



# **CNMC Goldmine Holdings Limited**

## **4Q2015 & FY2015 Results Briefing**

**23 February 2016**

**(These presentation slides are available on the Company's corporate website [www.cnmc.com.hk](http://www.cnmc.com.hk))**














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**4Q2015**

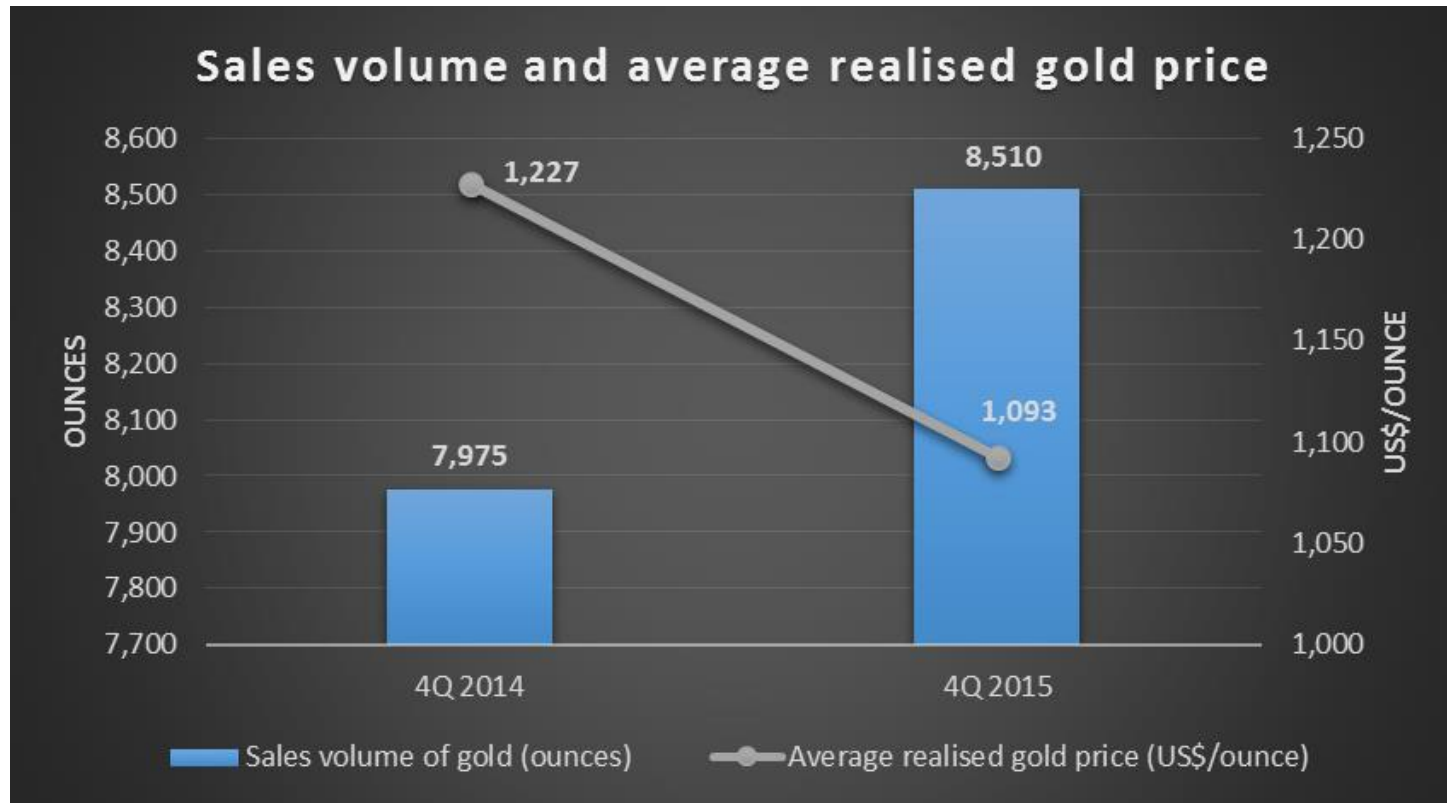
**Financial Highlights**

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# Financial Highlights

Income statement	4Q 2015	4Q 2014	Change
Revenue (US\$' million)	9.30	9.79	 -5.0%
Results from operating activities (US\$' million)	4.60	4.37	 5.2%
Net profit (US\$' million)	4.08	4.04	 1.0%
Net profit (excluding FX Impact and one-off tax credit) (US\$' million)	3.40	4.69	 -27.5%
Net profit margin	43.9%	41.3%	 2.6%
Net profit margin (excluding FX Impact and one-off tax credit)	36.6%	47.9%	 -11.3%
Earnings per share (US cents)	0.80	0.78	 2.6%
Earnings per share (SG cents)	1.13	1.02	 10.8%
Statement of financial position	As at 31/12/15	As at 31/12/14	Change
Net assets value (US\$' million)	33.49	25.16	 33.1%
Net assets value per share (US cents)	8.22	6.17	 33.2%
Net assets value per share (SG cents)	11.62	8.16	 42.4%
Current ratio	5.54	3.20	 73.1%
Debt/equity ratio	0.004	0.01	 -60.0%

# Revenue



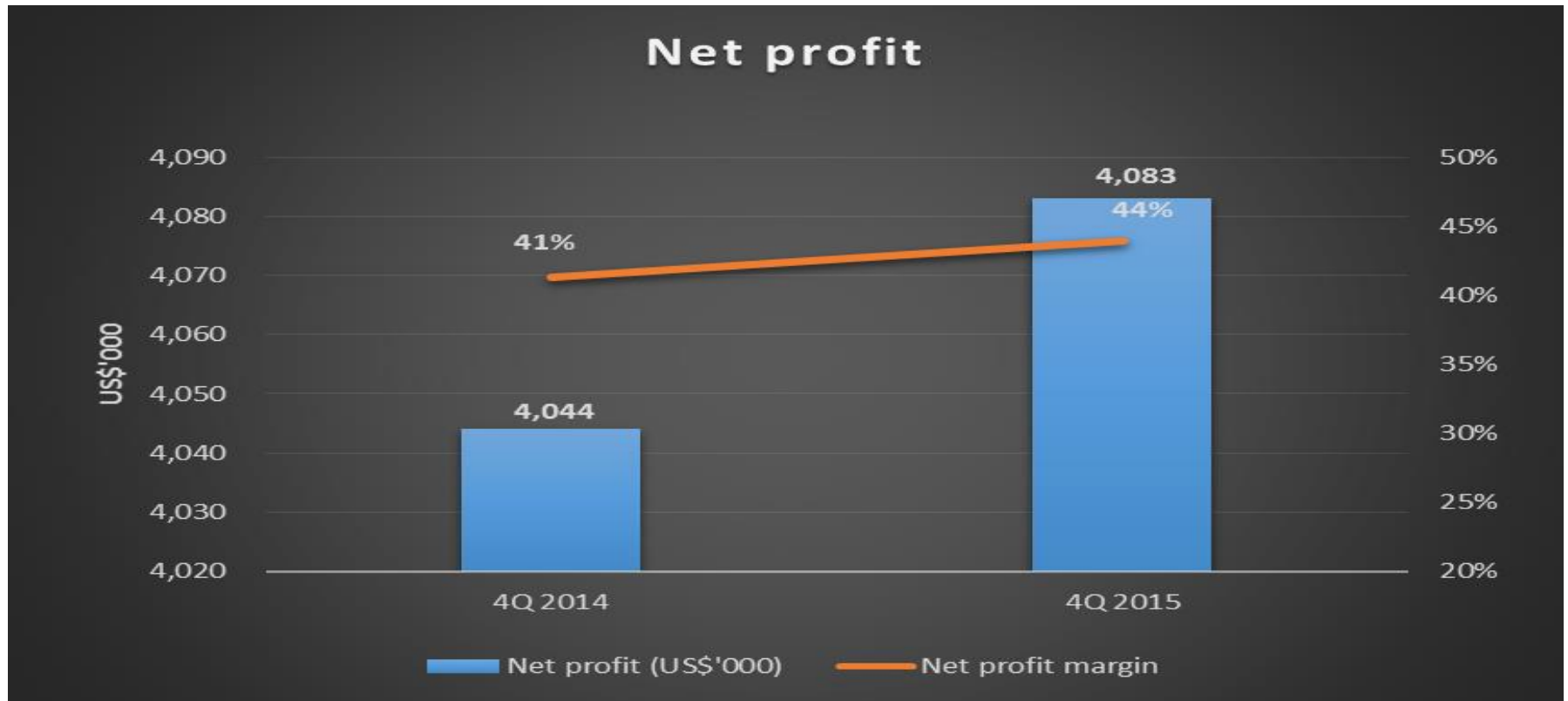
## Revenue fell 5%:

