



中國貴金屬資源控股有限公司

CHINA PRECIOUS METAL RESOURCES HOLDINGS CO., LTD.

Fast Growing, Low Cost, Highly Efficient

A Committed Gold Producer in China

Investor Presentation
January 2013

Forward Looking Statements

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China Precious Metal – CPM

Company highlights

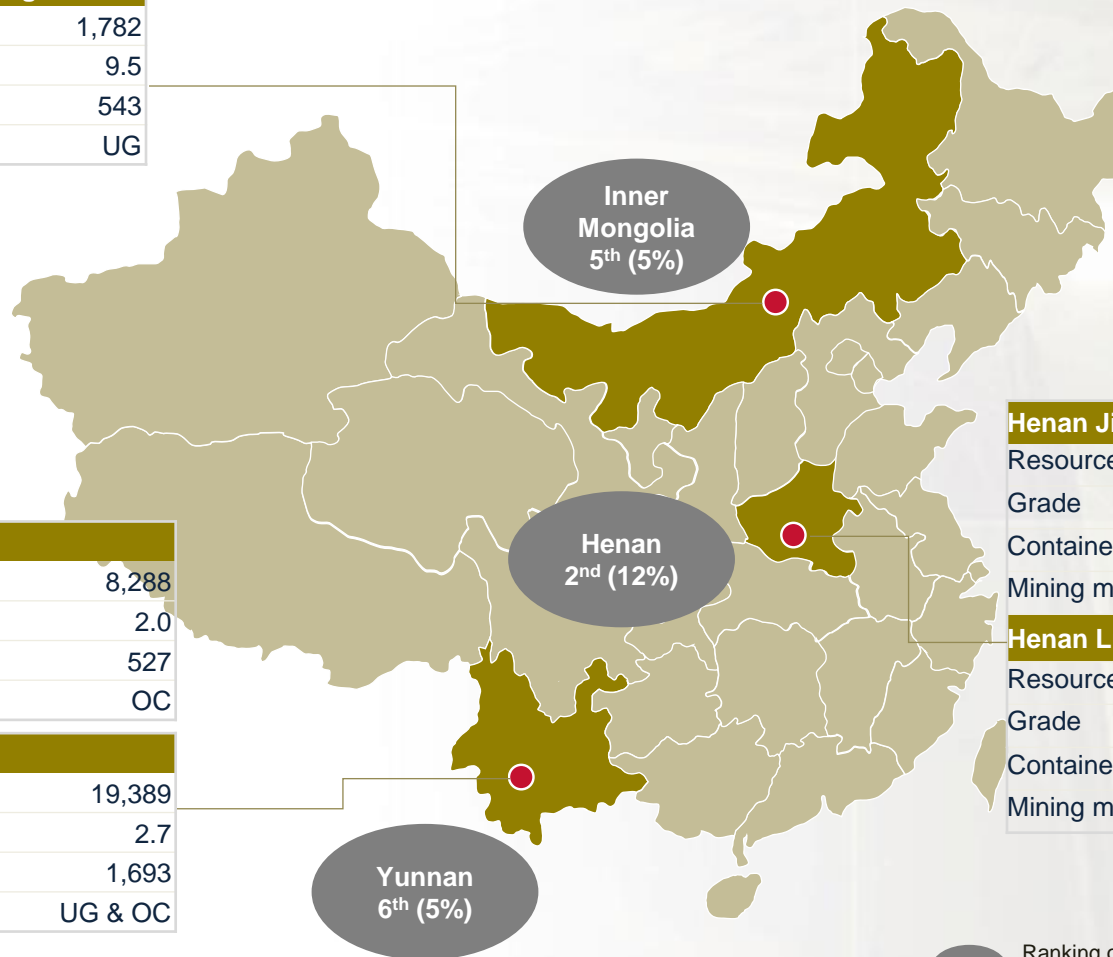
- One of the largest gold mining companies in the PRC by gold resources and production
- Significant resource base of 7.5 million ounces of gold
- 87 koz of gold production in 2011, 51 koz in 2012 1H
- Leading low cost gold producer in China with robust margins (2011 cash cost of US\$324/oz)
- Government recognized gold sector consolidator in Henan and Yunnan, ranked 2nd and 6th highest gold producing provinces in China (accounting for 17% of China's total production)
- Experienced management and technical team with proven track record of resource and production growth through successful exploration, development, and acquisitions
- We aim to become China's leading gold producer with 200 koz gold production by 2014, capitalising on our position as one of the highest growth gold producers (2011-2014 CAGR of 30%+) with one of the lowest cash cost of production, and declare an attractive maiden dividend to shareholders by 2014

Our Producing Gold Projects

Focused on central and western China

Inner Mongolia Yongfeng Mine

Resources	kt	1,782
Grade	g/t	9.5
Contained gold	koz	543
Mining method		UG



Yunnan Mojiang Mine

Resources	kt	8,288
Grade	g/t	2.0
Contained	koz	527
Mining method		OC

Yunnan Hengyi Mine


Resources	kt	19,389
Grade	g/t	2.7
Contained	koz	1,693
Mining method		UG & OC

Henan Jinxing Mine¹

Resources	kt	17,728
Grade	g/t	4.6
Contained gold	koz	2,642
Mining method		UG

Henan Luanling Mine

Resources	kt	20,367
Grade	g/t	3.2
Contained gold	koz	2,106
Mining method		UG & OC

 Ranking of province in China by 2011 gold production (% share of China's total gold production)

1. Jinxing Mine include the Kangshan I, Kangshan II and Jinling mines

Note: UG - Underground mining; OC - Open cut mining, JORC compliant resources for Henan Jinxing, Henan Luanling and Yunnan Hengyi Mines, and JORC equivalent resources for Inner Mongolia Yongfeng and Yunnan Mojiang Mines.

