



CNMC Goldmine Holdings Limited

4Q 2019 & FY 2019 Results Briefing

21 February 2020

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

4Q 2019

Financial Highlights

4Q 2019 Financial Highlights

Income statement	4Q 2019	4Q 2018	Change
Revenue (US\$' million)	7.60	12.61	-39.7%
Results from operating activities (US\$' million)	0.10	2.77	-96.4%
Net profit (US\$' million)	0.27	1.95	-86.2%
Net profit margin	3.6%	15.5%	-11.9%
Net profit (excluding FX Impact and other one-off expenses) (US\$' million)	0.05	1.79	-97.2%
Net profit margin (excluding FX Impact and other one-off expenses)	0.7%	14.2%	-13.5%
Earnings per share (US cents)	0.06	0.31	-80.6%
Earnings per share (SG cents)	0.08	0.42	-81.0%

Note: Other one-off expenses only incurred in 4Q 2018 which included listing expenses for the proposed dual primary listing on HKEX and reversal of Pulai's tax penalty accrual.

**Net asset
value of
US\$44.77
million**

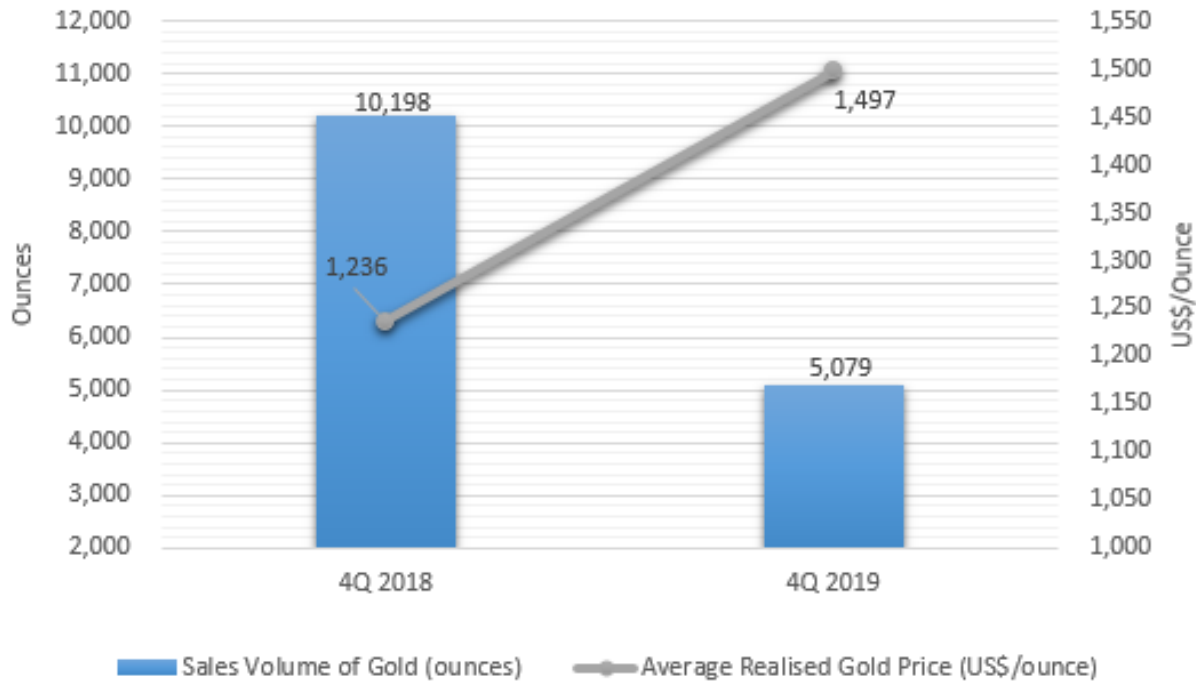
**Current
ratio of
2.29**

**Debt/Equity
ratio of
0.02**

**Net cash
position of
US\$15.03
million**

4Q 2019 Revenue

Sales Volume and Average Realised Gold Price



Revenue down 39.7%:

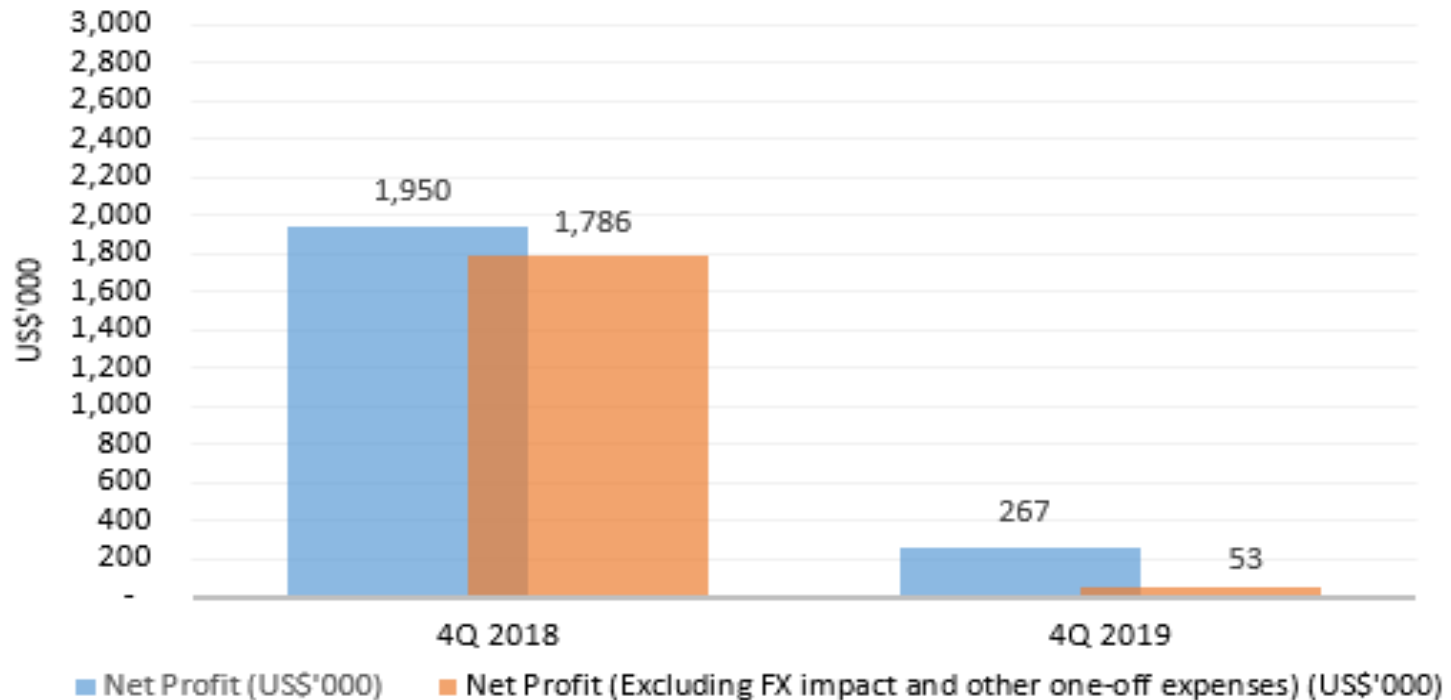
↓ Sales volume of fine gold, from 10,198 ounces to 5,079 ounces