↓ Average realised gold price, from US\$1,227/ounce to US\$1,093/ounce

## Partly offset by:

↑ Sales volume of fine gold, from 7,975 ounces to 8,510 ounces

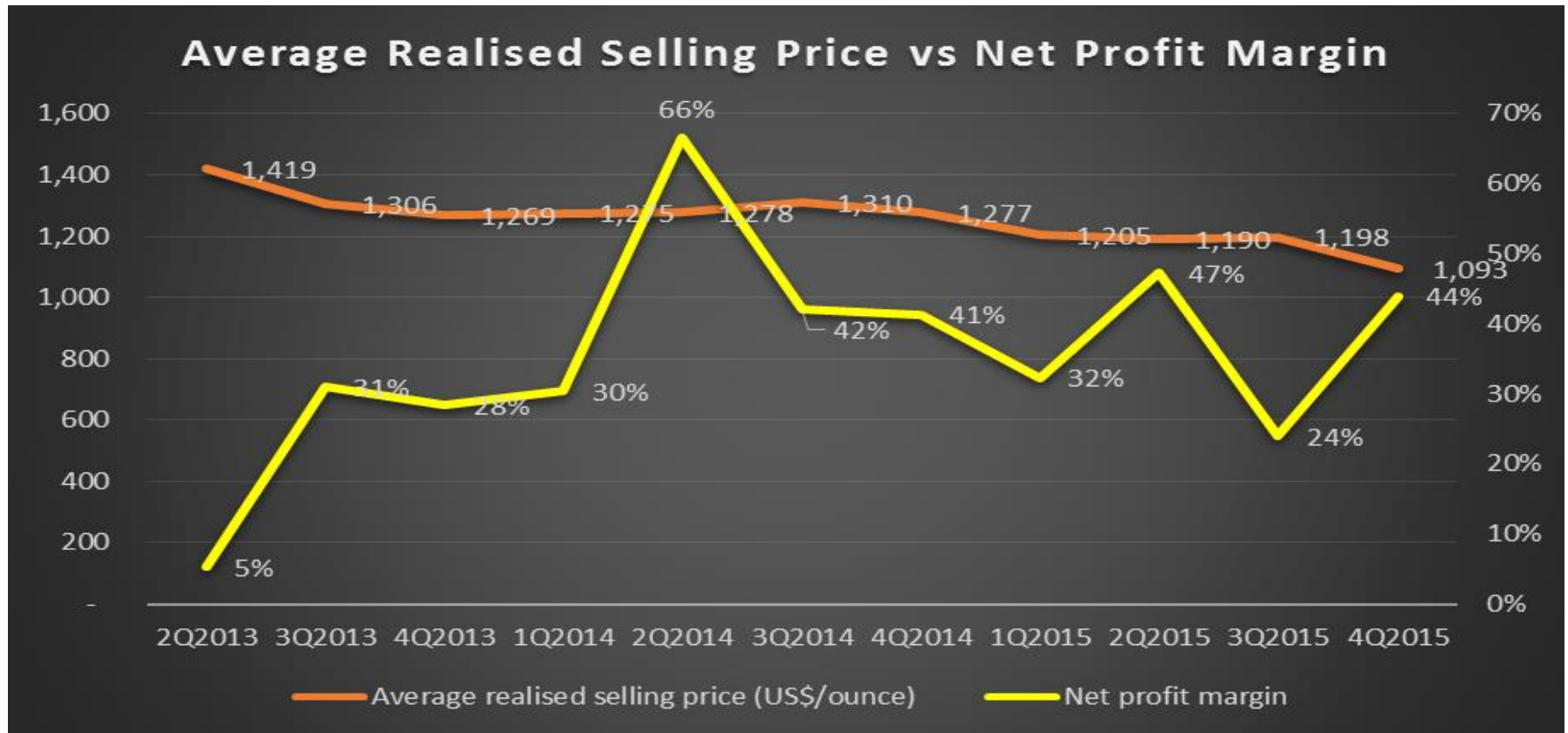
# Net Profit



**Net profit** up 1.0% to US\$4.08 million due mainly to:

- Unrealised foreign exchange gain of US\$0.68 million stemming from Malaysian ringgit's appreciation against US dollar

# Price vs Profit Margin



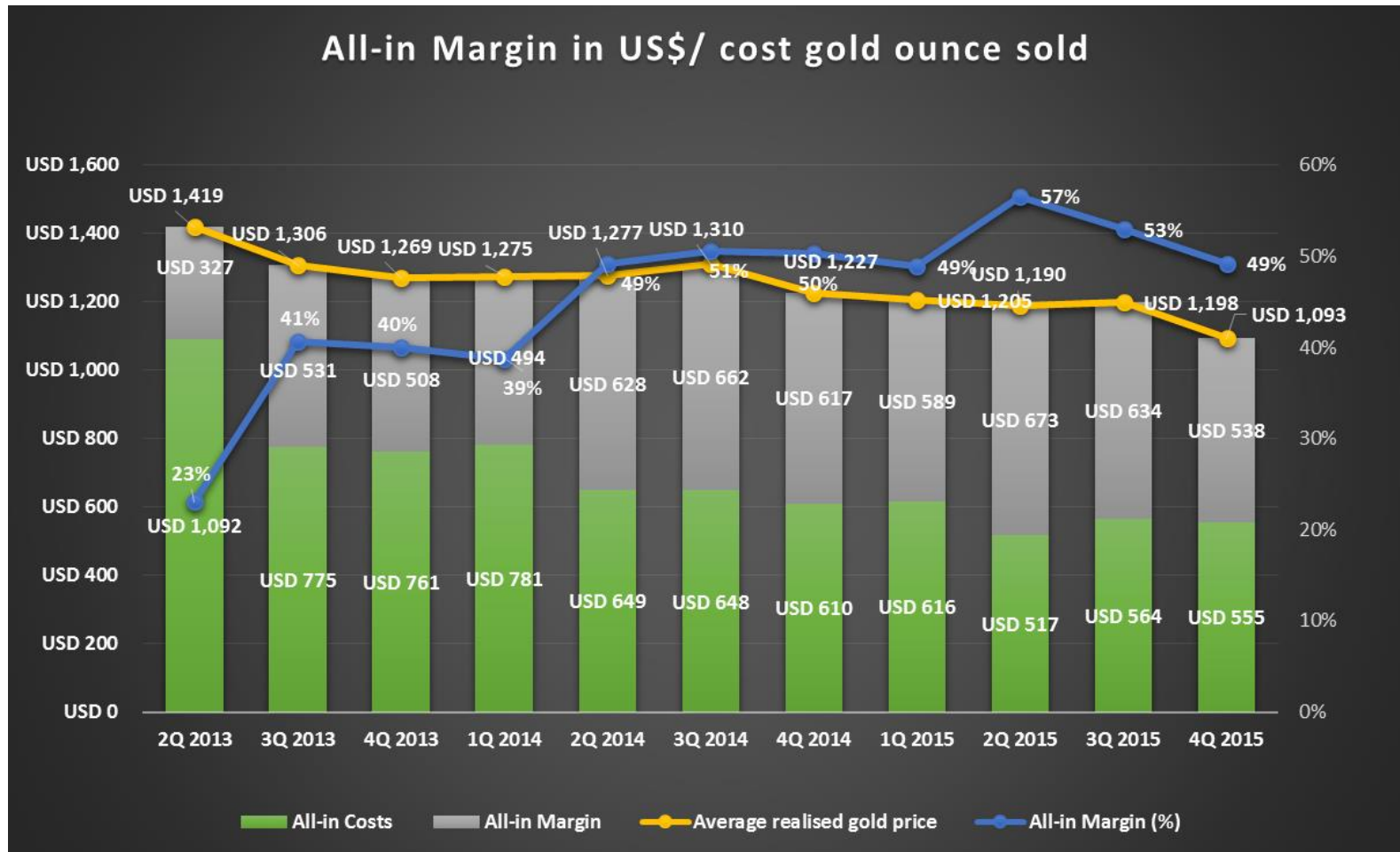
- Higher profit margin in 2Q2014 was due to the reversal of the one-off tax credit
- Lower profit margin in 3Q2015 was due to the sharp fall in MYR against USD