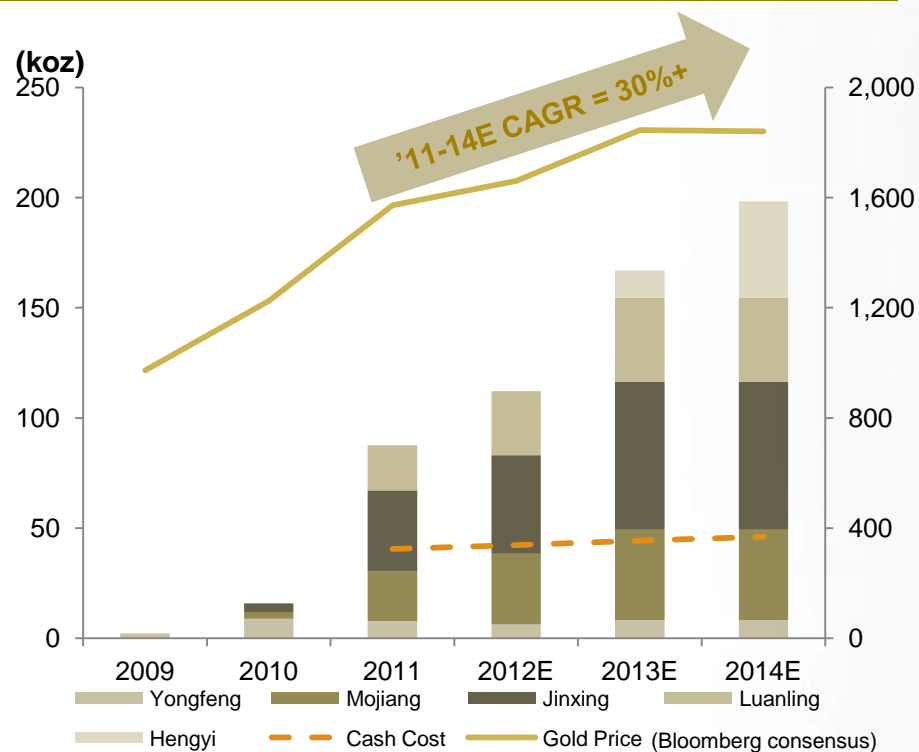
Source: Independent technical reports, China Gold Association 2011

Solid Track Record of Execution

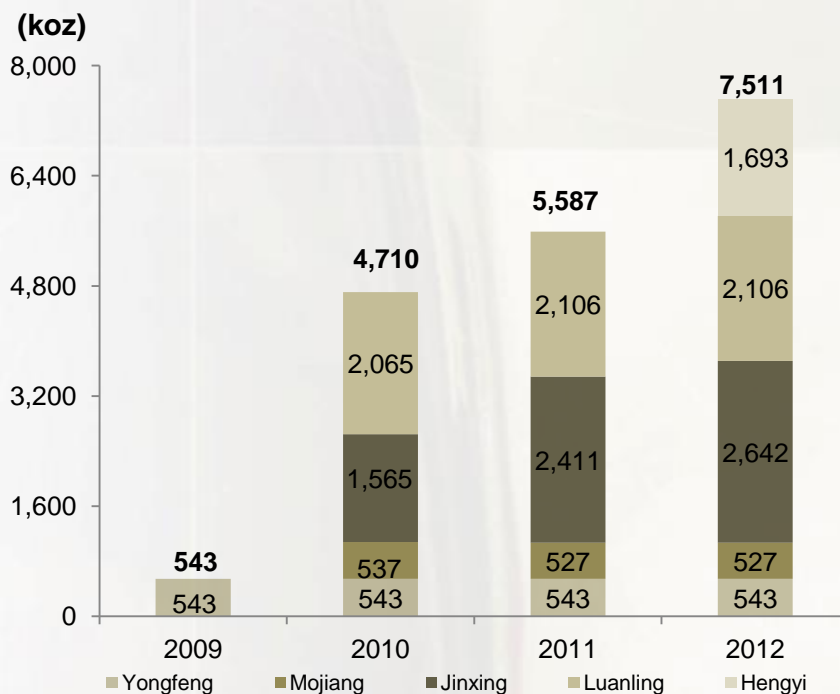
Significant production and resource growth

- 2009: Acquired Yongfeng Mine in Inner Mongolia
- 2010: Acquired Mojiang Mine in Yunnan, Jinxing Mine and Luanling Mine in Henan
- 2011: Full production achieved for all 4 mines
- 2012: Acquired Hengyi Mine, capacity ramp-up at Mojiang, Jinxing and Luanling Mines
- 2013 – 14E: Organic growth through capacity expansions, full Phase 1 ramp-up at Hengyi Mine by 2014

Historical and Estimated Gold Production (koz)



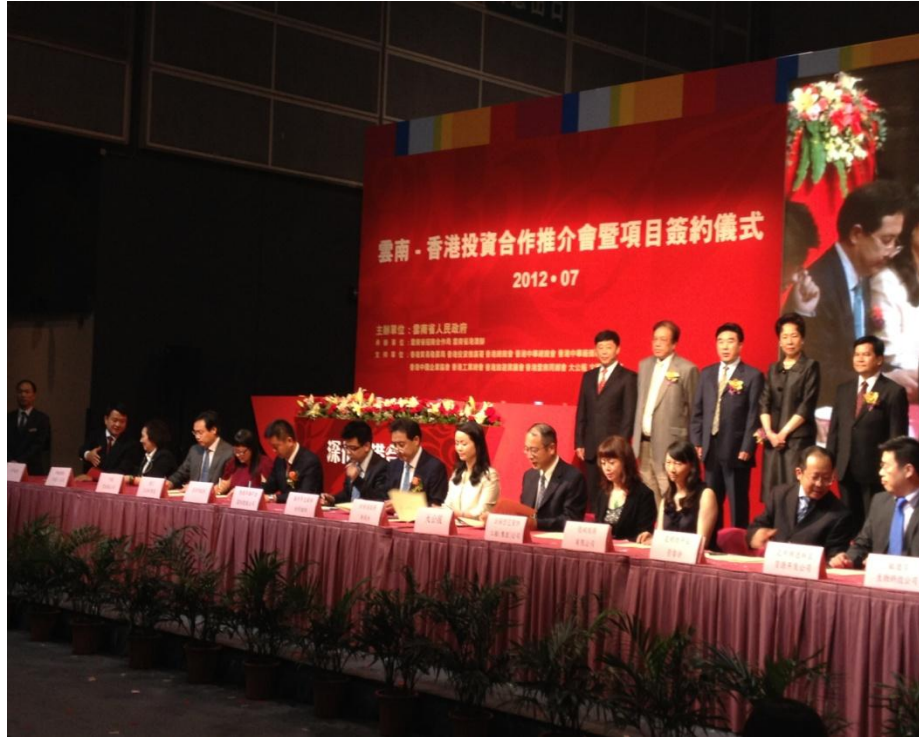
Gold Resources by Mine (koz)



Designated Gold Sector Consolidator in Yunnan and Henan

Well positioned for acquisition opportunities

Signing Ceremony with Provincial Government



Signing ceremony held in Hong Kong in July 2012, attended by the Governors of Yunnan Province and local government

- Henan province (Central China) and Yunnan province (Western China) are the 2nd and 6th largest gold producing province in China with rich gold deposits in Luanchuan Region (Henan) and Zhenyuan Region (Yunnan) respectively. CPM regards these areas as the key strategic development region for future growth
- Honoring our efforts in gold consolidation, the local governments signed long-term agreements with CPM which provide various support including:
 - Assisting CPM in identifying and acquiring gold resources with highest quality
 - Facilitating CPM in acquiring land for production
 - Supporting on infrastructure necessary for production, including electricity, water, roads etc.