Partly offset by:

↑ Average realised gold price, from US\$1,236/ounce to US\$1,497/ounce

4Q 2019 Net Profit

Net Profit



Net profit of US\$0.27 million in 4Q 2019 vs US\$1.95 million in 4Q 2018 mainly due to decline in sales of fine gold.

4Q 2019 Analysis Of All-In Costs And Margin

	4Q 2019	4Q 2018	Changes
	US\$ / gold ounce sold		%
Mining related costs	849	504	68.5%
Royalty and tribute expenses	209	153	36.6%
Adjusted operating costs	1,058	657	61.0%
General and administrative costs	218	147	48.3%
Capital expenditure	9	56	-83.9%
All-in sustaining costs	1,285	860	49.4%
Capital exploration (non-sustaining)	34	21	61.9%
Capital expenditure (non-sustaining)	128	64	100.0%
All-in costs (A)	1,447	945	53.1%
Average realised gold price (B)	1,497	1,236	21%
All-in Margin (C= B - A)	50	291	-83%
All-in Margin (%) (C / B)	3%	24%	-21%

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.

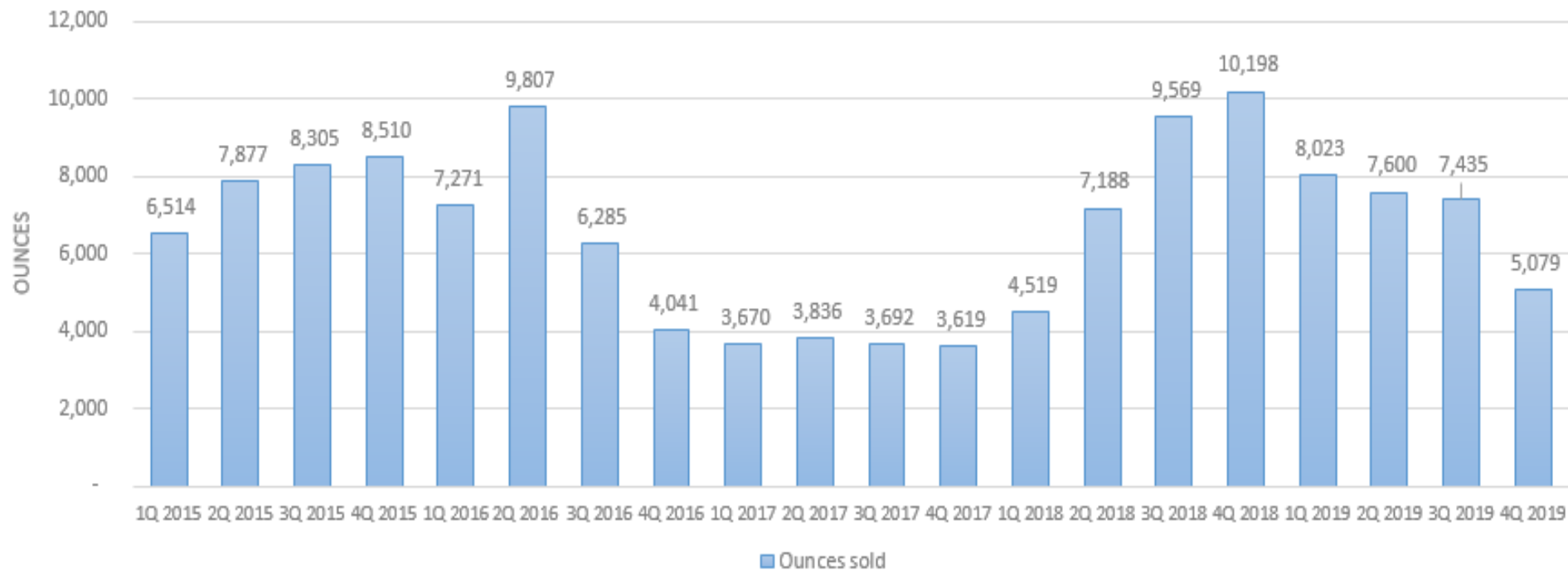
Summary Of All-In Costs And Margin



All-in costs of production increased to US\$1,447/ounce in 4Q2019 from US\$945/ounce in 4Q2018, mainly due to lower sales of fine gold and higher capex for non-sustaining operations resulting from construction work-in-progress of underground mining facility and expansion of production infrastructure.