# Analysis Of All-In Costs And Margin

	4Q 2015	4Q 2014	Changes
	US\$ / gold ounce sold		%
Mining related costs	312	285	9%
Royalty and tribute expenses	81	93	-13%
Adjusted operating costs	393	378	4%
General and administrative costs	79	107	-26%
Capital expenditure	38	30	27%
All-in sustaining costs	510	515	-1%
Capital exploration (non-sustaining)	-	60	-100%
Capital expenditure (non-sustaining)	45	35	29%
All-in costs (A)	555	610	-9%
Average realized gold price (B)	1,093	1,227	-11%
All-in Margin (C= B - A)	538	617	-13%
All-in Margin (%) (C / B)	49%	50%	-1%

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

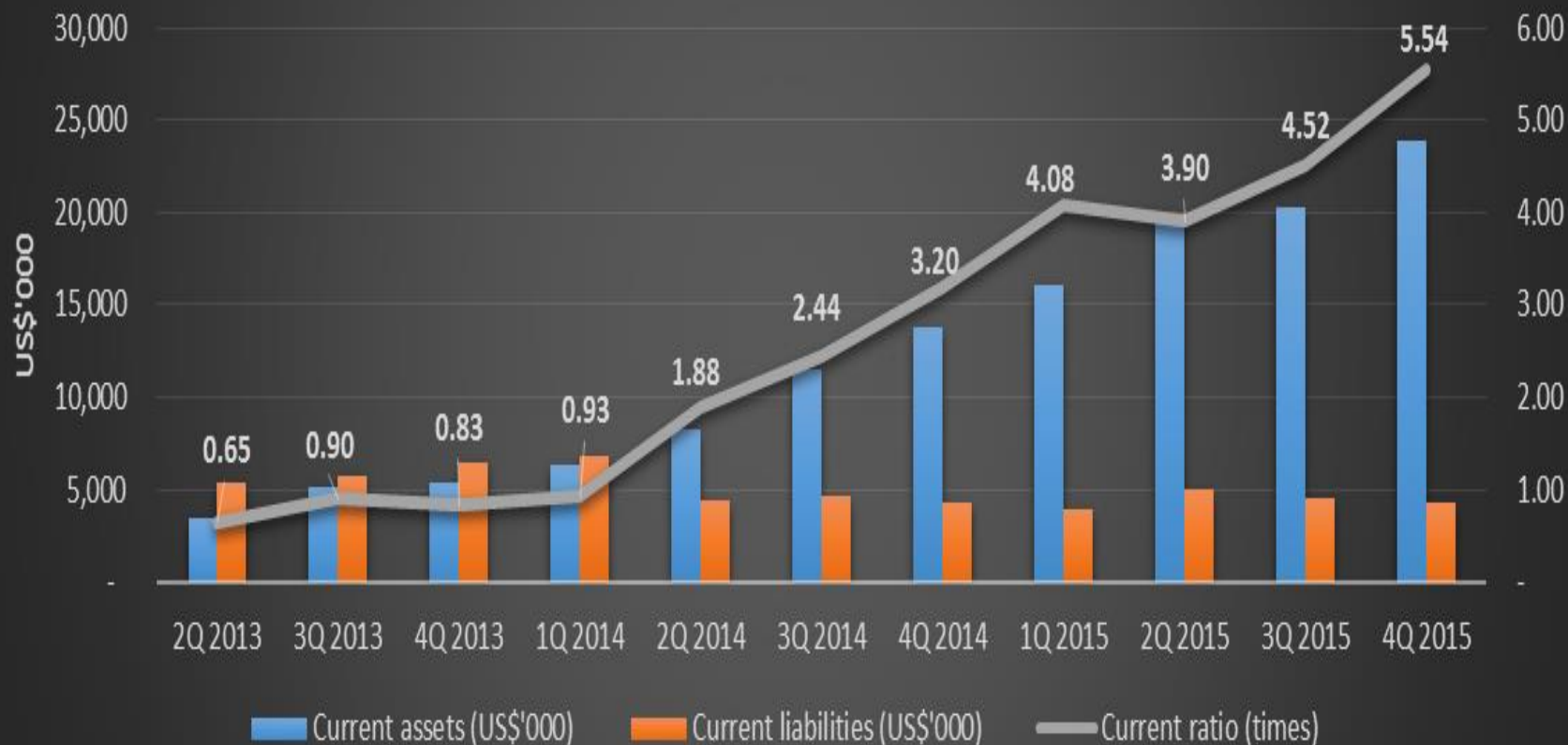


All-in costs of production declined to US\$555/ounce in 4Q 2015 from US\$610/ounce in 4Q2014, reflecting the success of CNMC's ongoing efforts to improve operational efficiency.

