



JOINT VENTURE WITH YAYASAN KELANTAN DARULNAIM

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 wholly-owned subsidiary in Malaysia, KelGold Mining Sdn. Bhd. (“**KelGold**”), has entered into a joint venture agreement (“**JVA**”) with Yayasan Kelantan Darulnaim (“**YAKIN**”), a body corporate established under Enactment Bil. 9 Tahun 1980.

Pursuant to the JVA, KelGold shall carry out exploration works in respect of the area covering approximately 1550 hectares in Mukim Kalai, Daerah Batu Melintang, Jajahan Jeli, Kelantan (the “**Land**”) whereas YAKIN shall apply for a mining lease (the “**Mining Lease**”) in relation to the Land or any part thereof upon request by KelGold, to carry out mining operations. The Group has commenced exploration works in respect of the Land. KelGold and YAKIN shall enter into a separate mining agreement (the “**Mining Agreement**”) upon the issuance of the Mining Lease.

Key Terms of the JVA

(i) Contribution Payments

KelGold shall pay to YAKIN the following contribution payments:

- (a) the first contribution payment of RM100,000, upon the signing of the JVA; and
- (b) the balance contribution payment upon the signing of the Mining Agreement, which will be calculated based on RM500 per hectare of such part or parts of the Land for which the Mining Lease is to be issued (where gold is found to be present and will be developed and mined).

(ii) Lease Assignment

In consideration of expenses outlay and work carried out by KelGold, YAKIN agrees to assign to KelGold all its rights, privileges and obligations under the Mining Lease. Thereafter, KelGold shall be entitled to develop and use the Land for mining operations, at its own cost and expense. In the event that KelGold does not commence works within six months from the issue of the Mining Lease and receipt of operational approvals from the relevant authorities, YAKIN will be notified of such failure to commence works and may thereafter terminate the JVA.

(iii) Termination

KelGold and YAKIN may terminate the JVA upon the occurrence of events such as:

- (a) either party committing a breach of any term or obligation under the JVA without just cause;
- (b) an order is made for the winding up or voluntary dissolution of either party;
- (c) a receiver or receiver and manager, official manager, administrator, trustee, provisional liquidator or similar office is appointed for all or any part of the assets or undertaking of either party;
- (d) either party enters into, or resolves to enter into, an arrangement, composition or compromise with, or assignment for the benefit of its creditors generally, or any class of creditors or proceedings are commenced to sanction such arrangement, composition or compromise; or
- (e) either party becomes insolvent, stops payment of or is unable to pay its debt.

Financial Effect

This JVA is 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 2018.

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, save through his shareholding (if any) in the Company.

The Company will make further announcement(s) in due course, as and when appropriate, to update shareholders when the Mining Agreement is entered into between KelGold and YAKIN.

By Order of the Board

Lim Kuoh Yang
Chief Executive Officer

25 April 2018

This announcement has been prepared by CNMC Goldmine Holdings Limited (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 announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement. 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 Keng Yeng Pheng, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and Email: sponsorship@ppcf.com.sg).