



JOINT VENTURE WITH MENTERI BESAR INCORPORATED (PERAK) AND AMANJAYA NATURAL RESOURCES SDN BHD TO EXPLORE AND EXTRACT TIN RESOURCES IN THE STATE OF PERAK DARUL RIDZUAN, MALAYSIA

Introduction

The board of directors of CNMC Goldmine Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that its Malaysian subsidiary, MCS Tin Holdings Sdn Bhd (“**MCS**”), has entered into a joint venture agreement (“**JVA**”) on 5 December 2013 with Menteri Besar Incorporated (Perak) (“**MB Inc**”), a body corporate incorporated under the Menteri Besar (Incorporation) Perak Enactment 2/1951, and Amanjaya Natural Resources Sdn Bhd (“**ANR**”), a wholly-owned subsidiary of MB Inc, to form a joint venture company (the “**JVCo**”). The JVCo will be set up for the exploration, and extraction of the tin resources once it successfully ascertains that tin resources can be extracted in an environmentally, socially and economically viable way on an approximately 700 acres land located in the State of Perak Darul Ridzuan, Malaysia (the “**Land**”).

Pursuant to the JVA, MCS will hold 80% of the total issued and paid-up capital of the JVCo whilst the remaining 20% will be held by ANR. The JVCo will have an initial issued and paid-up capital of RM500,000 comprising 500,000 ordinary shares. MCS shall bear all costs in relation to the setting up of the JVCo, including the initial subscription of 20% shareholding interest held by ANR in the JVCo. The JVCo will undertake, among others, the survey, mapping, planning, prospecting and extraction, refining, transporting, storage and sale of tin resources or such other minerals, mineral ore or rock material to be found within the Land (the “**Project**”).

Key Terms of the JVA

(i) Conditions Precedent

The JVA is conditional upon, *inter alia*, the fulfilment of the following on or before the expiry of the period of one (1) year from the date of execution of the JVA (“**Conditional Period**”):

- (a) The incorporation of the JVCo and the subscription of shares in the JVCo by MCS (80%) and ANR (20%);
- (b) The execution of the mining agreement by MB Inc and the JVCo (“**Mining Agreement**”), upon MB Inc procuring the mining lease for the Land and the transfer or assignment of the rights thereunder to and in favour of the JVCo; and
- (c) The satisfactory completion of the Exploration Work (as defined herein).

During the Conditional Period, MB Inc shall exclusively permit the JVCo to conduct exploration works on the Land in order to ascertain the viability of the Land for purpose of the Project (“**Exploration Work**”).

(ii) Mining Approvals

The JVCo, with the assistance of MB Inc and ANR, will apply to the relevant authorities and procure the issuance of the necessary mining approvals after the execution of the Mining Agreement between MB Inc and the SPV.

Financial Effect

The setting-up of the JVCo and subscription of shares in the JVCo will be funded by the Company’s internal resources and are not expected to have any material impact on the earnings per share or net tangible assets per share of the Group for the financial year ending 31 December 2013.

Interests of Directors and Controlling Shareholders

None of the Directors or controlling shareholder of the Company has any interest, direct or indirect, in the JVA, other than through their shareholding (if any) in the Company.

Further Announcements

The Company will make further announcements as and when there are any material developments in relation to the JVA.

By Order of the Board

Lim Kuoh Yang
Chief Executive Officer

6 December 2013

*This announcement has been prepared by the Company and its contents have been reviewed by the PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”) for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this announcement.*

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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