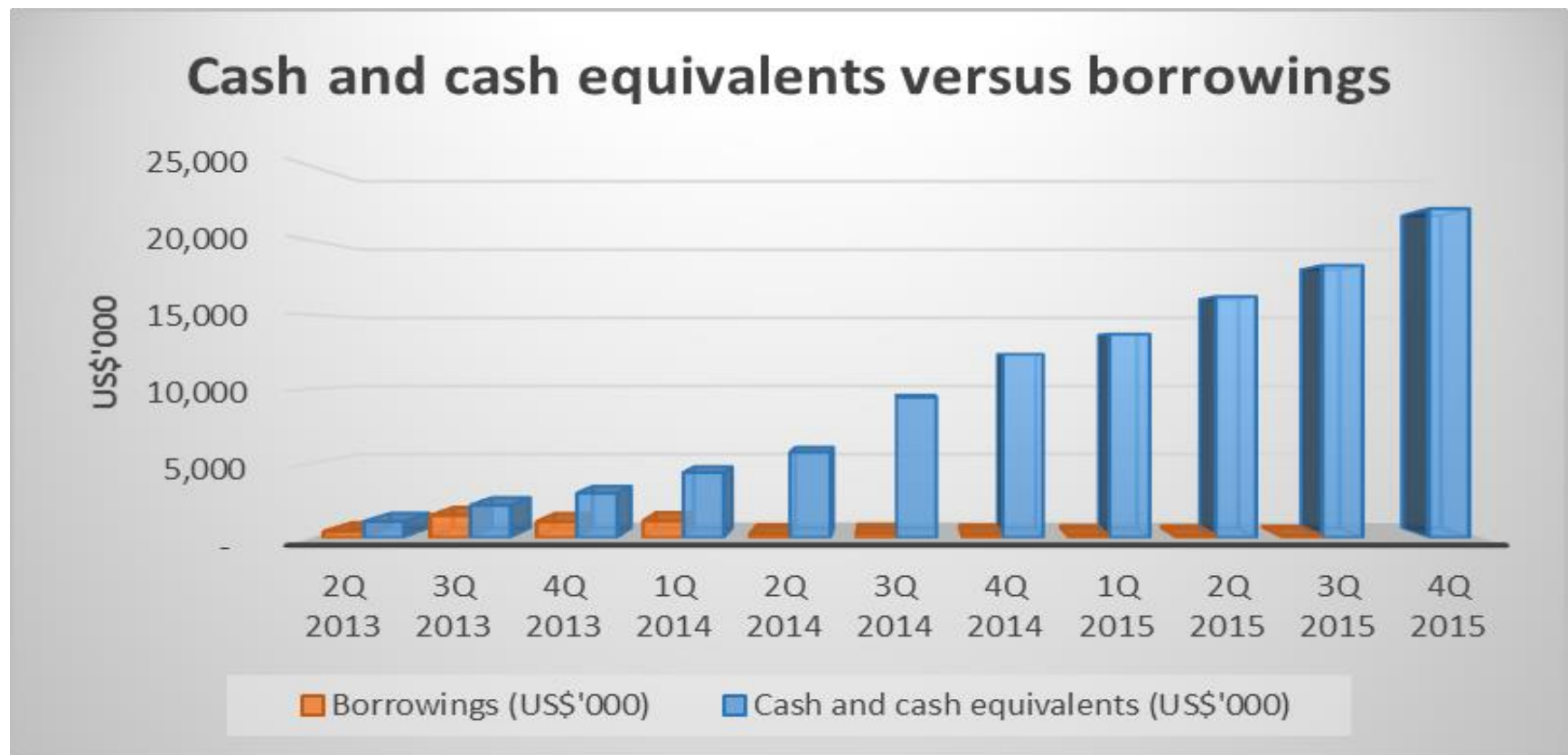


# Balance Sheet Highlights

## Current assets versus current liabilities, Current ratio



# Cash Position



- As of quarter end, the Group had cash and cash equivalents of US\$22.13 million at the end of the quarter, almost double the US\$12.34 million as at end of 4Q2014.