Quarterly Production Volume

Fine gold sold



FY 2019

Financial Highlights

FY2019 Financial Highlights

Income statement	FY2019	FY2018	Change
Revenue (US\$' million)	39.10	39.55	-1.1%
Results from operating activities (US\$' million)	6.41	4.13	55.2%
Net profit (US\$' million)	5.47	3.01	81.7%
Net profit margin	14.0%	7.6%	6.4%
Net profit (excluding FX Impact and other one-off expenses) (US\$' million)	4.65	5.34	-12.9%
Net profit margin (excluding FX Impact and other one-off expenses)	11.9%	13.5%	-1.6%
Earnings per share (US cents)	1.09	0.41	165.9%
Earnings per share (SG cents)	1.49	0.55	170.9%

Note: Other one-off expenses in FY2018 included expenses for the proposed dual primary listing on HKEX, share performance expenses which terminated on 4 July 2018 and reversal of Pulai's tax penalty accrual, 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 FY2019.

**Net asset
value of
US\$44.77
million**

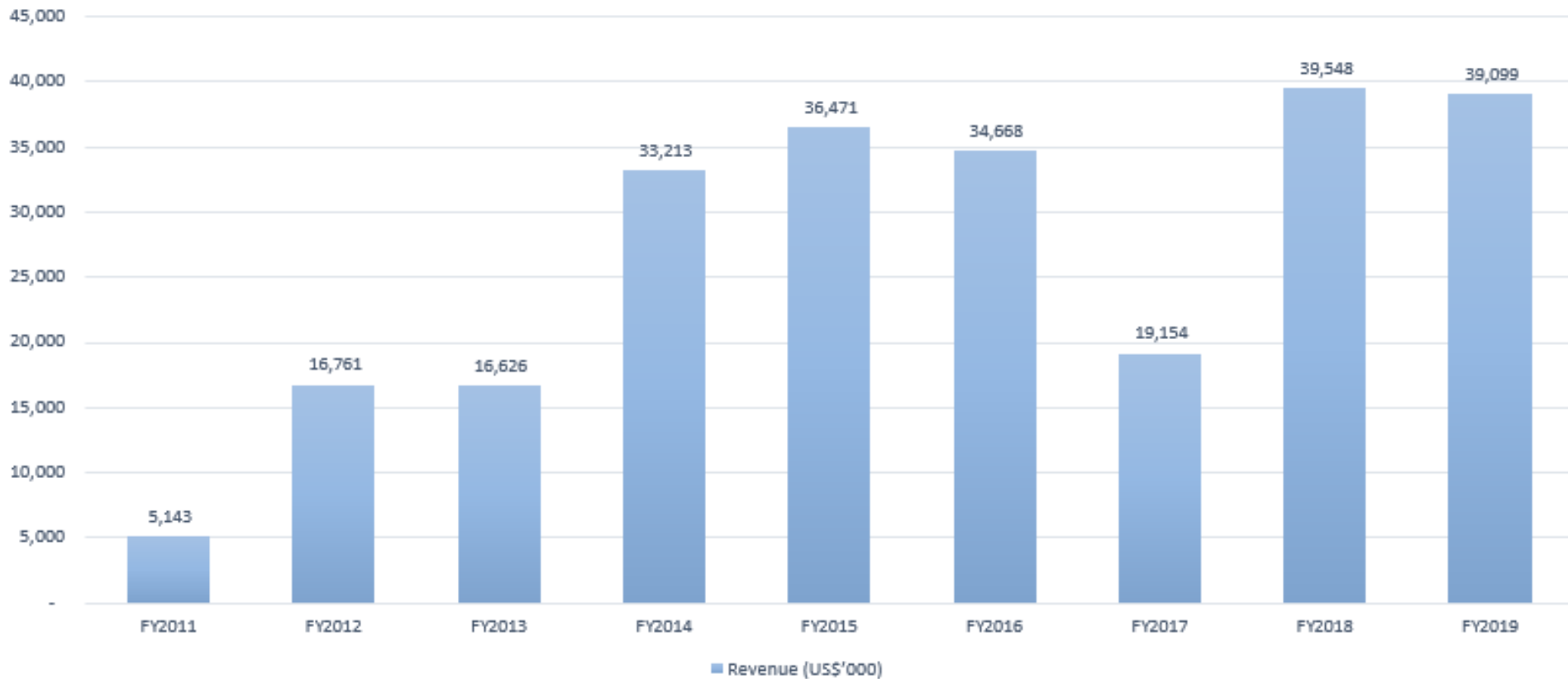
**Current
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**Debt/Equity
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**Net cash
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REVENUE: FY2011 TO FY2019