Excellent Safety and Environmental Track Record

Awards and Recognition



- Since our inception, we have maintained an outstanding track record of zero major injuries or accidents
- We have been in full compliance with all applicable environmental laws and regulations in all material respects
- In recognition of our achievements in various areas including overall business operation capabilities in the industry, safety production and environmental protection, we have received numerous awards from governmental authorities in recent years, including:
 - Enterprise with Leading Mode of Operation and Management in Gold Mining Industry
 - Leading Consolidator in Mining Industry and Leading Enterprise in Mine Environmental Protection with regard to our operation of Jinxing Mine
 - Leading Enterprise in Production Safety and Leading Enterprise with Special Contribution to the Development of Economy and the Society with regard to our operation of Luanling Mine
 - The Top 10 Foreign Investment Company in Yunnan Province with regard to our operation of Mojiang Mine.

2012 1H Financial Highlights

Sustained growth momentum

Summarized Financial Results	1H2012	1H2011	% Change	FY2011	FY2010	% Change
Total Produced Gold (oz)	51,037	26,832	90%	87,572	15,858	4.5X
Total Cash Cost (US\$/oz)	296	324	-9%	324	N/A	N/A
Turnover (HK\$ '000)	646,156	300,335	1.2X	1,119,298	173,034	5.5X
Gross Profit (HK\$ '000)	429,544	194,827	1.2X	724,587	73,780	8.8X
EBITDA (HK\$ '000)	450,263	226,595	99%	824,573	103,442	7.0X
Net Profit (HK\$ '000)	154,130	94,736	63%	417,406	21,930	18.0X
Earnings per Share (HK cents)	4.47	2.84	57%	12.5	0.9	12.8X
Cash Flow from Operations	502,696	203,783	1.5X	759,617	124,445	5.1X
Financial Position						
Total Assets (HK\$ '000)	8,830,114 ¹	4,958,530	78%	6,150,184	4,484,739	37%
Total Debt (HK\$ '000)	2,054,294 ¹	1,347,702	52%	1,308,393	381,911	2.4X
Cash and Cash Equivalents (HK\$ '000)	295,625 ¹	194,665	52%	244,783	228,011	7.4%
Net Debt (HK\$ '000)	1,758,669 ¹	1,102,919	59%	1,063,610	153,900	5.9X
Total Equity (HK\$ '000)	5,209,258 ¹	3,150,150	65%	3,557,712	3,021,351	18%

1. 1H 2012 balance sheet figures pro forma for Hengyi acquisition completed in Oct 2012. Total debt includes all interest-bearing borrowings and loans from banks and financial institutions.

Investment Highlights

1

Clear growth strategy as China gold industry consolidator

2

Sizable high grade gold resources with geographically diversified assets

3

Highly profitable gold producer with competitive low cash cost position

4

Fast growing production profile

5

Pure gold producer with 100% revenue from self-owned mines

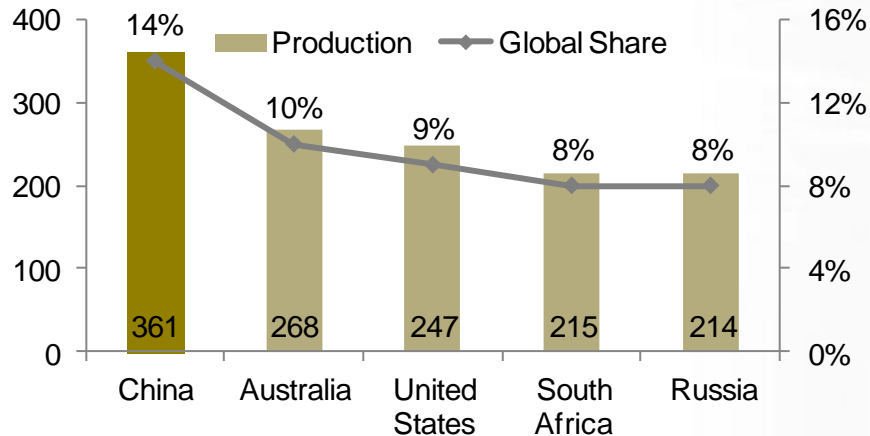
6

Significant exploration potential

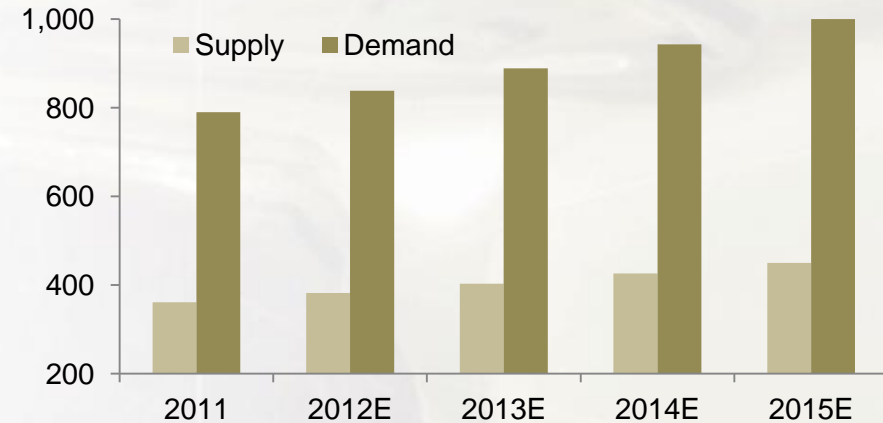
Clear Growth Strategy as a China Gold Industry Consolidator

We aim to expand our market share through clear strategy of consolidation in Henan and Yunnan