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**FY2015**

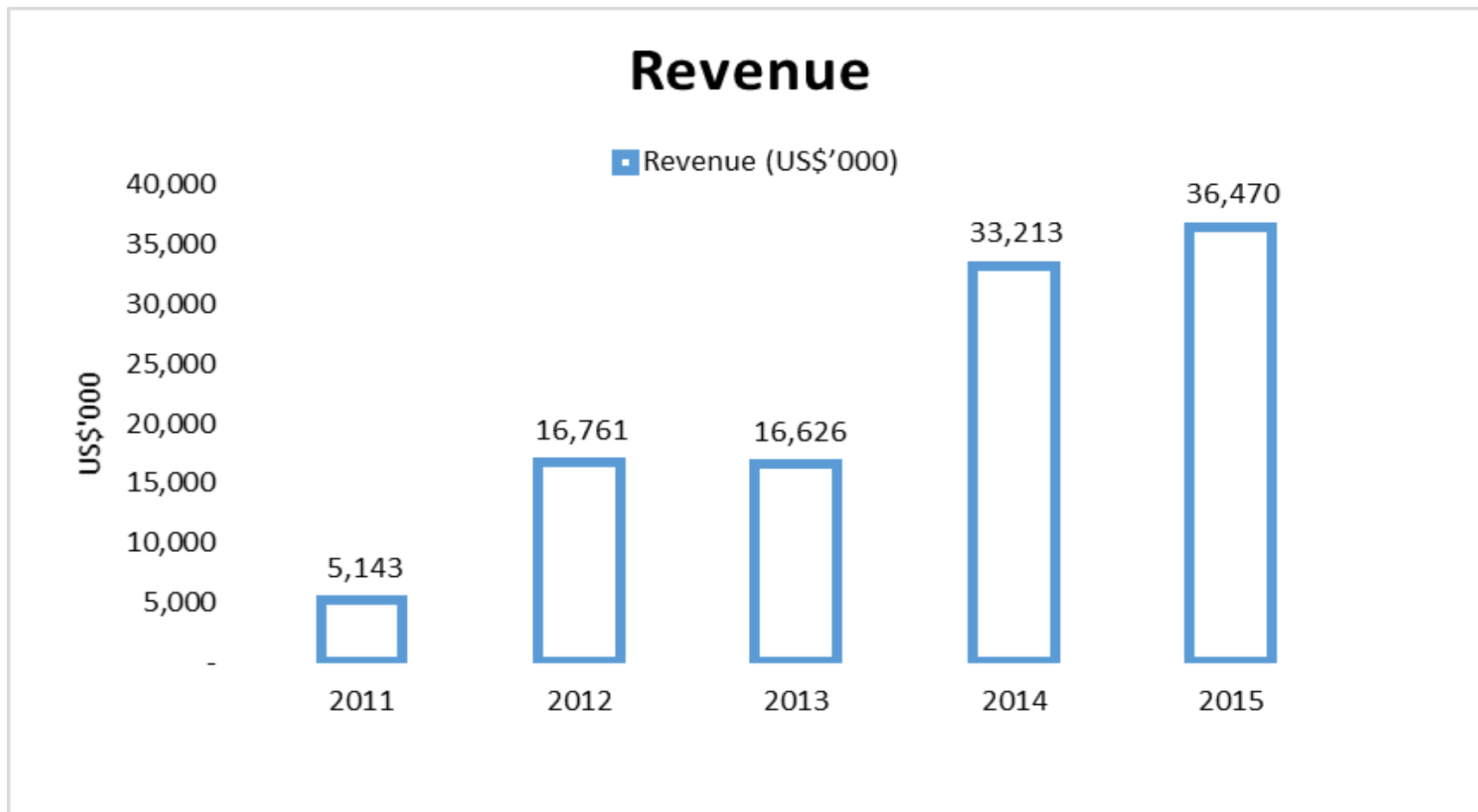
**Financial Highlights**

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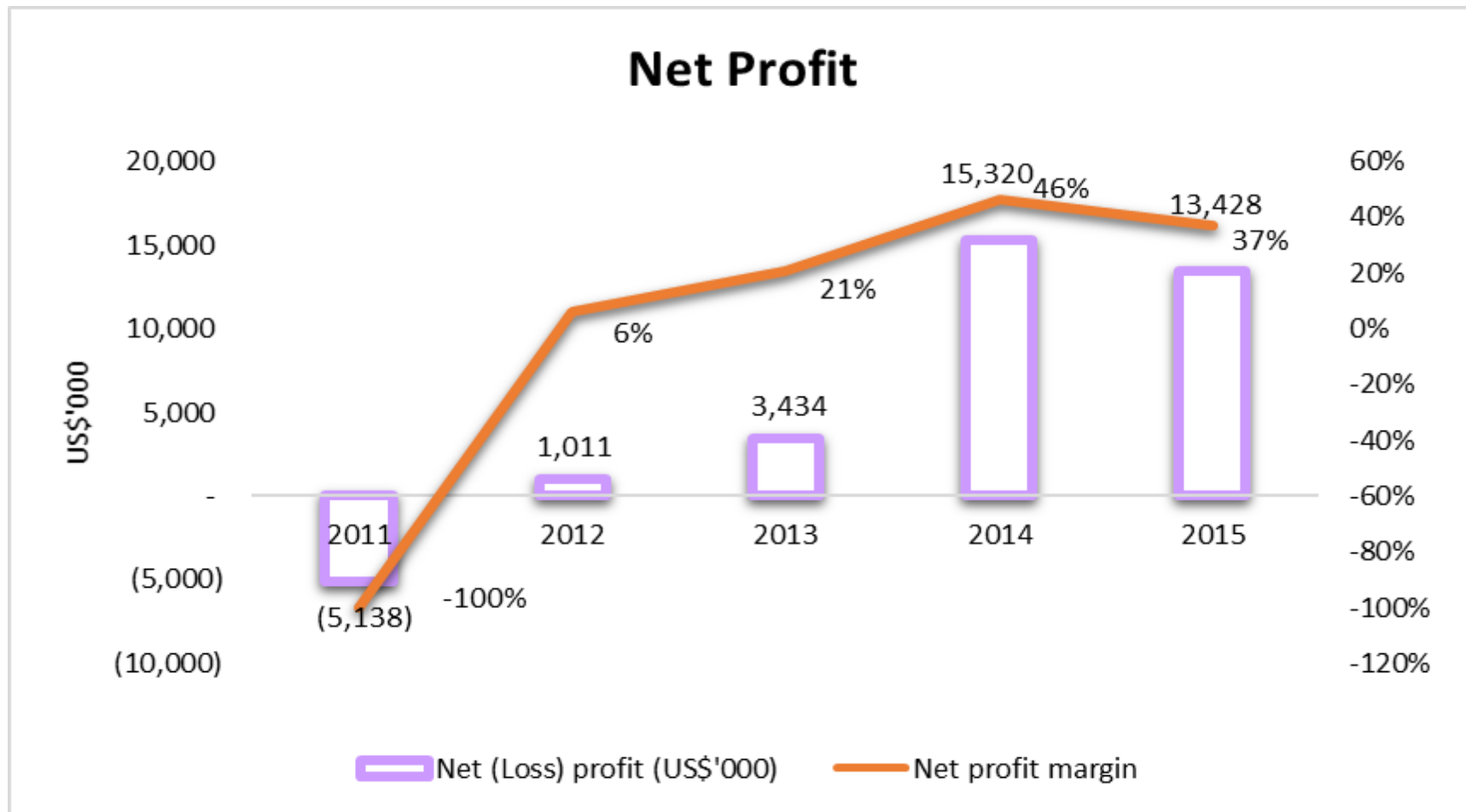
# Financial Highlights

Income statement	FY2015	FY2014	Change
Revenue (US\$' million)	36.47	33.21	 9.8%
Results from operating activities (US\$' million)	13.98	14.80	 -5.5%
Net profit (US\$' million)	13.43	15.32	 -12.3%
Net profit (excluding FX Impact and one-off tax credit) (US\$' million)	16.43	14.83	 10.8%
Net profit margin	36.8%	46.1%	 -9.3%
Net profit margin (excluding FX Impact and one-off tax credit)	45.1%	44.7%	 0.4%
Earnings per share (US cents)	2.62	3.00	 -12.7%
Earnings per share (SG cents)	3.70	3.91	 -5.4%
Statement of financial position	As at 31/12/15	As at 31/12/14	Change
Net assets value (US\$' million)	33.49	25.16	 33.1%
Net assets value per share (US cents)	8.22	6.17	 33.2%
Net assets value per share (SG cents)	11.62	8.16	 42.4%
Current ratio	5.54	3.20	 73.1%
Debt/equity ratio	0.004	0.01	 -60.0%