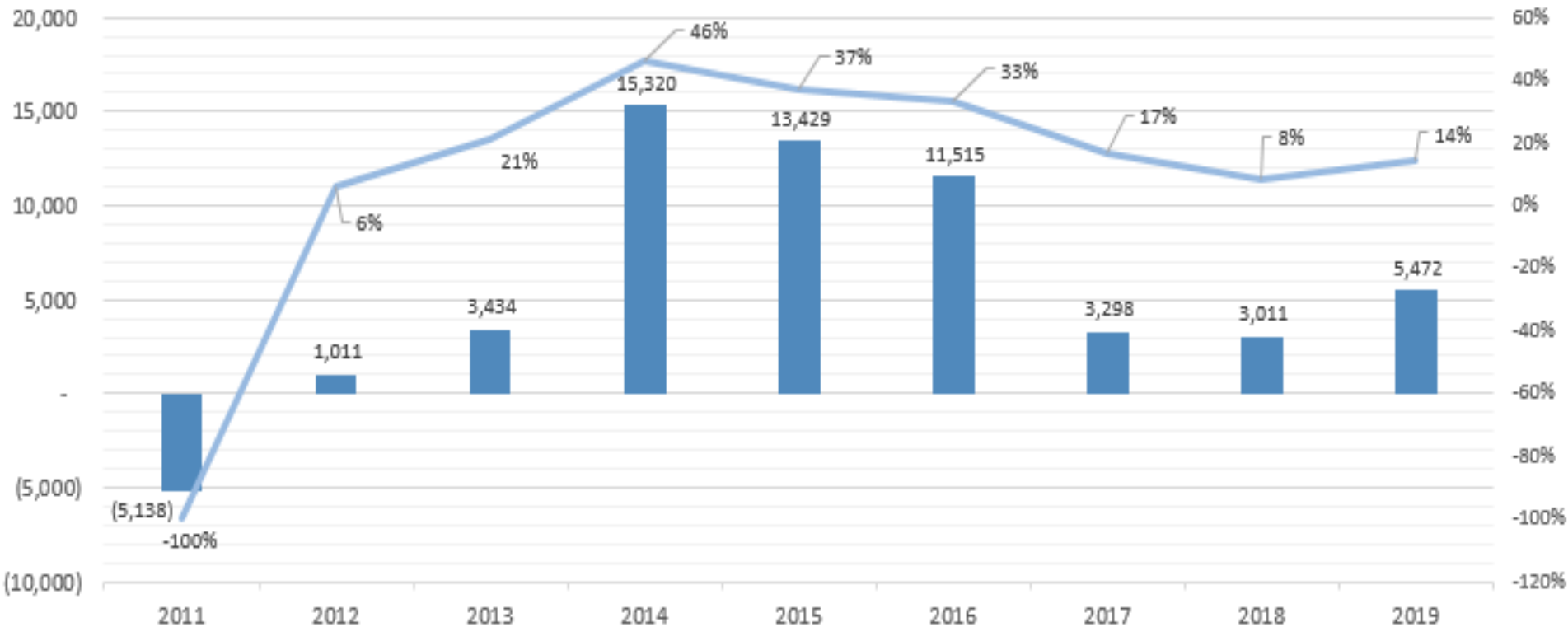
Revenue (US\$'000)



NET PROFIT / (LOSS): FY2011 TO FY2019

Net Profit / (Loss)

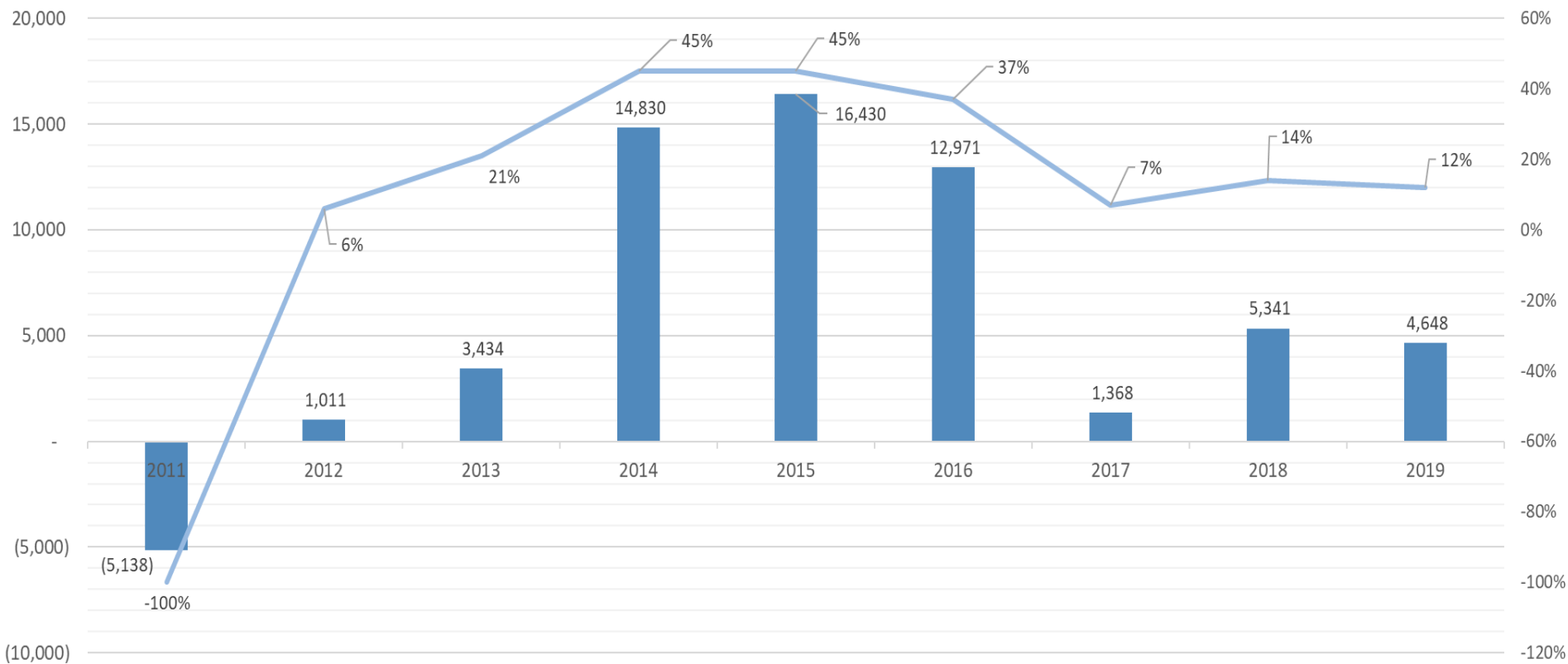
■ Net Profit/(Loss) (US\$'000) — Net Profit/(Loss) Margin



