



Company Registration No.: 201119104K

CNMC Boosts Mining Footprint in Malaysia by Nearly Five-folds With Subscription of Pulai Mining on Track for Completion

- *RM13.8M subscription of 51% stake will give CNMC its second mining project in Kelantan*
- *Besides gold, Pulai Mining project can also potentially yield iron ore and feldspar*

SINGAPORE, 20 January 2017 – CNMC Goldmine Holdings Limited (“**CNMC**” or the “**Company**”) will expand its mining footprint in Malaysia by nearly five-folds when it completes its subscription of a 51% stake in Pulai Mining Sdn. Bhd. (“**Pulai Mining**”), which owns a brownfield project in Kelantan that can potentially yield gold, iron ore and feldspar. The Company has, today, satisfactorily completed its due diligence investigations on Pulai Mining and is on track to complete the aforesaid subscription.

Spanning 38.4km², the brownfield project is nearly four times the size of CNMC’s flagship 10km² Sokor gold field (“**Sokor**”) in Kelantan and is located about 105km from Sokor. Pulai Mining has 11 exploration and mining licences in the north-eastern Malaysian state, where Singapore-headquartered CNMC is one of the largest foreign investors.

Mr Lim Kuoh Yang, CNMC’s Chief Executive Officer, signed an agreement with YBhg. Dato’ Dr. Wan Zawawi Bin Wan Ismail, Group Chief Executive Officer of the Kelantan State Economic Development Corporation (“**KSEDC**”), at a ceremony in Singapore today to cement the subscription, which was first announced by the Company on 28 June 2016 in a non-binding letter of intent.

Witnessed by Kelantan Chief Minister YAB Ustaz Dato’ Bentara Kanan Haji Ahmad bin Yaakob and senior Kelantan government officials, the event marked the culmination of months of effort by the Company, the shareholders of Pulai Mining and the Kelantan authorities in ensuring all the conditions for the subscription were met.

CNMC, will inject RM13.8 million in cash into Pulai Mining for the 51% stake. The shareholders – Kelantan State Economic Development Corporation, Sumberjaya Ventures Sdn Bhd, Centurion Resources Pte Ltd and CM Strategic Holdings Pte Ltd – own the remaining 49%.

Upon completion of the proposed subscription, CNMC will commence geological exploration to uncover any potential mineral resources that comply with the



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internationally accepted Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The brownfield project has features similar to those at Sokor, according to an exploration exercise carried out from October 2014 to April 2015 by China Railway Resources Exploration Co Ltd. Past production data also points to strong potential for more gold to be uncovered at the site, which yielded over 260kg of gold between March 2011 and May 2013.

CNMC Chief Executive Officer Chris Lim, said: "This is a major milestone for CNMC. Just as we managed to turn Sokor into a gold-producing mine after several years of exploration work, we hope we can do the same for the Pulai Mining project, and hopefully within a shorter time frame. The prospect of being able to produce not just gold but also iron ore and feldspar makes this project all the more exciting."

The significant progress in sealing the Pulai Mining subscription underscores the close ties between CNMC and KSEDG, according to Mr Lim. CNMC has been working with KSEDG, which is responsible for the overall economic development of Kelantan, for more than 10 years now at Sokor. KSEDG is a shareholder in Pulai Mining as well as CMNM Mining Group Sdn. Bhd., CNMC's operating subsidiary for Sokor.

Group CEO of KSEDG YBhg. Dato' Dr. Wan Zawawi Bin Wan Ismail said: "Through Sokor, CNMC has demonstrated its ability to build and sustain a successful mining operation in Kelantan. It has done well and is now the largest gold producing mining company in the State. We see strong potential for another thriving mining operation in Kelantan, with Pulai Mining on track to becoming a subsidiary of CNMC."

The Company has produced more than 100,000 ounces of fine gold at Sokor since 2010, when it achieved its first gold pour. Output at Sokor reached 31,206 ounces in 2015, the most in any given year since the mine started production.

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

CNMC Goldmine Holdings Limited (“CNMC” or “the Company”) is the first Catalyst-listed gold mining company on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). Headquartered in Singapore, the Company and its subsidiaries (the “Group”) started operations in 2006 and are principally engaged in the exploration and mining of gold and the processing of mined ore into gold dorés.

The Company is currently focused on developing the Sokor Gold Field Project, located in the State of Kelantan, Malaysia. Spanning an area of 10km², the project has identified four gold deposit regions, namely Manson’s Lode, New Discovery, Sg. Ketubong and Rixen.

As of December 2015, the Sokor Gold Field Project had JORC-compliant gold resources (inclusive of ore reserves) of 13.83 million tonnes at a grade of 1.4 g/t in the Measured, Indicated and Inferred categories for a total of 618,000 ounces. The project achieved its first gold pour on 21 July 2010.

For more information on the Company, please visit www.cnmc.com.hk

This press release has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”), for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this press release.

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