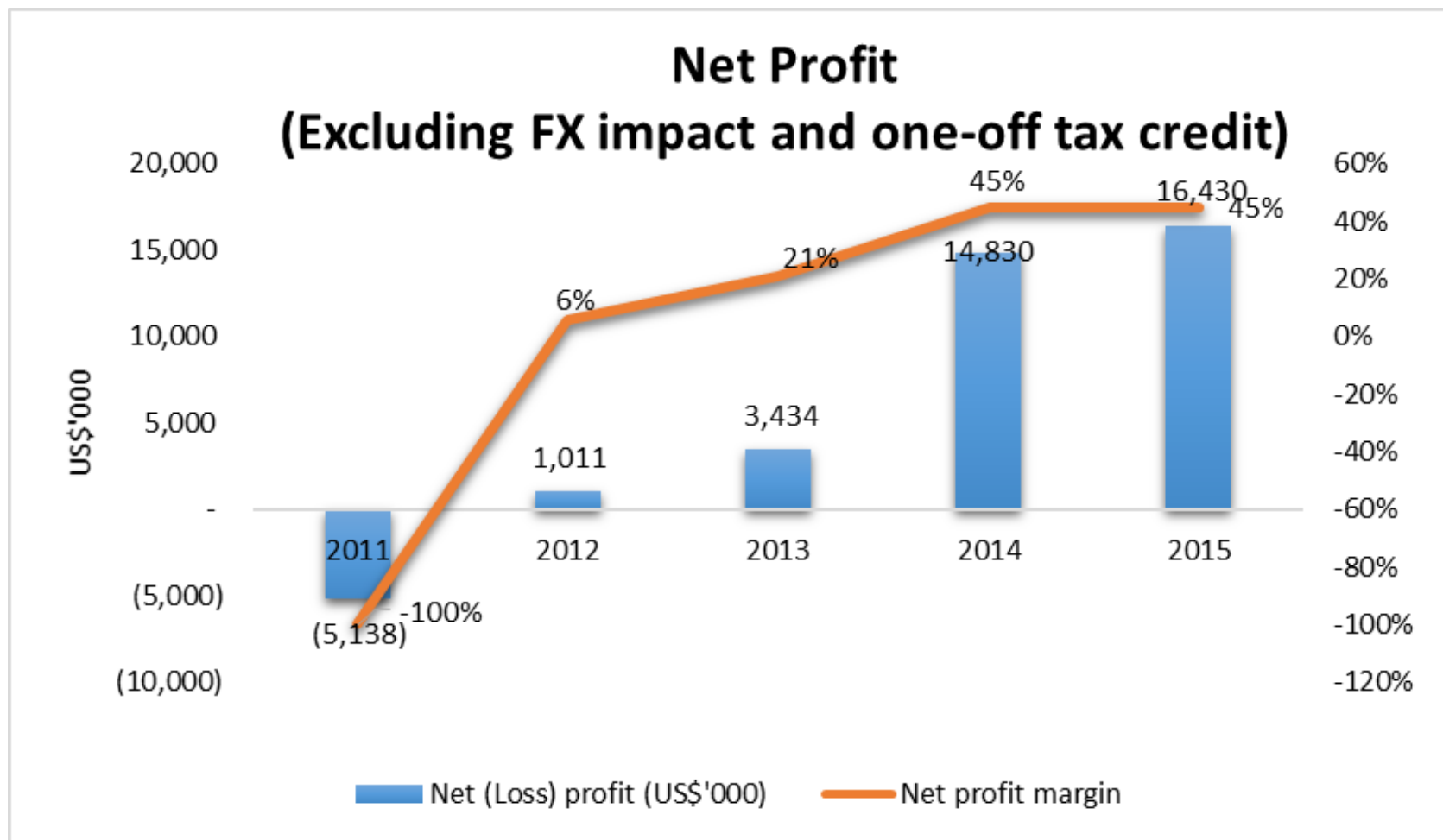
# REVENUE: FY2011 TO FY2015



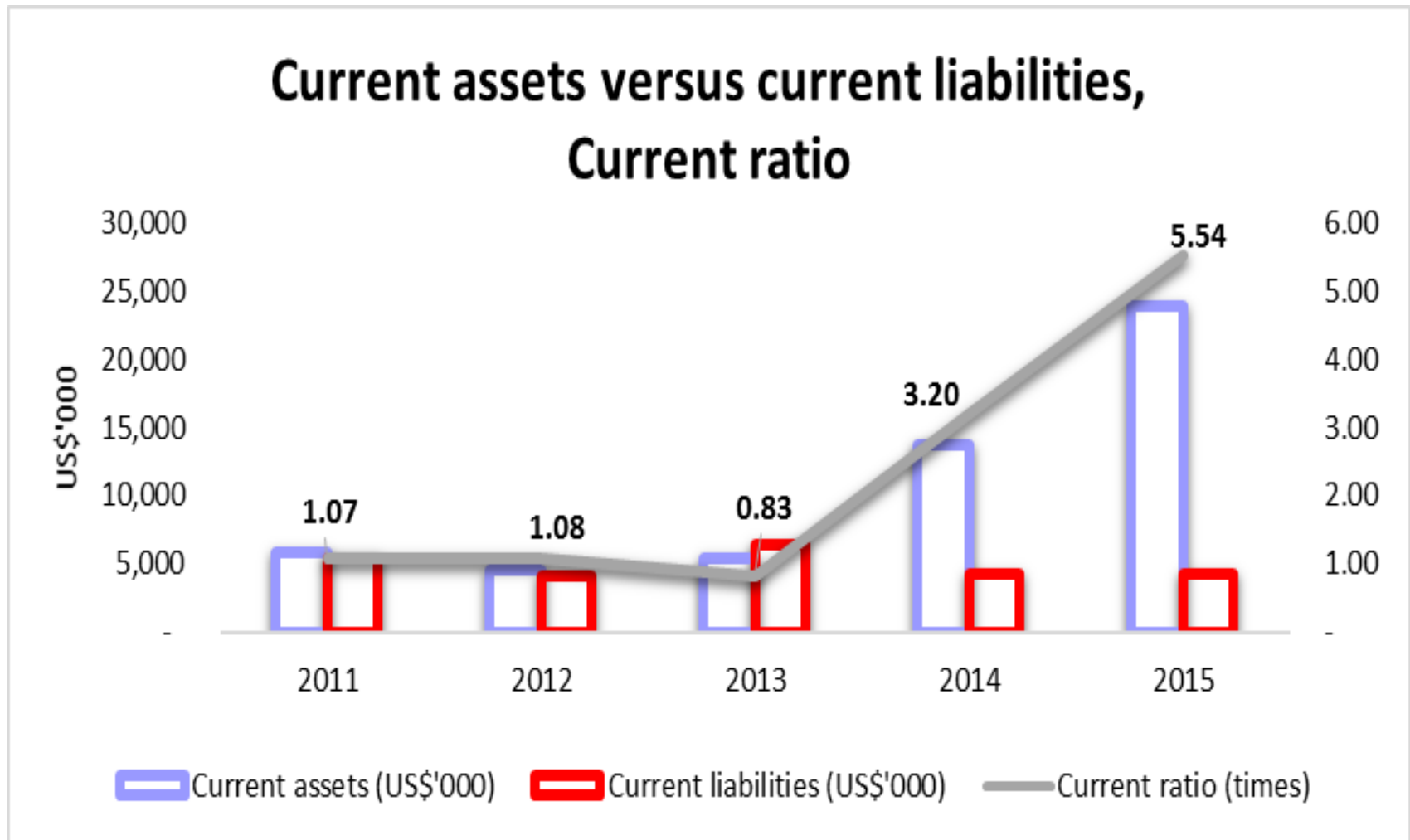
# NET PROFIT: FY2011 TO FY2015



# NET PROFIT: FY2011 TO FY2015

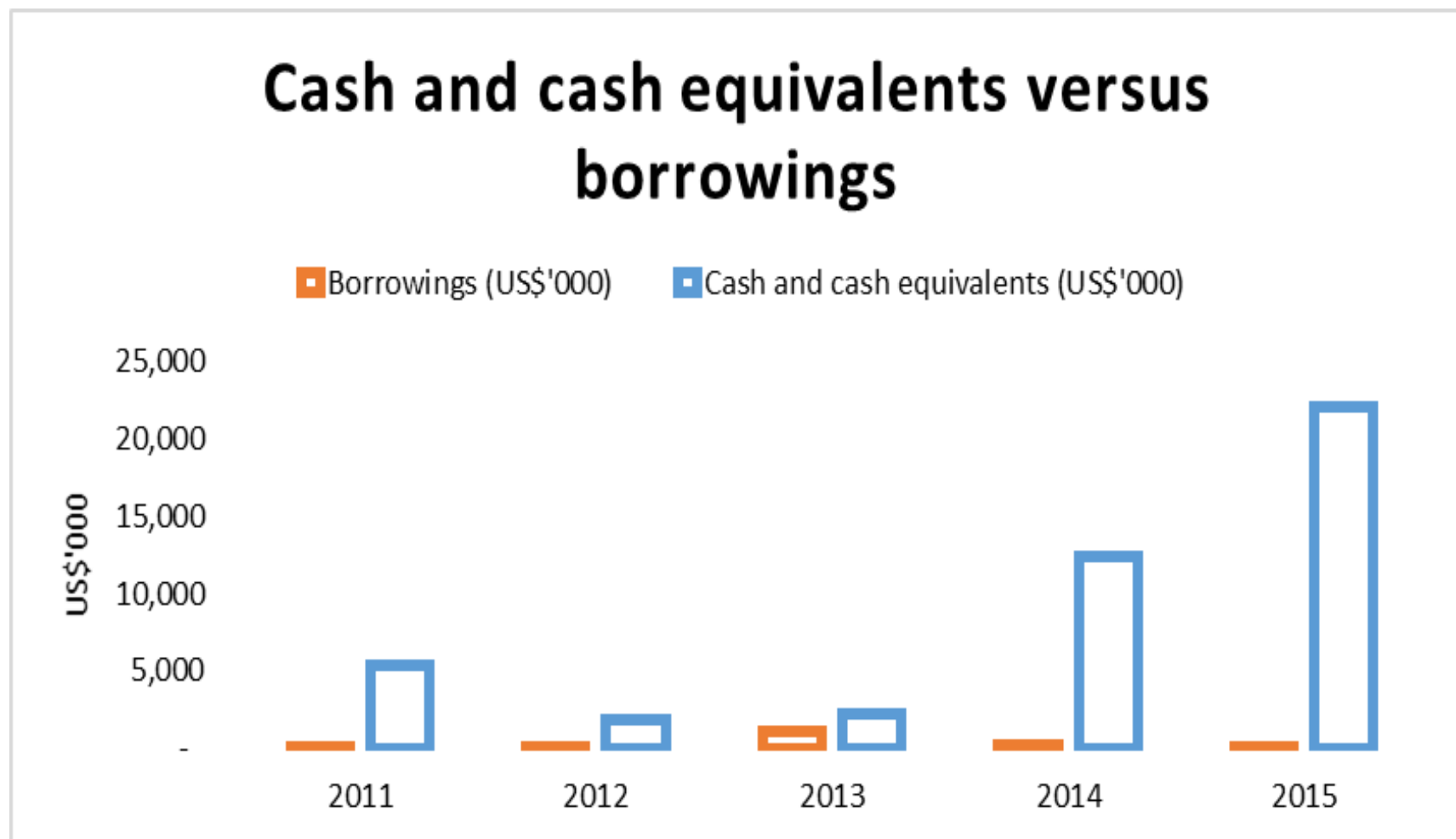


# CURRENT ASSETS, CURRENT LIABILITIES AND CURRENT RATIO: FY2011 TO FY2015





# CASH AND CASH EQUIVALENTS & BORROWINGS: FY2011 TO FY2015



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# 2015 Milestones

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# 2015 Milestones

Date:	Milestone:
6 <sup>th</sup> January	CNMC produced a total of 4,681.15 ounces of Gold Dore bars in December 2014, despite the North-East Monsoon season
2 <sup>nd</sup> April	Newly discovered Mineral Resources and Ore Reserves for the Sokor Gold Project amounting to 10.81 million tonne at 1.5g/t gold with contained gold of 506,000 ounces
8 <sup>th</sup> April	Successfully conducted fine ore agglomeration test-work and submitted applications to relevant governmental departments to restart vat leach operations
6 <sup>th</sup> August	Newly incorporated CNMC Exploration to be mainly involved in providing mineral exploration and drilling services
29 <sup>th</sup> September	Set new record for a single gold pour, which yield 3,771.19 ounces of gold dore bars. This represents the highest output for a single gold pour since CNMC started production five years ago (previous record was 2,945.01 ounces)

# 2016 Milestones

Date:	Milestone:
7 <sup>th</sup> January	CNMC produced record 31,205.85 ounces of fine gold in FY2015

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# Competitive Strength

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# Competitive Strength

**Profitable gold  
producer**

**Low all-in cost  
of production**

**Strong  
operating cash  
flow**

**Corporate  
transparency**