NET PROFIT / (LOSS): FY2011 TO FY2019

Net Profit / (Loss) Excluding FX impact & other one-off expenses

■ Net Profit/(Loss) excluding FX impact and other one-off expenses (US\$'000) — Net Profit/(Loss) Margin excluding FX impact and other one-off expenses



Analysis Of All-In Costs And Margin

	2019	2018	Changes
	US\$ / gold ounce sold		%
Mining related costs	634	561	13.0%
Royalty and tribute expenses	175	164	6.7%
Adjusted operating costs	809	725	11.6%
General and administrative costs	153	133	15.0%
Capital expenditure	47	125	-62.4%
All-in sustaining costs	1,009	983	2.6%
Capital exploration (non-sustaining)	45	31	45.2%
Capital expenditure (non-sustaining)	112	36	211.1%
All-in costs (A)	1,166	1,050	11.0%
Average realised gold price (B)	1,390	1,257	11%
All-in Margin (C= B - A)	224	207	8%
All-in Margin (%) (C / B)	16%	16%	0%

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.

4Q 2019

Exploration Progress

Exploration Progress

SOKOR

- 15 drillholes completed in Sokor Project (5 in Sg. Amang area & 10 in New Found area); and
- Total drill footage of 2,326.03 meters.

KELGOLD

- Trenching activities in Southwestern anomaly zone ended in October; and
- 1 trench with total footage of 250 metres completed.

PULAI

- 5 drillholes completed in feldspar mine for resource evaluation.
- Total drill footage of 1,046.90 meters.

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:
 - *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; 2 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

- 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)	17 Feb 2020
Price per share	S\$0.245
Market capitalisation	S\$99.88 Million
Share issued	407.69 Million
P/E ratio (Note 1)	16.55
Dividend Yield (Note 2)	3.27%

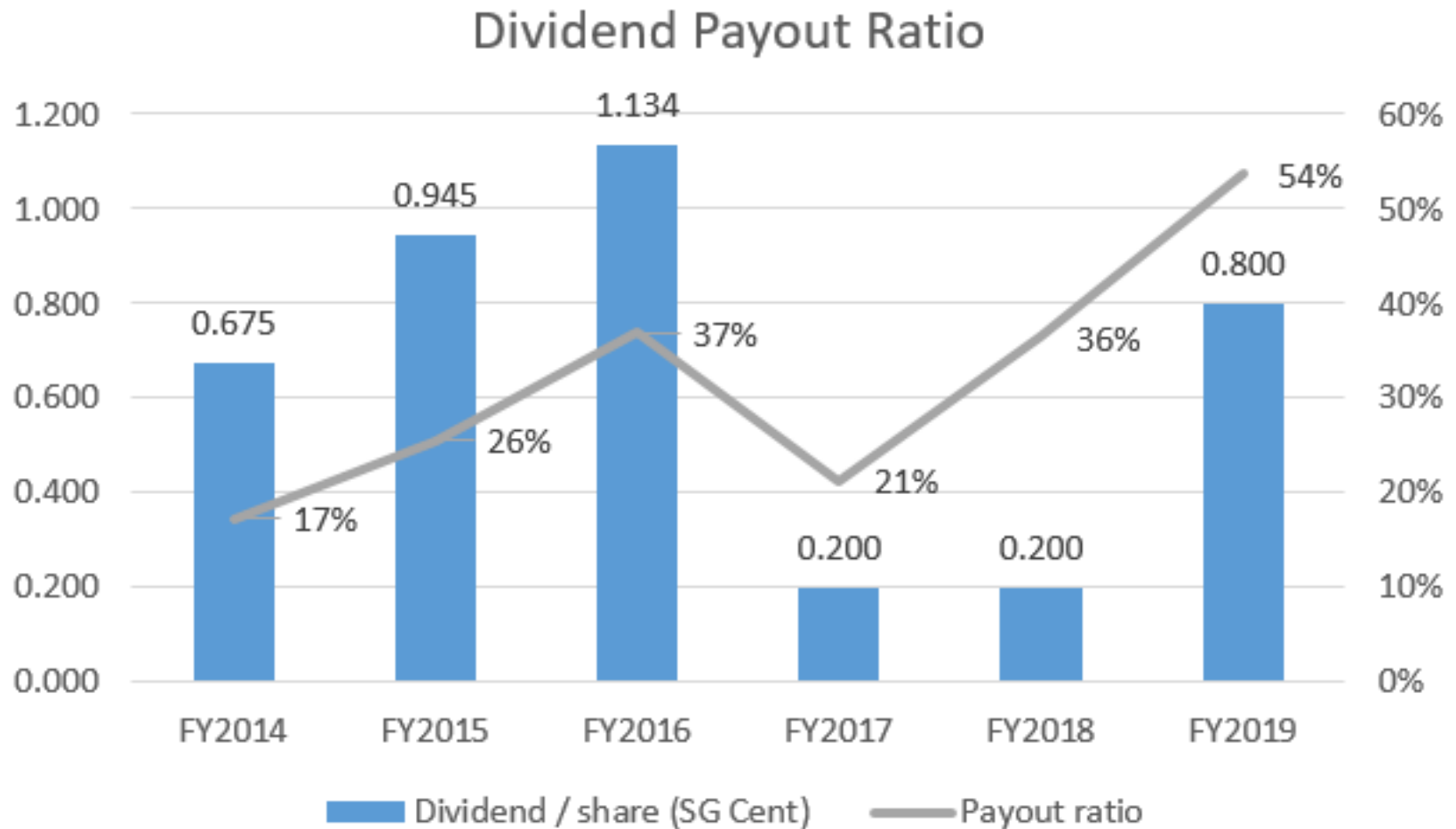
Note 1 :

Market price per share @ 17 February 2020 / Earnings per share (S\$) for the year ended 31 December 2019.

