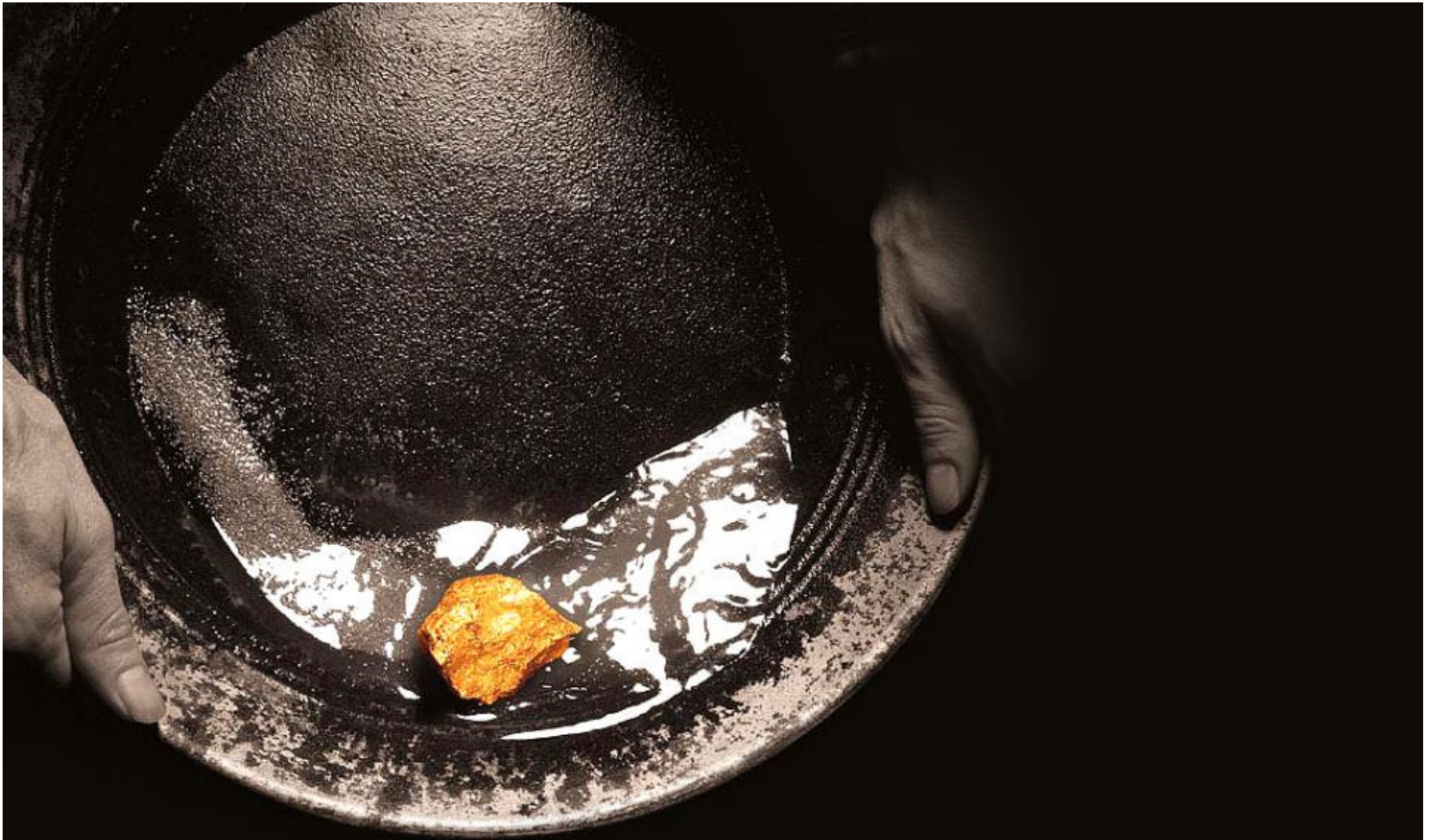
**PLANS FOR 2015**





## 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)

7 May 2015

Price per share

S\$0.27

Market capitalisation

S\$110.08 Million

Share issued

407.69 Million