**Exploring  
portfolio  
expansion**

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# **Stock Data & Dividend**

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# Stock Data & Dividend

<b>(SGX: 5TP) (Reuters: CNMC.SI) (Bloomberg: CNMC:SP)</b>	<b>19 February 2016</b>
Price per share	S\$0.215
Market capitalisation	S\$ 87.57 Million
Share issued	407.29 Million
P/E ratio (Note)	5.81
Dividend Yield (YTD)	4.40%

Note: Market price per share @ 19 February 2016 / Earning per share (S\$) as of 31 December 2015.

For FY2015, CNMC paid two interim tax-exempt dividend of total 0.36 Singapore cent per share.

CNMC proposed a final dividend of 0.18 Singapore cent and special dividend of 0.405 Singapore cent per share for shareholders' approval at the next AGM.



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# About CNMC

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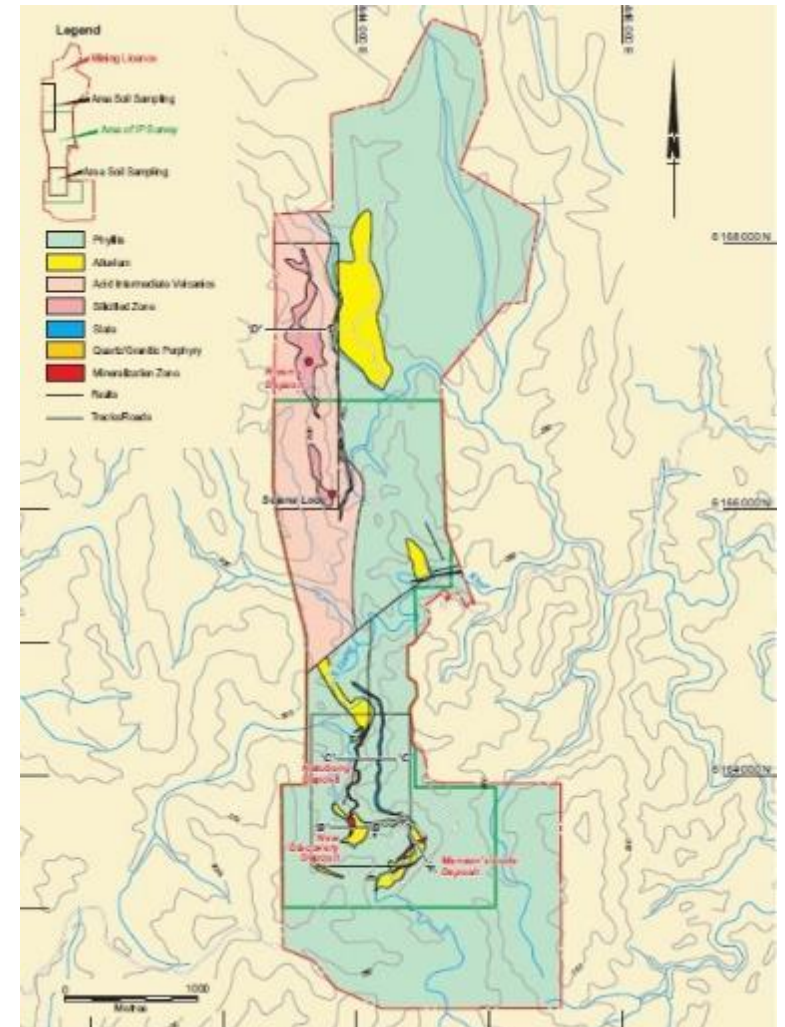
# About CNMC

- 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 on 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



# Sokor Gold Field Project

- Spanning an area of 10km<sup>2</sup>, Sokor had 506,000 ounces of JORC-compliant gold resources (including ore reserves) as at 31 December 2014
- Achieved first gold pour on 21 July 2010
- Produced more than two metric tonne of fine gold bullion since production commence
- 4 identified areas: Manson's Lode, New Discovery, Sg. Ketubong, Rixen
- Mining licences obtained with full support from Kelantan State Government



# Production Facilities

- Three leaching yards with estimated leaching capacity of 1 million tonnes of ore per annum
- Brand-new gold de-absorption plant comprising gold de-absorption, active carbon re-generation and smelting systems to support leaching capacity of 1 million tonnes of ore per annum