Note 2 :

CNMC proposed a final tax-exempt dividend of 0.20 Singapore cent per share and a special tax-exempt dividend of 0.40 Singapore cent per share for shareholders' approval at the next AGM. Dividend Yield is based on FY2019 1st interim dividend of 0.20 Singapore cent per share, final tax-exempt dividend of 0.20 Singapore cent per share and a special tax-exempt dividend of 0.40 Singapore cent per share.

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\$100.0	Production, exploration	Yes	28,137	16.6	1.7	3.3	-9.3
Anchor Resources	43E	Singapore	S\$11.2	Exploration	No	N.A.	N.A.	2.5	N.A.	0.0
Wilton Resources	5F7	Singapore	S\$66.6	Production, exploration	No	885	N.A.	11.3	N.A.	4
LionGold Corp	A78	Singapore	S\$31.7	Production, exploration	Yes	41,830	10.0	1.0	N.A.	-50.0

Source: Companies, ShareInvestor.com

All figures based on close of trading on 17 February 2020



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)**

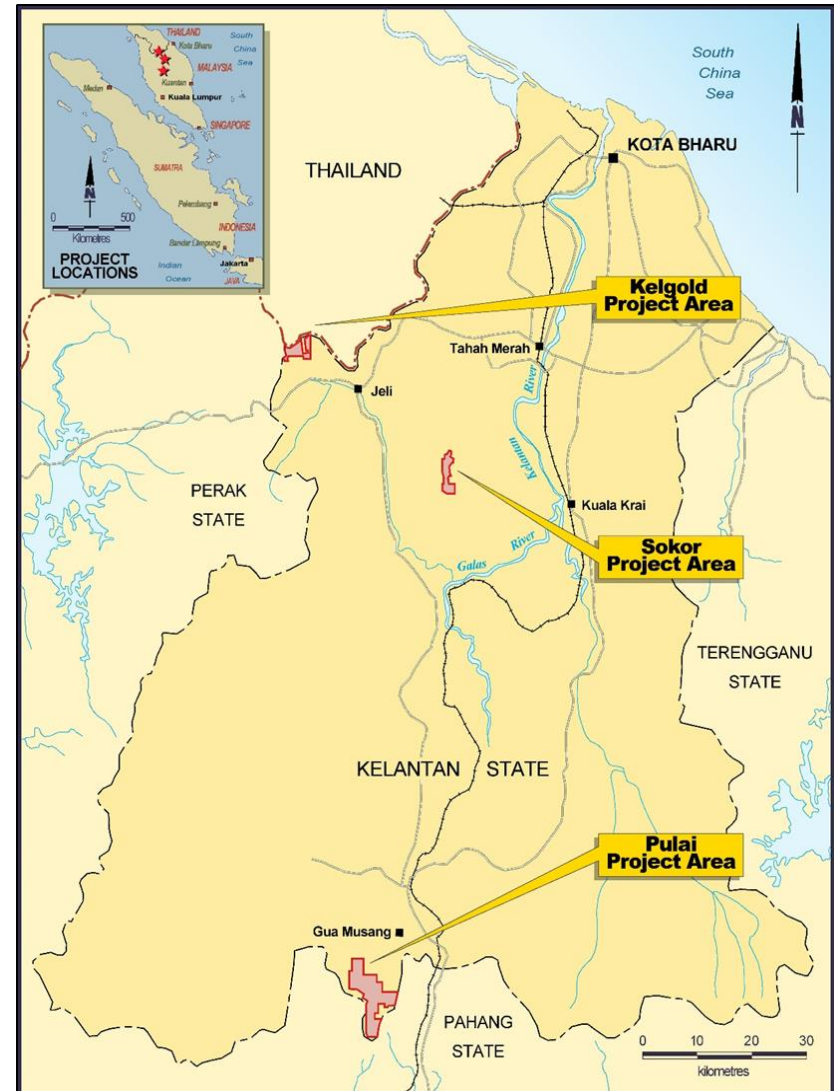
Greenfield asset

- Acquired in 2017
- In exploration phase

**Pulai Mining
(38.4km²)**

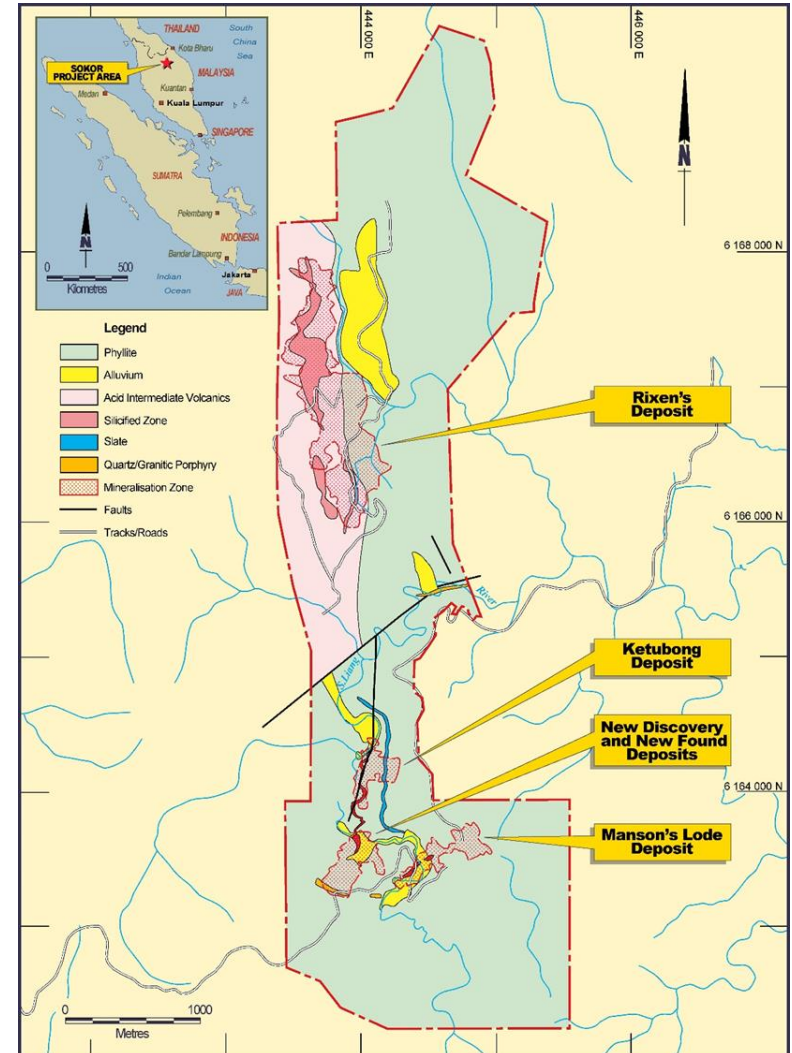
Brownfield asset

- Acquired in 2017
- In exploration phase
- Producing feldspar

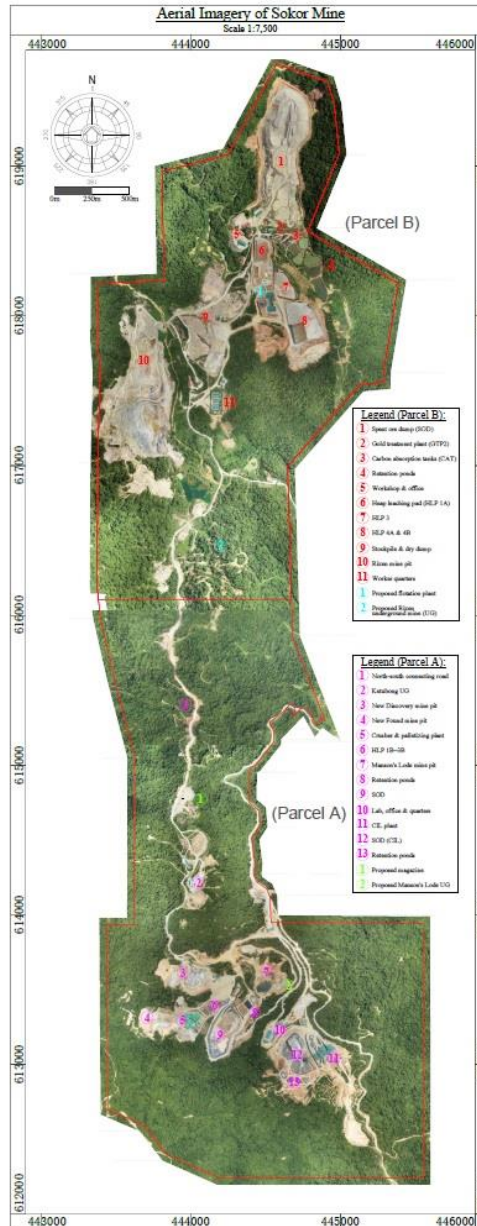


Sokor Gold Field Project

- 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 five 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%