China is the Largest Gold Producer in the World

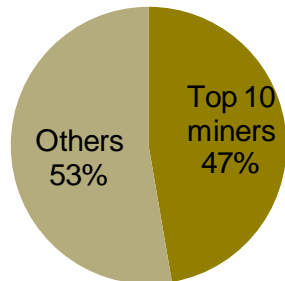


Chinese Gold Demand and Supply Gap to Widen

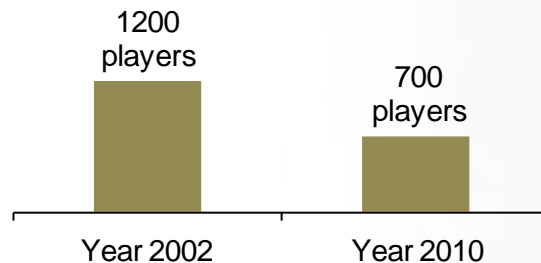


Chinese Gold Market is Highly Fragmented

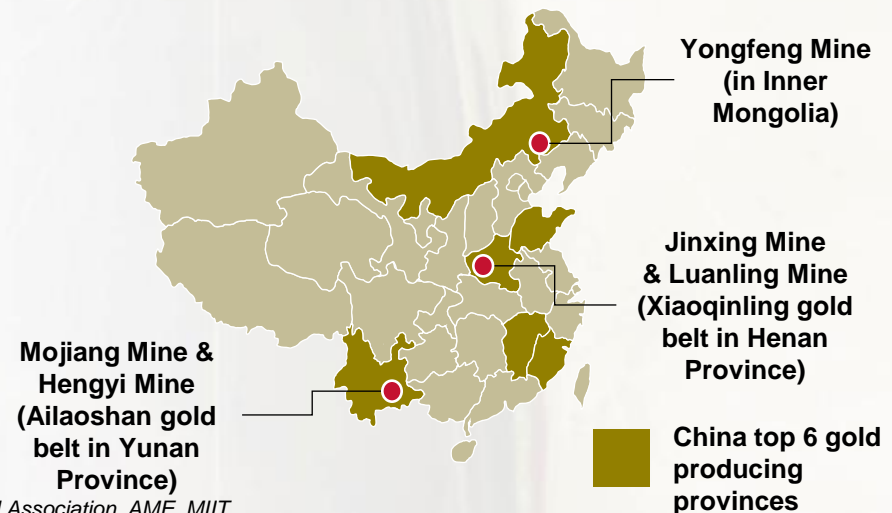
China gold market share distribution (in 2010 production)



Number of China gold producers reduces as industry consolidation trend continues



CPM's Assets Located in Top Gold Producing Provinces

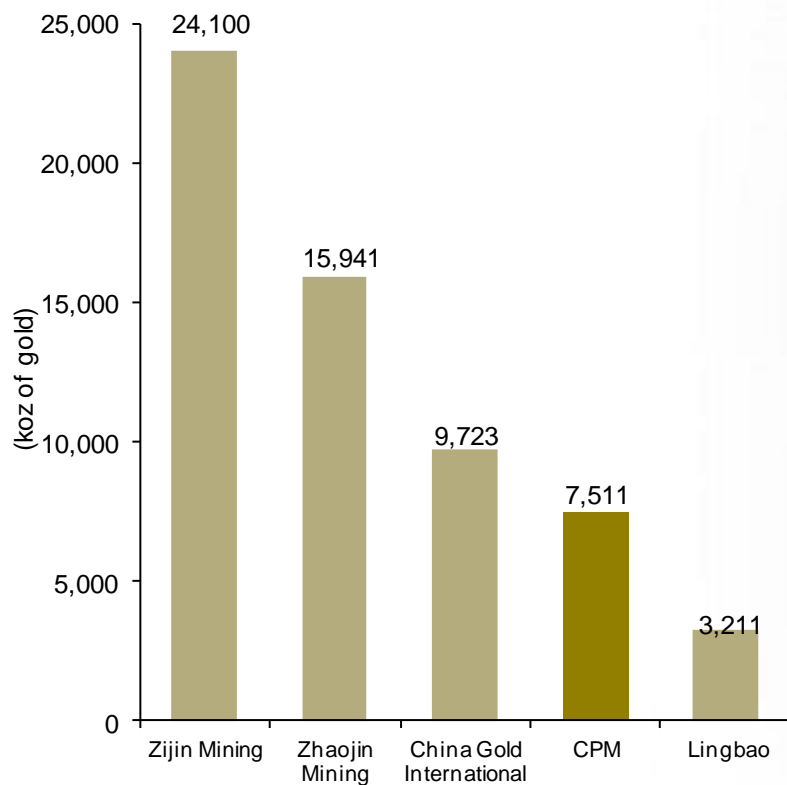


Source: GFMS Gold Survey 2011, World Gold Council China Gold Report 2010, China Gold Association, AME, MIIT

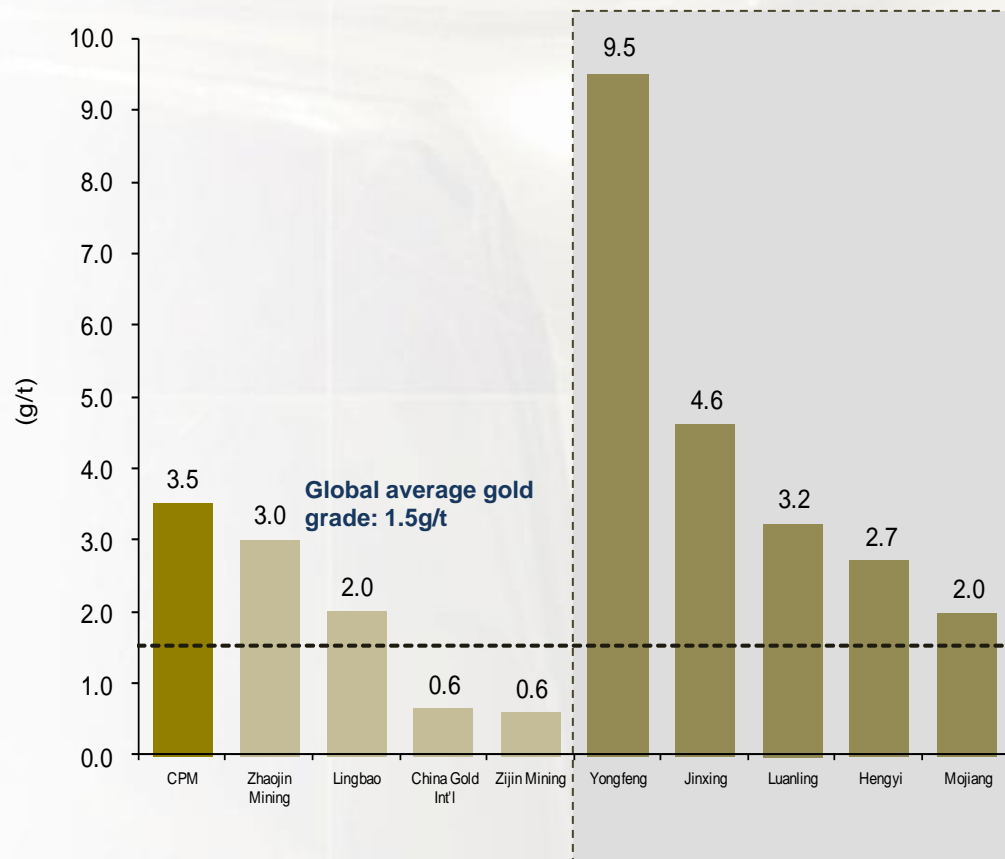
Sizable High Grade Gold Resources With Geographically Diversified Assets

