



CNMC

CNMC GOLDMINE HOLDINGS LIMITED

中色金礦有限公司

(Company Registration No.: 201119104K)

**ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES FOR
THE FIRST QUARTER ENDED 31 MARCH 2022**

The Board of Directors (the “**Board**”) of CNMC Goldmine Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to provide the information required pursuant to the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”) as follows:

Rule 705(6)(a) of the Catalist Rules: Use of funds/cash for 1Q2022

For the quarter ended 31 March 2022 (“**1Q2022**”), funds/cash were mainly used for the following production activities, as compared to the projected usage:-

Purpose	Amount (US\$ million) Actual Usage	Amount (US\$ million) Projected Usage
Exploration and evaluation activities	0.35	0.31
Payments for plant and machinery	1.33	1.49
Payments for diesel and other production materials	2.76	3.33
Royalty and tribute fees to government	1.47	1.58
Rental of equipment	0.36	0.41
Upkeep of equipment and motor vehicles	0.36	0.38
General working capital	3.23	3.21
Total	9.86	10.71

Rule 705(7) of the Catalist Rules

Details of exploration (including geophysical surveys), development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

In 1Q2022, the variance between budgeted and actual usage of funds/cash was mainly due to the lower consumption of diesel and lower site expenses as a result of slowing of on-site operation activities in attempt to curb the spread of Covid-19 omicron variant for the well-being of on-site staff.

The Group carried out the following activities in 1Q2022 and capitalised US\$0.16 million for exploration and evaluation expenditures:-

Exploration activities

(a) Geological Investigation

Ulu Sokor concession:

The geology department compiled all exploration data and underground face sampling data to produce an updated geological and orebody model for interpretation and drillhole planning, and conducted pit mapping, trenching and pit surveys. No exploration drilling were carried out because the exploration drilling sub-contractor's technical personnel were unable to return to Malaysia as scheduled.

CNMC Pulai and Kelgold concession:

No exploration activities were carried out in Pulai and Kelgold concession because exploration personnel were not deployed outside of Ulu Sokor concession, as part of the Group's efforts to minimise the risk of Covid-19 transmission at Ulu Sokor concession.

(b) Drilling program

No drilling activities were carried out during 1Q2022 because the exploration drilling sub-contractor's technical personnel were unable to return to Malaysia as scheduled.

(c) Half core sampling and analysis

A total of 324 trench samples from the Ulu Sokor concession were sent to in-house production laboratory for analysis.

Development Activities

As part of efforts to boost gold production, the construction of two additional underground mining facilities at its flagship Sokor gold project in Kelantan is underway. When completed, the facilities will enable the extraction of more higher-grade gold ore to support the existing carbon-in-leach plant, which can be expanded to process up to 1,000 tonnes of ore a day from 500 tonnes a day currently.

The upcoming flotation plant at Sokor is near completion for the Group's planned diversification into the production and sale of silver, lead and zinc. The plant, which will be able to handle about 550 tonnes of ore daily, is expected to begin trial production in the second quarter of 2022, barring any unforeseen circumstances.

Projections for use of funds/cash for 2Q2022, including principal assumptions

Subject to any disruption to the Group's operations as a result of the deterioration of the Covid-19 situation in Malaysia and the triggering of further regulatory Covid-19 containment measures, the Group's use of funds/cash for production activities for the period from 1 April 2022 to 30 June 2022 ("2Q2022") is expected to be as follows:-

Purpose	Amount (US\$ million)
Exploration and evaluation activities	0.30
Payments for plant and machinery	1.11
Payments for diesel and other production materials	3.03
Royalty and tribute fees to government	0.87

Rental of equipment	0.30
Upkeep of equipment and motor vehicles	0.34
General working capital	1.87
Total	7.82

The Group's exploration plans for 2Q2022 are as follows:-

(a) Geological Investigation

The Group's exploration focus will remain on its producing asset, Ulu Sokor concession. No major exploration activities will be carried out in the Kelgold and Pulai concessions during 2Q2022.

Ulu Sokor concession:

Exploration activities will be focused in the following areas:

- i) Manson's Lode Deposit
The geology department will continue its exploration activities with the aim to verify the continuity of orebody;
- ii) Tiger Prospect
Drillholes have been designed to verify orebody occurrence;
- iii) Amang Area
Drillholes have been designed to control mineralization at the southern zone;
- iv) Rixen Centre
Drillholes have been designed to upgrade the resource category for proposed underground mine; and
- v) Sejana Area
Exploration activities have been planned to gather more data on the two base metal anomalies discovered from previous geochemistry survey.

CNMC Pulai and Kelgold concession:

No major exploration activities have been planned because the Group's exploration focus for 2Q2022 will remain on its producing asset, Ulu Sokor concession.

(b) Diamond drilling program

Diamond core drilling will be fulfilled by an exploration drilling sub-contractor using two diamond rigs capable of drilling NQ drill core size to 1,000 meters in depth.

15 drillholes with total footage of 3,150m, which were planned for 1Q2022, will be carried out in 2Q2022 due to the exploration drilling sub-contractor's technical personnel not being able to return to Malaysia as scheduled. The Group's geology department will revise the drilling plan based on the assay results of each drillhole.

Rule 705(6)(b) of the Catalist Rules

On behalf of the Board, we, the undersigned, confirm that, to the best of our knowledge, nothing has come to its attention which may render the information provided above to be false or misleading in any material aspect.

By Order of the Board

Lim Kuoh Yang
Chief Executive Officer

Choo Chee Kong
Executive Vice Chairman

12 May 2022

This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.

The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.