

6 December 2013



**PRESS RELEASE**

**CNMC JOINT VENTURES WITH PERAK STATE  
GOVERNMENT TO EXPLORE TIN MINING**

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**Highlights:**

- **Having recorded its highest gold production output in a single gold pour in November 2013, CNMC is poised to expand its portfolio of mining projects in Malaysia.**
- **MCS Tin Holdings Sdn Bhd, a subsidiary of the Company, has entered into a joint venture agreement with Menteri Besar Incorporated (Perak) and its wholly-owned subsidiary, Amanjaya Natural Resources Sdn Bhd, to explore and mine potential tin resources in 700 acres of land in the State of Perak, Malaysia.**
- **MCS shall hold 80% stake in a joint venture company to be set up for this project whilst ANR will hold the remaining 20%.**
- **Overall, the Group is optimistic about the outlook for tin. With the projected rising global demand for the metal and a shortfall in supply, tin prices are expected to be relatively robust.**

SINGAPORE, 6 December 2013 – CNMC Goldmine Holdings Limited (“中色金矿有限公司”) (“CNMC” or the “Company” and together with its subsidiaries, “the Group”), the first Catalist-listed gold mining company on the Singapore Exchange Securities Trading Limited (the “SGX-ST”) is pleased to announce that through its subsidiary, MCS Tin Holdings Sdn Bhd (“MCS”), the Group has entered into a joint venture

agreement (“JVA”) with Menteri Besar Incorporated (Perak) (“MB Inc”) and its wholly-owned subsidiary Amanjaya Natural Resources Sdn Bhd (“ANR”) to form a joint venture company (the “JVCo”) to undertake the Project (as defined herein). MB Inc is a body corporate incorporated under the Menteri Besar (Incorporation) Perak Enactment 2/1951.

## **Summary of the JVA**

In brief, MCS shall hold 80% stake in the JVCo whilst ANR will hold the remaining 20%. The JVCo shall undertake, among others, the survey, mapping, planning, prospecting and extracting, quarrying, mining, refining, transportation, storage and sale of tin resources or such other minerals, mineral ore or rock material to be found within the Land (the “Project”).

During the conditional period of one year following the JVA, JVCo will conduct exploration works on the Land in order to ascertain the economic viability of extracting tin resource from the Land.

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.

## **Rationale for the JVA**

**“This JVA with MB Inc and ANR (MB Inc’s wholly owned subsidiary) fits the growth strategy of CNMC and marks the Group’s next phase of strategic business development. Our commitment in the Sokor Project in Kelantan has given potential partners in the mining industry much confidence in us as a responsible and competent mining group in Malaysia. The signing of the JVA with a corporate entity associated with the Perak State Government is a**

**testament to that confidence.”** Mr Chris Lim, Chief Executive Officer of CNMC, remarked.

Over the years, CNMC’s management has built up a wealth of experience in operating in the Malaysian mining industry. Additionally, the Group has developed a successful partnership with a Chinese mining group, China National Gold Corporation, which will stand it in good stead when expanding into other mining projects within Malaysia and the region. CNMC intends to capitalise on its gold mining expertise to expand into tin mining which is relatively less complex than gold mining.

Continuing to deliver on its promise, the Group announced on 18 November 2013 that gold pours at its newly commissioned second gold desorption plant amounted to 2,130.74 ounces of gold doré bars which is the highest production output on record for a single pour since the start of the Company’s gold production in July 2010.

## **Prospects for Tin**

CNMC is optimistic about the outlook for tin. Tin faces a supply shortfall as old mines close, grades decline, and with limited new supply coming on-stream. The global market for tin today will see a continued shortage of supply as a result of growing demand from the electronics industry. Global demand for tin will exceed supply through 2016, according to forward looking analysis from various reputed international banks and commodity trading houses, which predicts a deficit of 100 metric tons next year after a 1,600 ton shortfall this year. For 2014, the mean and median values from various forecasts for tin are \$24,421 per tonne and \$24,956 per tonne respectively.

Commenting on the Company’s views on tin, Mr Chris Lim, Chief Executive Officer of CNMC Goldmine Holdings Limited said “**Overall, we are optimistic on the outlook of tin because it remains an important resource that has broad industrial**

applications across the globe. Being in Malaysia, a country with a long history in tin mining, we are excited to combine our expertise with the wealth of knowledge, capabilities and tin mining solutions readily available in Malaysia. This will create a synergy of immense potential. We believe Malaysia still has significant un-developed tin resources.”



**CNMC Photo: Executive Chairman of CNMC with CEO of MB Inc. at the signing ceremony**

#End of Release#

*Note: This press release is to be read in conjunction with the related announcement filed by CNMC Goldmine Holdings Limited on SGXNet.*

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**About CNMC Goldmine Holdings Limited (Bloomberg: CNMC:SP; Reuters: CNMC.SI)**

CNMC Goldmine Holdings Limited (the “Company”) is the first Catalyst-listed gold mining company on the Singapore Exchange Securities Trading Limited (the “SGX-ST”).

The Company and its subsidiaries (the “Group”), with its headquarters in Singapore, started its operations in 2006 and is principally engaged in the business of exploration and mining of gold and

the processing of mined ore into gold dores. Currently, the Group is focusing on the development of the Sokor Gold Field Project which is located in the State of Kelantan, Malaysia. The first gold pour was achieved on July 21, 2010.

The Sokor Gold Field Project covers an area of 10km<sup>2</sup> and there are 4 identified gold deposits namely, Manson's Lode Vein, New Discovery Vein, Sg. Ketubong Target and Rixen Target. As of December 2012, this project has JORC compliant resources of 7.8 million tonnes at a grade of 1.6 g/t in the Measured, Indicated and Inferred categories for a total of 410,000 oz Au inclusive of JORC compliant reserves of 3.3 million tonnes at a grade of 1.5 g/t in proved and probable categories for a total of 160,000 oz Au.

For more information on the Company, please visit [www.cnmc.com.hk](http://www.cnmc.com.hk)

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This press release 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.

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