We are ranked the largest private sector gold producer by gold resources with the highest average gold grade among all listed China peers on the HKEx

Sizeable Gold Resources



High Average Gold Grade Among Peers

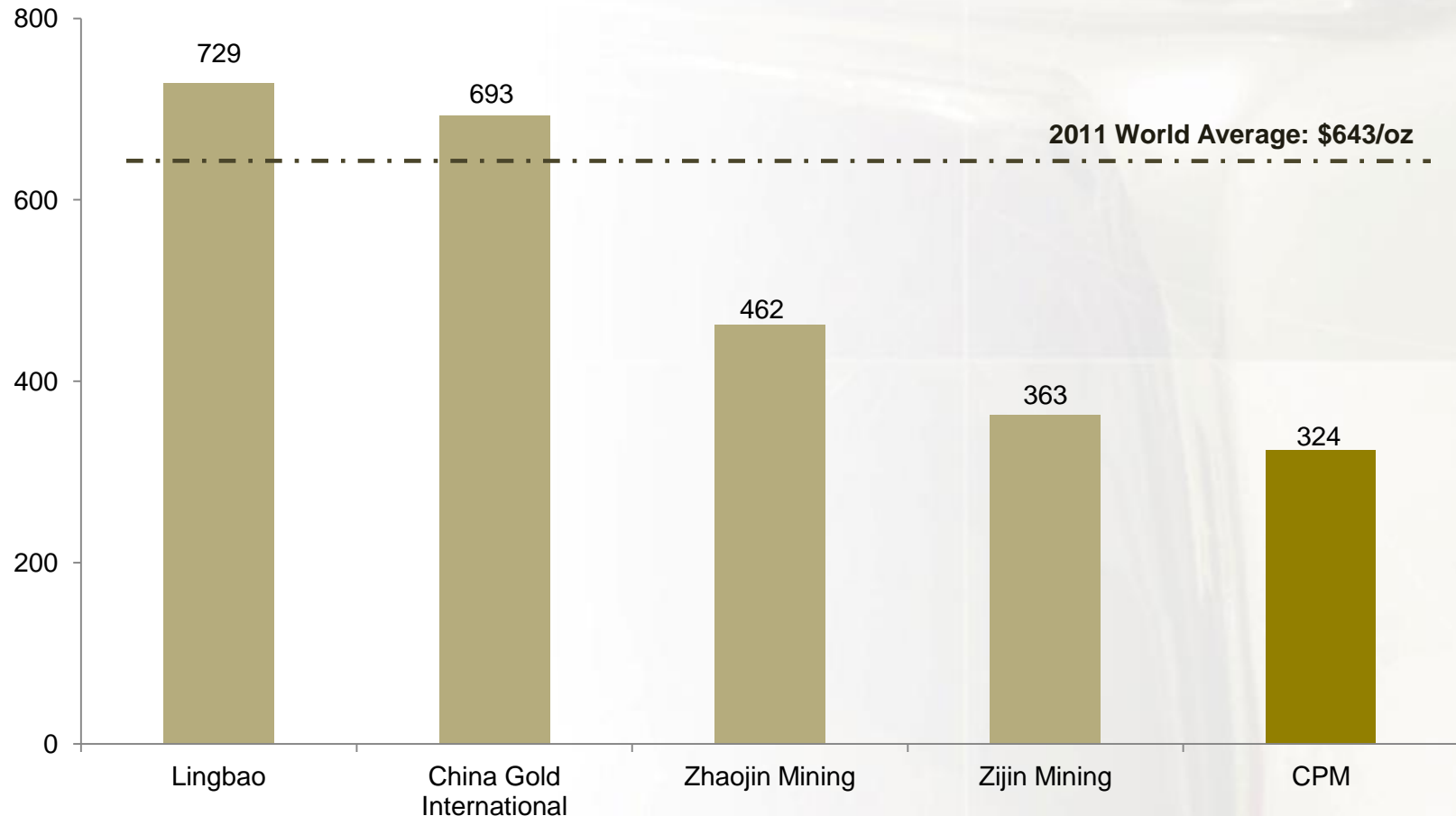


Source: Company, broker reports, Wood Mackenzie

Highly Profitable Gold Producer with Competitive Low Cash Cost Position

Lowest cash cost position among all HKEx listed gold producers and significantly below world average