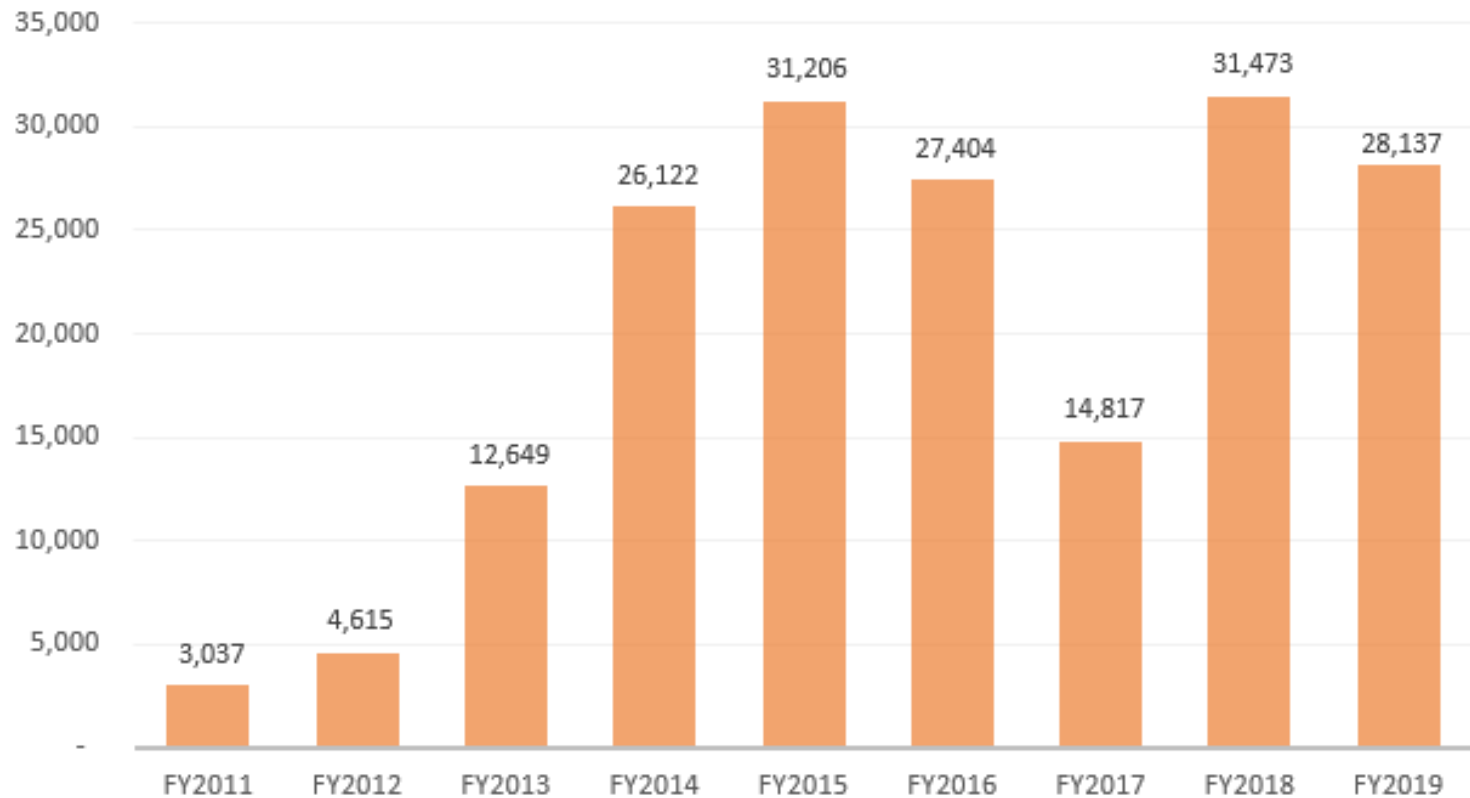
Vat leaching plant

- 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 179,000 ounces (5 metric tonnes) of fine gold

JORC-Compliant Gold Resources

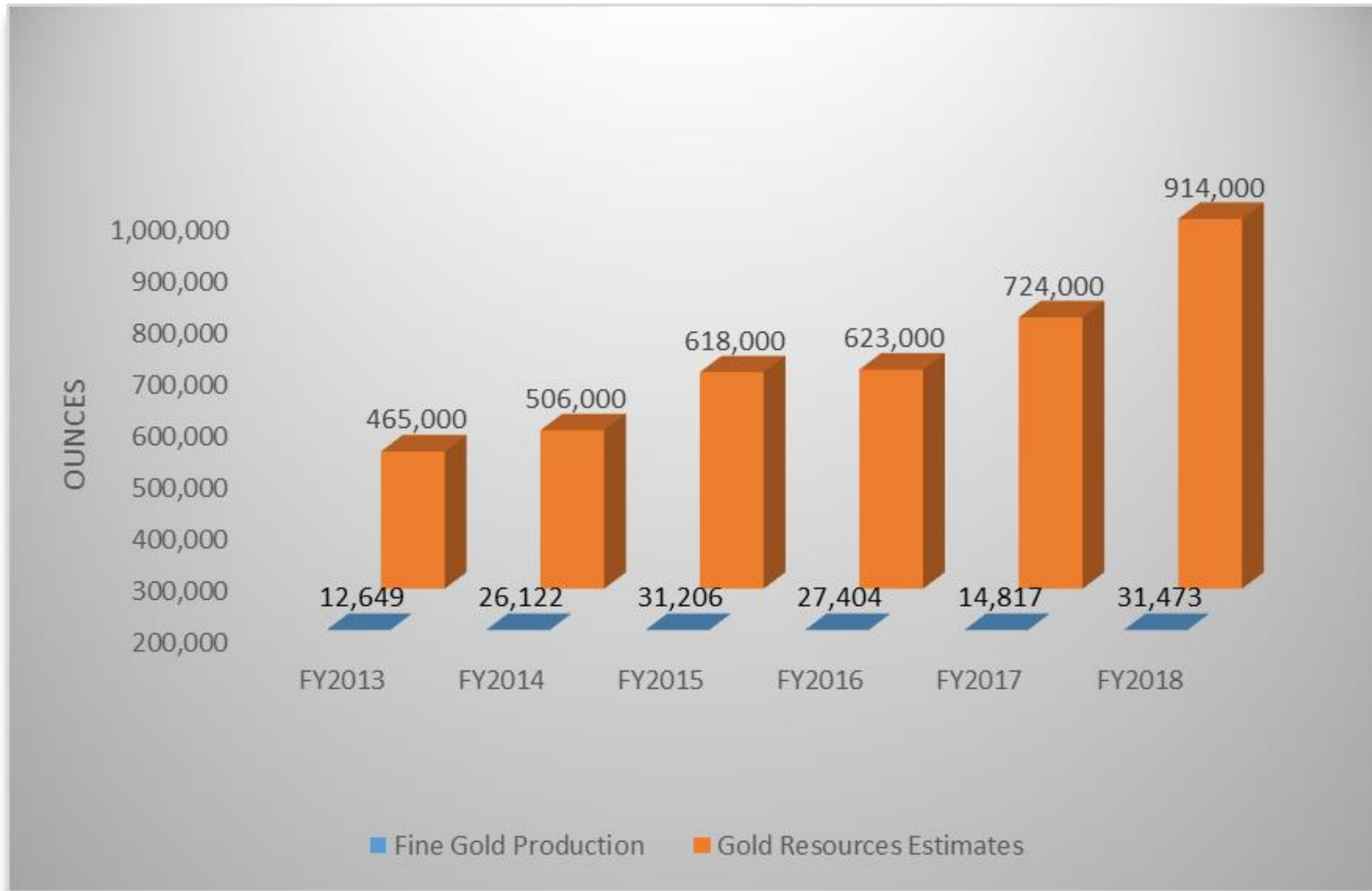
Category	Mineral type	Gross attributable to licence			Gross attributable to CNMC			Change from previous update (%)
		Tonnes (millions)	Grade (Au g/t, Ag g/t, Pb%, Zn%)	Contained metal (Au koz, Ag koz, Pb t, Zn t)	Tonnes (millions)	Grade (Au g/t, Ag g/t, Pb%, Zn%)	Contained metal (Au koz, Ag koz, Pb t, 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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