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

5.40

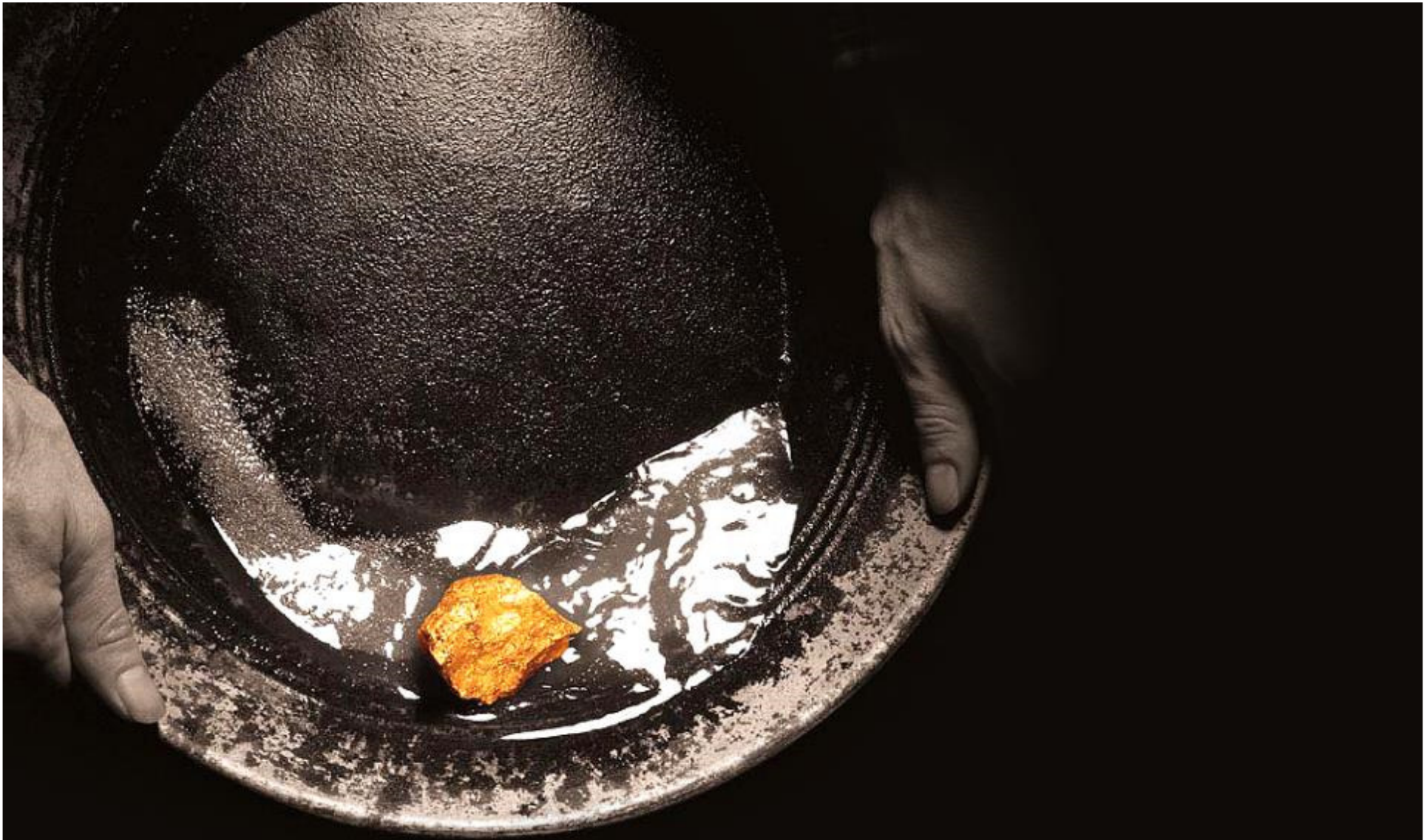
Dividend Yield

2.5%

Note: Market price per share @ 7 May 2015 / Earning per share (S\$) as of 31 March 2015.







**QUESTION ANSWER SESSION**