2011 Cash Costs (US\$/oz)

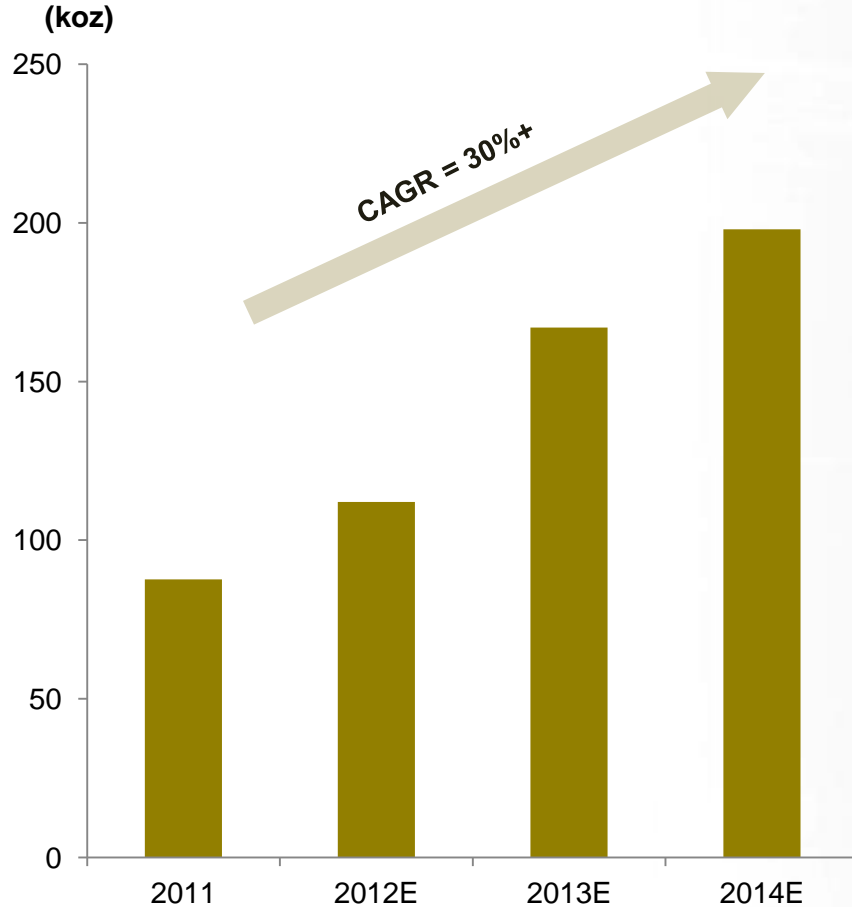


Source: Thomson Reuters GFMS, broker reports, company

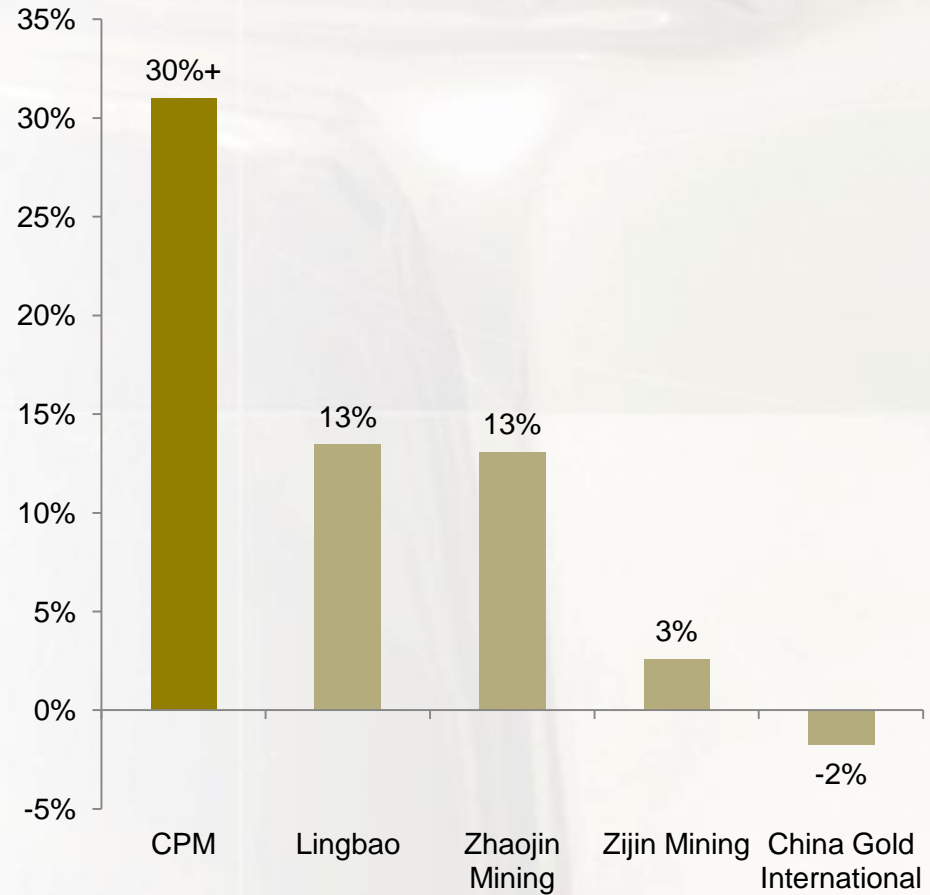
Fast Growing Production Profile

30%+ CAGR in gold production expected to outperform major China gold peers

CPM Estimated Gold Production



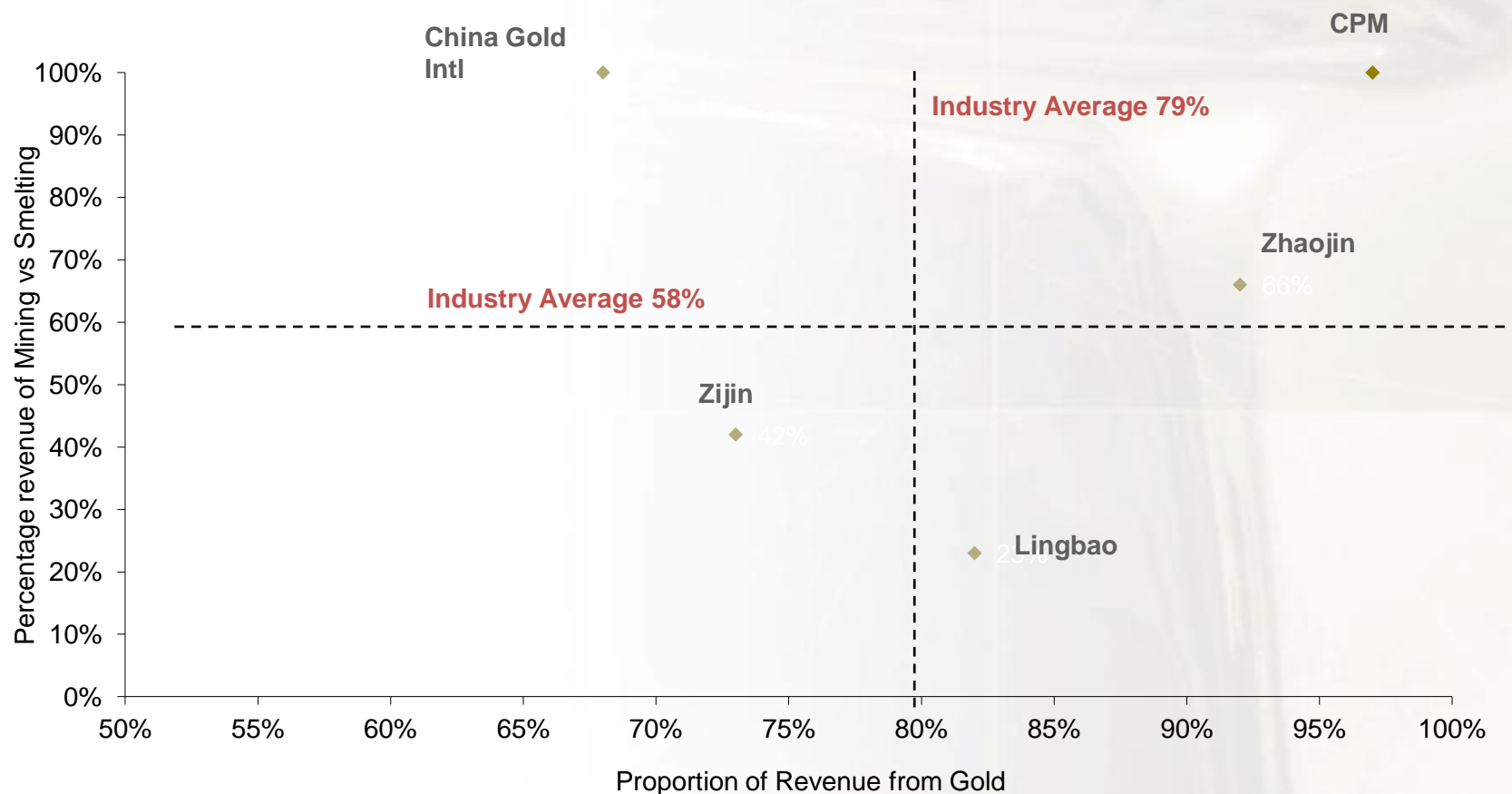
Peer Gold Production Growth



Source: Company competent person reports, Wood Mackenzie, broker reports

Pure Gold Producer with 100% Revenue From Self-Owned Mines

Highest exposure to upstream gold mining margins through self sufficient gold ore production



Source: Company, broker reports

Note: Industry averages are calculated using data for Zijin, Zhaojin, China Gold International and Lingbao. Data for Zijin and China Gold International are based on 2011 estimates. Data for Zhaojin and Lingbao are based on 2010 actual numbers, data for CPM is based on 2011 actual numbers.

Significant Exploration Potential

Minarco has identified significant resource upside potential via further drilling in the Yunnan Hengyi project due to multiple stacked vein style of mineralization which remain open in all directions