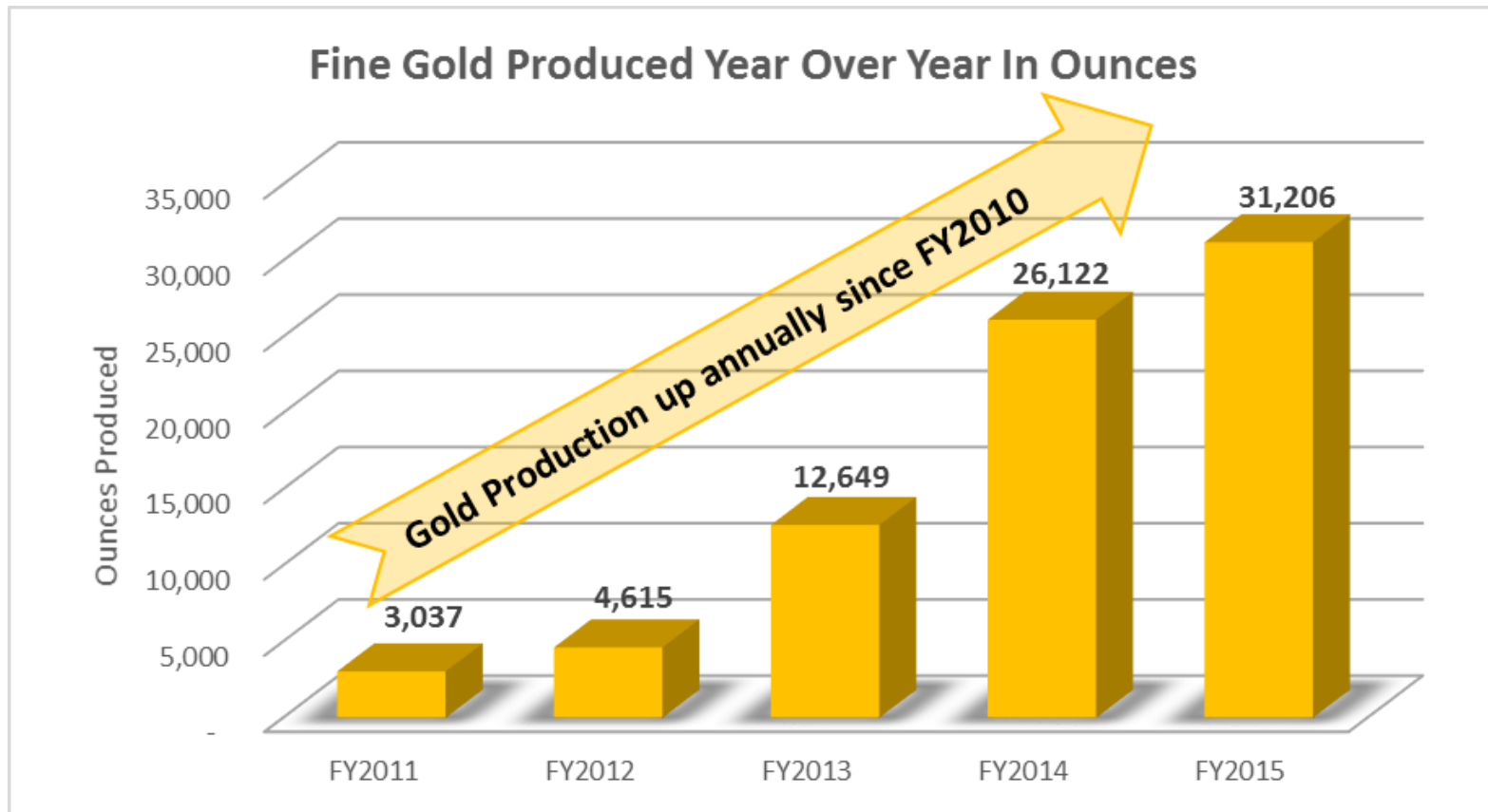


# Production Facilities

- Brand-new ore agglomeration facility in construction
- Upgrading existing vat leaching facility to estimated leaching capacity of 200,000 tonnes of ore per annum



# Fine-Gold Production



- Commenced gold production in July 2010 and has since successfully completed more than 200 gold pours
- Over the comparative periods, fine gold production increased 19.46% to 31,205.85 ounces in FY2015 from 26,122.08 ounces in FY2014

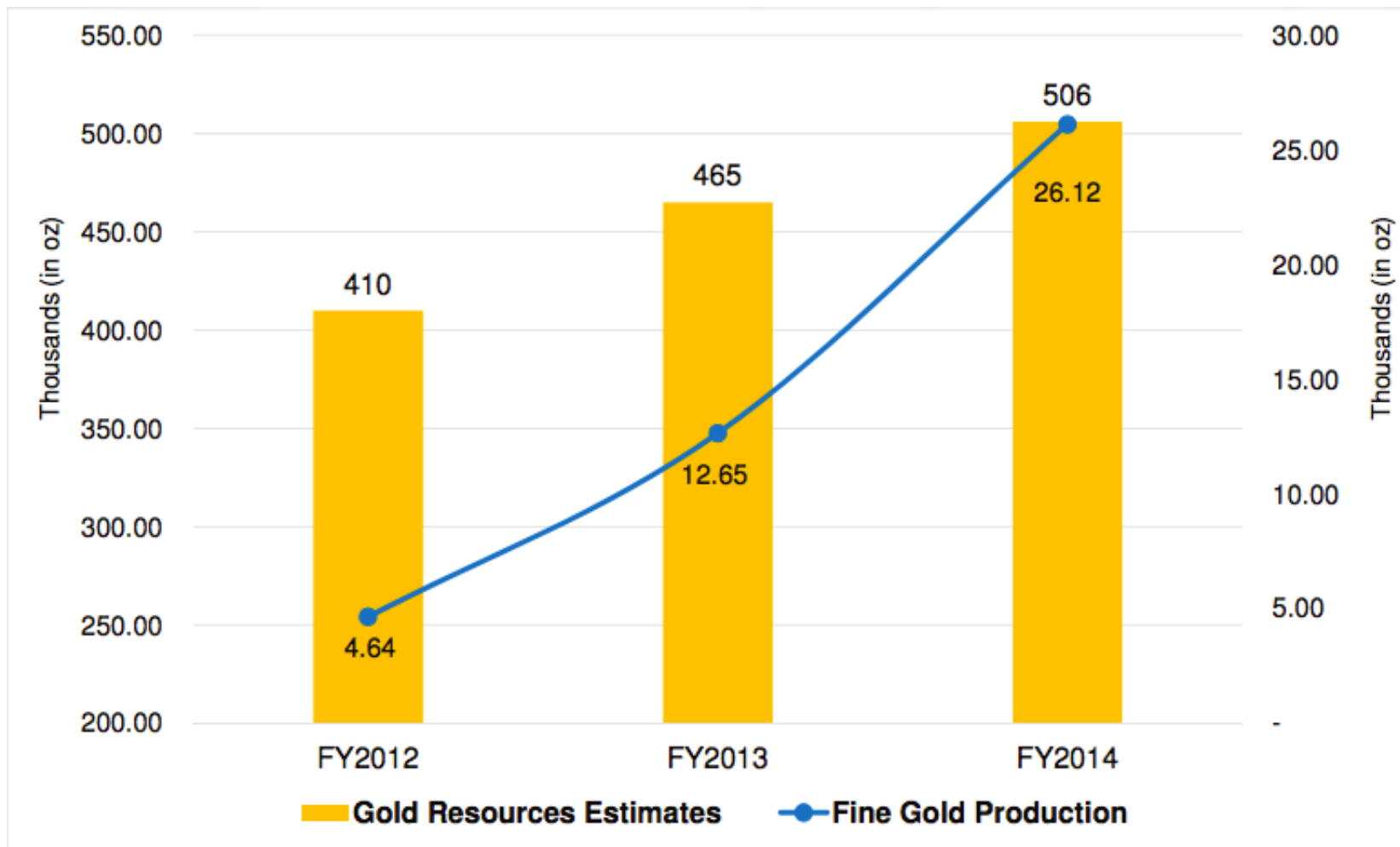
# JORC Compliant Gold Resource

Category	Mineral type	Gross attributable to licence			Gross attributable to CNMC			
		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)	Change from previous update (%)
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>

As at 31 December 2014, 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 (2013: 9.14 million tonne at 1.6 g/t gold with contained gold of 465,000 ounces).

# Resources and Production

## Gold Resources Versus Fine Gold Production





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