

For Immediate Release

BLACKGOLD NATURAL RESOURCES LIMITED TO DIVERSIFY COMMODITIES BUSINESS BEYOND COAL, TO ACQUIRE AN OPERATING GOLD MINE FOR US\$100 MILLION

- **Entry of a non-binding term sheet to acquire an operating gold mine in Central Kalimantan for an indicative purchase price of US\$100 million (“Indicative Purchase Price”)**
- **Continues to seek growth opportunities in the commodities sector**

Singapore, 20 August 2015 – BlackGold Natural Resources Limited (“**BlackGold**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) announced that the Company had signed a non-binding term sheet (the “**Term Sheet**”) with Gain Capital Group Pte Ltd and Terrence Timothy Tyler (each, a “**Vendor**” and collectively, the “**Vendors**”) for the proposed acquisition of the entire issued shares of Ensbury International Limited (the “**Target Company**”, and together with its subsidiaries, the “**Target Group**”) from the Vendors (the “**Proposed Acquisition**”) for an indicative purchase price of US\$100 million.

Proposed Acquisition

BlackGold has taken steps to strengthen its mining operations in Indonesia as part of its efforts to seize business opportunities in this fast-growing market. The Company has entered into the Term Sheet, subject to the parties entering into a definitive sale and purchase agreement (and/or other such agreements as may be required) in respect of the Proposed Acquisition with conditions precedent therein, including but not limited to, a valuation on the assets held by the Target Group being not less than US\$100 million (“**Minimum Valuation**”).

The Indicative Purchase Price was arrived at, after arm’s length negotiation, on a willing-buyer willing-seller basis, subject to the Minimum Valuation, and shall be satisfied by way of cash and/or allotment and issuance of new ordinary shares in share capital of the Company. Following the signing of the Term Sheet, the Company will commence its due diligence on the Target Group.

“The Proposed Acquisition is in line with the Company’s intention to expand our commodities business horizontally and we are exploring opportunities presented by existing operating assets which may potentially bring instant stream to our revenue portfolio. To date we have successfully locked various off-take contracts for our coal commodity whereas gold produced by the Target Group can be sold directly to Antam (Indonesia’s state-owned natural resources based company)”, explained by Mr. Philip Rickard, Chief Executive Officer of the Company.

Rationale for the Proposed Acquisition

The Company believes that the Proposed Acquisition presents an investment opportunity to acquire new business with growth potential in the long run, which will enable the Company to remain competitive and enhance shareholders value by diversifying its asset and revenue stream.

Information on Target Company and its assets

The Target Company is an investment holding company incorporated in British Virgin Islands. The Target Group comprises Ensbury Kalteng Pte Ltd (an investment holding company incorporated in Singapore) and PT Ensbury Kalteng Mining (a company incorporated in Indonesia which is primarily engaged in the business of gold mining).

PT Ensbury Kalteng Mining currently holds five (5) mining concessions over mining blocks measuring in aggregate 21,110 hectares (collectively, the “**Assets**”) located in Central Kalimantan, which comprise (a) a block covering a total area of 1,716 hectares (the “**Pangkut Block**”) which has been in production since 2011; and (b) four (4) blocks covering a total area of 19,394 hectares which are currently under feasibility study. The blocks in the Assets are under a 6th generation Contract of Work with the Government of Indonesia.

Commenting on the Proposed Acquisition, Mr Johanes Budisutrisno Kotjo, a shareholder of the Target Company added, “*We are delighted at this opportunity to be part of BlackGold and look forward to a mutually beneficial and fruitful relationship going forward. Currently, we have production from only about 8% of the entire area under the Assets and the remaining area under four (4) more blocks is undergoing feasibility study. Our growth plan will include gradually bringing the other four (4) blocks under production to fully realise the potential of the Assets.*”

- End -

ABOUT BLACKGOLD (Bloomberg Ticker: BHR:SP)

The Group is an Indonesian-focused coal mining company targeting Indonesia's growing power plant industry.

The Group, through its local subsidiaries, has the rights to three coal concessions in Riau, Indonesia.

Currently, the Group, through its subsidiary PT Samantaka Batubara, has coal concession for an area of 15,000 hectares, and has over 200 million tonnes of coal resources (JORC code).

For more information, please visit www.blackgold-group.com.

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*This press release has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Canaccord Genuity Singapore Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this press release.*

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