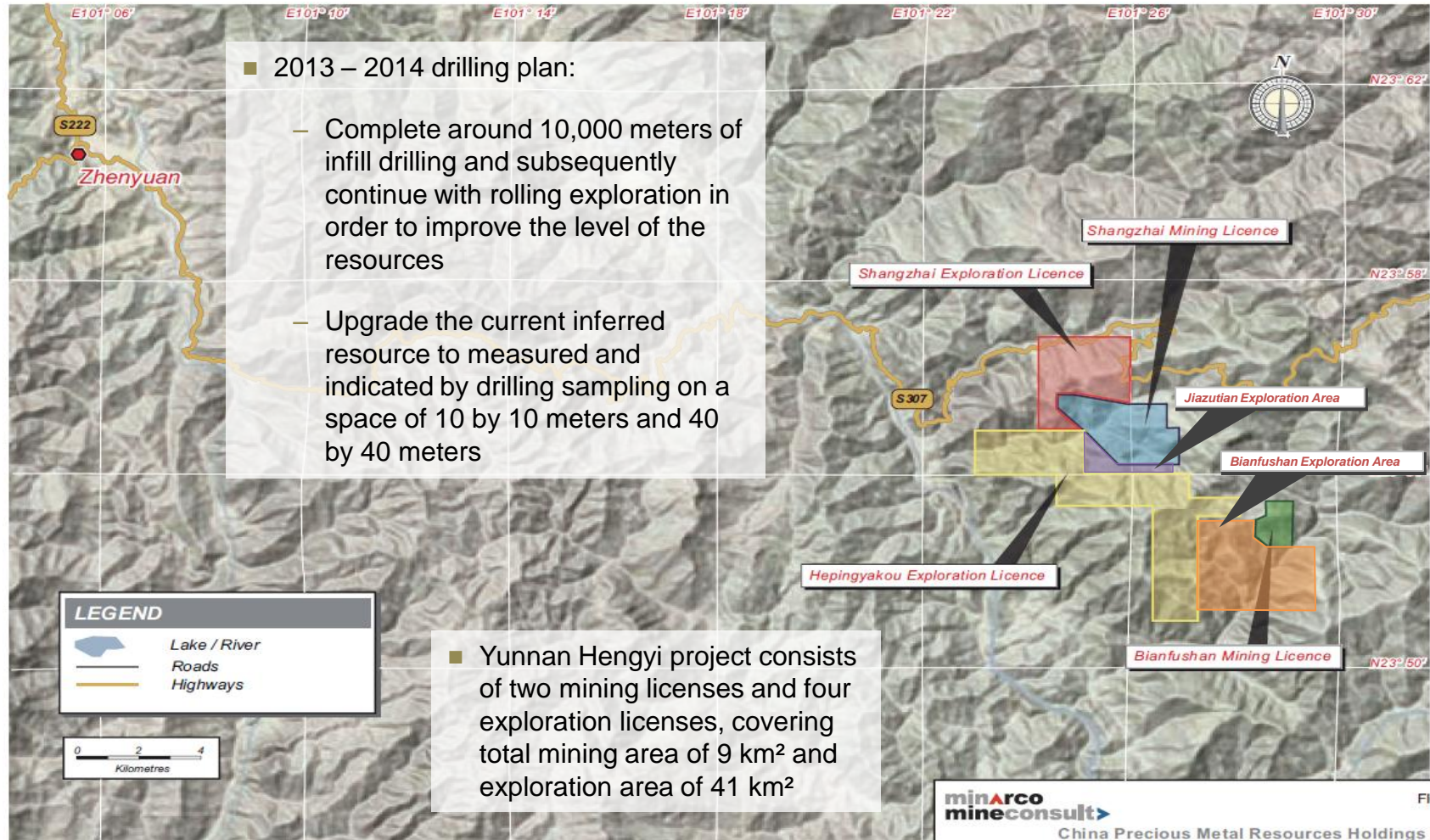


FIGURE 2-2

Our Growth Strategies

**Expanding
production at
current mines**

Increase production capacity at existing mines through ramping up production capacity and conducting further development, construction, expansion and enhancement works

**Investment in
exploration**

Increase and upgrade resources and reserves and extend the mine life of existing mines

**Pursue
acquisition
opportunities**

Well positioned to pursue additional acquisitions of high-quality producing gold assets in Yunnan and Henan given our consolidator status

**Maintain
environmental
and safety track
record**

Continue to maintain and further enhance effective measures for mining safety and environmental protection

**Seek further
operational
improvements**

Improve production and operational efficiencies, such as improved recovery rates, leaching efficiency and mine drainage treatments

The background of the slide features a close-up, slightly blurred image of several gold bars stacked together, with a warm, golden-yellow color palette. A faint grid pattern is overlaid on the image.

