



GobiMin Inc.  
 120 Adelaide Street West, Suite 1250, Toronto, ON M5H 1T1  
 T 416 915 0133 F 416 363 2908 E info@gobimin.com

NEWS RELEASE

TSX-V: GMN

**GobiMin Announces Second Quarter 2014 Results  
 And market value of GobiMin's shareholding in Loco HK of \$31.9 million  
 (Expressed in United States dollars except where otherwise indicated)**

Toronto, Canada, August 28, 2014 – (TSXV:GMN) GobiMin Inc. (“GobiMin” or the “Company”) reports its financial and operating results for the second quarter of 2014. The unaudited interim consolidated financial statements along with management’s discussion and analysis have been filed with SEDAR (www.sedar.com) and are also available at the website of the Company (www.gobimin.com).

**Financial Highlights**

	<b>3 months ended June 30 2014</b>	12 months ended 2013	12 months ended December 31, 2013
	\$	\$	\$
Revenue	-	-	-
Other revenue	<b>0.2 million</b>	0.2 million	1.5 million
Additional gain on disposal of an associate	<b>4.0 million</b>	-	-
Share of results of associates and a joint venture	<b>(0.2 million)</b>	0.1 million	0.3 million
Profit (loss) for the period	<b>2.3 million</b>	(0.8 million)	(3.6 million)
EBITDA (LBITDA) <sup>(1)</sup>	<b>2.8 million</b>	(0.8 million)	(4.2 million)
Basic and diluted earnings (losses) per share	<b>0.042</b>	(0.012)	(0.05)
EBITDA (LBITDA) per share <sup>(1)</sup>	<b>0.048</b>	(0.014)	(0.07)
Cash and cash equivalents	<b>39.3 million</b>	32.6 million	54.5 million
Cash and cash equivalents per share <sup>(1)</sup>	<b>0.68</b>	0.55	0.94
Working capital	<b>38.1 million</b>	37.9 million	39.7 million
Total non-current financial liabilities	<b>1.8 million</b>	2.0 million	4.5 million
Total liabilities	<b>8.8 million</b>	35.1 million	34.6 million
Total assets	<b>93.9 million</b>	120.8 million	118.3 million

Note:

(1) As non-IFRS measurements, **EBITDA (LBITDA)** (earnings (losses) before interest income and expense, income taxes, depreciation and amortisation), **EBITDA (LBITDA) per share** and **Cash and cash equivalents per share** do not comply with IFRS and, therefore, the amounts presented in the above table may not be comparable to similar data presented by other companies. The data is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

**Business Summary and Development**

The Company owns a 70% equity interest in a company which is developing and operating the Sawayaerdun Gold Project (the “Gold Project”) in Xinjiang. The 2014 drilling program has commenced as scheduled in June 2014 after the setup of the drilling equipments for the program were completed. The drilling of approximately 237 meters has been completed in June 2014. In view of the current market situation, GobiMin plans to reduce the drilling program to approximately 6,500 meters for 2014. Along with

this, GobiMin will continue to pursue the major design and/or construction of mine development, tailing ponds, camp facilities and access roads but in less extent as planned before.

GobiMin held an equity interest of 48.02% in an associate, China Precision Material Limited (“China Precision”) which engages in metal trading and processing, predominantly in silver. To prepare for the listing on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (“GEM”) in August 2014, China Precision completed a capital reorganisation and all the shares held by the shareholders of China Precision were swapped for the shares of a newly incorporated Hong Kong company, Loco Hong Kong Holdings Limited (“Loco HK”). Loco HK completed a placement at \$0.05 (HK\$0.36) per share and raised gross proceeds of approximately \$6.0 million (HK\$43.2 million). Concurrently, Loco HK capitalized an amount of approximately \$3.6 million (HK\$27.7 million) due to the Group from China Precision by issuing new shares of Loco HK at a price of \$0.03 (HK\$0.25) per share to the Group. All the remaining outstanding balance due from China Precision to the Group were then fully settled in cash. Accordingly, GobiMin through a wholly owned subsidiary holds 192,080,000 shares of Loco HK, which represents approximately 48.02% of its total issued shares. The dealings in the shares of Loco HK on the GEM commenced on August 5, 2014 under the stock code “8162”. The market value of the shares of Loco HK held by GobiMin is approximately \$31.9 million (HK\$247.8 million) as at August 28, 2014.

The Group owns 40% equity interests each in three exploration companies incorporated in Xinjiang, China for nickel, copper, and gold. They are treated as associates of the Group. The net cost of the investment in these three exploration companies amounted to \$1.0 million (RMB6.3 million). The carrying value of these companies as at June 30, 2014 was \$0.7 million (RMB4.0 million). Exploration programs of the three exploration companies will continue in 2014.

GobiMin held 3.5% equity interest in Xinjiang Tongxing Minerals Limited, which is the licence holding company of the Yanxi Copper Property. In respect of an area adjacent to the Yanxi Copper Property (the “New Area”), the Group and the two local shareholders were entitled to an additional consideration of \$10.8 million (HK\$84,160,440), of which \$5.4 million (HK\$42.1 million) was received in 2012 and the remaining \$5.4 million (HK\$42.1 million) was received on June 30, 2014. After netting off the related payments and expenses of approximately \$6.8 million including drilling work and costs in relation to the application of the mining licence of the New Area and amount payable to the local shareholders, the Group recognised a gain of approximately \$4.0 million for the New Area.

### **Liquidity and Capital Resources**

As at June 30, 2014, the Group had a working capital of about \$38.1 million (December 31, 2013: \$39.7 million), by netting off its current assets of \$45.1 million (December 31, 2013: \$69.7 million) with current liabilities of \$7.0 million (December 31, 2013: \$30.0 million).

The Group has no difficulties in meeting obligations associated with its financial liabilities and commitment. The Group has determined that its cash and cash equivalents will be more than sufficient to finance its operation, including the current commitments of the Gold Project of approximately \$6.8 million and the commitment for the capital contributions to the exploration company in Xinjiang of \$0.5 million (RMB3.2 million).

**For further information, please contact:**

Felipe Tan, Chief Executive Officer  
Tel: (852) 3586-6500  
Email: felipe@gobimin.com

*Certain statements contained in this press release constitute forward-looking information. Such statements are based on the current expectations of management of GobiMin. You are cautioned that such statements are subject to a multitude of risks and uncertainties that could cause actual results, future circumstances or events to differ materially from those projected in the forward-looking information. Forward looking information includes without limitation, statements regarding the size and quality of the Company's mineral resources, progress in development of mineral properties, the prospective mineralization of the properties, and planned exploration programs. The reader should not place undue reliance on the forward-looking information included in this press release given that (i) actual results could differ materially from a conclusion, forecast or projection in the forward-looking information, and (ii) certain material factors or assumptions were applied in drawing a conclusion or making a forecast or projection as reflected in the forward-looking information could prove to be inaccurate. These statements speak only as of the date they are made, and GobiMin assumes no obligation to revise such statements as a result of any event, circumstance or otherwise, except in accordance with law.*

**“Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.”**

*To receive GobiMin press releases by email, send a message to [info@gobimin.com](mailto:info@gobimin.com) and specify “GobiMin press releases” on the subject line  
To **unsubscribe** GobiMin press releases, please send a message to [unsubscribe@gobimin.com](mailto:unsubscribe@gobimin.com)*