Appendix: Background Information

Our Gold Resources

	Tonnes (‘000)	Grade (Au g/t)	Au Ounces (‘000)
Hengyi ¹	19,389	2.7	1,693
Mojiang ²	8,288	2.0	527
Luanling ¹	20,367	3.2	2,106
Jinxing ³	17,728	4.6	2,642
Yongfeng ²	1,782	9.5	543
Total	67,554	3.5	7,511

1. JORC compliant gold resources

2. JORC equivalent gold resources (Chinese Resource and Reserve estimates have been reassigned to categories similar to those used by the JORC Code to standardize categorization)

3. Composed of 73% JORC compliant gold resources and 27% JORC equivalent gold resources

1. Jinxing Mine

Overview

Location	Luanchuan County, Henan Province
Deposit	Gold-bearing pyrite
Ownership	100%
Type	Underground Mine
Recovery	95%
Product	Gold concentrate, lead concentrate
Current Processing Capacity	270 ktpa of ore per annum
Projected Processing Capacity	450 ktpa of ore per annum

Reserves and Resources

Reserves	505koz Au @ 4.5 g/t
Resources	2,642koz Au @ 4.6 g/t

Production and Cash Costs

2011 Gold Production	36.8 koz
2011 Cash Cost	USD 262/oz



Overview:

- Largest project within CPM's portfolio; polymetallic mine acquired in September 2010, mine first commenced production in 1982

Highlights:

- In 2011, exploration work of over 10,000 meters of tunnels and over 26,000 meters of drillings has laid a solid foundation for the sustainable future production
- Continuous infill and extensional drilling being carried out, currently has 4-6 diamond rigs on-site

2. Luanling Mine

Overview	
Location	Luanchuan County, Henan Province
Deposit	Gold-bearing pyrite
Ownership	100%
Type	Underground Mine & Open-pit
Recovery	95% for underground; 70% for oxidized, 88% for sulphide ore
Strip Ratio	3:1
Product	Gold concentrate and alloy gold
Current Processing Capacity	UG: 130 ktpa of ore per annum OC: 200 ktpa of ore per annum
Projected Processing Capacity	UG: 150 ktpa to 180 ktpa of ore per annum OC: 500 ktpa of ore per annum
Reserves and Resources	
Reserves	480koz Au @ 1.7 g/t
Resources	2,106koz Au @ 3.2 g/t
Production and Cash Costs	
2011 Gold Production	20.5 koz
2011 Cash Cost	USD 315/oz



Overview:

- Acquired the project in September 2010, 40km from Jinxing mine

Highlights:

- In 2011, completed various underground shaft infrastructure construction and upgrade
- On-going infill drilling at site will give more confidence to the Resource and Reserve definition, has 2-4 diamond rigs on-site

3. Mojiang Mine

Overview	
Location	Mojiang County, Yunnan Province
Deposit	Auriferous quartz veins
Ownership	100%
Type	Open-pit
Recovery	70%
Product	Gold dore at purity of 99.5% above
Current Processing Capacity	600 ktpa to 700 ktpa of ore per annum
Projected Processing capacity	1,000 ktpa of ore per annum
Reserves and Resources	
Resources	527koz Au @ 2.0 g/t
Production and Cash Costs	
2011 Gold Production	22.5 koz
2011 Cash Cost	USD 438/oz



Overview:

- Acquired the project in June 2010, the mine has a long operational history spanning back to the 1970s

Highlights:

- In 2011, completed the upgrade of the processing plant and the waste recycling system, improving production yield rates and resources utilization
- Further drilling will be carried out in order to expand the Resources as well as establishing the maiden Reserve

4. Hengyi Mine

Overview	
Location	Zhenyuan County, Yunnan Province
Deposit	Epithermal gold deposit
Ownership	100%
Type	Open-pit and Underground
Recovery	70%
Strip Ratio	2.3:1-3.0:1
Product	Gold dore and gold concentrate
Projected Processing Capacity	600 ktpa of ore by 2014 750 ktpa of ore 2016
Reserves and Resources	
Reserves	395koz Au @ 2.9 g/t
Resources	1,693koz Au @ 2.7 g/t
Production and Cash Costs ¹	
2014E Gold Production	43.7 koz
2014E Cash Cost	USD 406/oz
2016E Gold Production	60.6 koz
2016E Cash Cost	USD 397/oz



Overview:

- Acquired the project in July 2012, early exploration of the mine was carried out from 1985 to 1988

Highlights:

- Further drilling includes 10,000 meters of infill drilling in 2013 and 2014, and continues with rolling exploration in order to improve Resources
- Targets to upgrade the current Inferred Resource to Measured and Indicated by drilling sampling on a space of 10 by 10m and 40 by 40m

1. Source: Minarco Competent Person's Report

5. Yongfeng Mine

Overview

Location	Inner Mongolia
Deposit	Gold-bearing quartz veins
Ownership	100%
Type	Underground
Recovery	93%
Product	Gold Alloy (purity over 99%)
Current Processing Capacity	40 ktpa of ore per annum
Projected Processing capacity	40 ktpa to 50 ktpa of ore per annum

Reserves and Resources

Resources	543koz Au @ 9.5 g/t
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Production and Cash Costs

2011 Gold Production	7.8 koz
2011 Cash Cost	USD 308/oz



Overview:

- Underground mine located in Honghuagou mineralization belt of Inner Mongolia acquired in 2009

Strong Management and Technical Team

Experienced management with a proven track record and a strong focus on growth

	Zhang Shuguang	Zhang Liwei	Deng Guoli	Chen Tianxue	Yan Lei	Wang Junxian
Experienced management team	CEO and Executive Director	Executive Director	Executive Director	Chief Mining Engineer	Chief Processing Engineer	Chief Geological Engineer, GM of Luanling Mine
	10 years+ in mine management	10 years+ in corporate finance	20 years+ in mining technology	19 years+ in mining and mine management	30 years+ in mining processing technology	26 years+ in mining technology and mine management
20 Years of Industry Experience on Average						
Impressive track record	<ul style="list-style-type: none"> ■ Consolidator of gold mining industry in Henan and Yunnan province of China ■ Successfully completed acquisition of 4 producing gold mines and actively seek additional acquisition targets ■ Rapidly ramp-up production ■ Significantly enhanced cash cost position 					

The background of the slide features a close-up, slightly blurred image of several gold bars, with a grid pattern overlaid on the entire image.

THANK YOU

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