

BlackGold Natural Resources Limited (formerly known as NH Ceramics Ltd)
(Company Registration No. 199704544C)

UNAUDITED FINANCIAL STATEMENTS FOR THE FIFTEEN MONTHS

ENDED 31 DECEMBER 2015

INTRODUCTION

On 10 March 2015, BlackGold Natural Resources Limited (formerly known as NH Ceramics Ltd) (the “**Company**”, and together with its subsidiaries, the “**Group**”) completed the reverse acquisition (“**RTO**” or the “**Acquisition**”) of BlackGold Asia Resources Pte. Ltd. and BlackGold Energy Limited as well as their respective subsidiaries (the “**BlackGold Group**”) as set out in the circular to shareholders dated 30 December 2014 (“**Circular**”).

Following the completion of the RTO and subsequent disposal of the NH Subsidiaries, the principal business of the Group is that of the BlackGold Group, which is in the business of energy and mining of natural resources.

On 11 May 2015, the Company announced the change of its financial year end from 30 September, being the last reported financial year end, to 31 December. This was to align the financial year end of the Company with that of its new subsidiaries following the completion of the RTO. Please refer to the Company’s announcements dated 11 May 2015 and 7 July 2015 for further information.

Capitalised terms used in this announcement, unless otherwise defined herein, shall have the same meaning as ascribed to them in the Circular.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEAR AND FULL YEAR RESULTS

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FIFTEEN MONTHS ENDED 31 DECEMBER 2015

The board of directors (the “**Board**”) of the Company is pleased to announce the unaudited consolidated financial results of the Group for the fifteen months ended 31 December 2015 (“**15M2015**”). For the purpose of this announcement, “**15M2014**” refers to fifteen months ended 31 December 2014.

1(a)(i) A statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding year

Consolidated Statement of Comprehensive Income

	GROUP		
	Unaudited 15M2015 US\$	Unaudited 15M2014 US\$	Change +/- %
Interest income from time deposit and current account	14,523	12,862	13
Other income	2,380	-	n.m.
Currency translation (losses) / gains	(217,813)	108,640	n.m.
Expenses			
- Administrative	(3,405,524)	(617,043)	452
- Finance	(1,271)	(8)	n.m.
- Others *	(25,658,624)	(1,426)	n.m.
Loss before tax	(29,266,329)	(496,975)	n.m.
Income tax expense	-	-	
Loss net of tax	(29,266,329)	(496,975)	n.m.

n.m. denotes not meaningful

Note:

* Other expenses in 15M2015 comprised mainly professional fees, RTO cost and arranger fees. Please refer to paragraph 1(a)(ii) below for a breakdown of these expenses.

	GROUP		
	Unaudited	Unaudited	Change
	15M2015 US\$	15M2014 US\$	+/- %
Other Comprehensive Income/Loss:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences arising from consolidation	(920,073)	(394,883)	133
Other comprehensive loss, net of tax	(920,073)	(394,883)	133
Total comprehensive loss, net of tax	(30,186,402)	(891,858)	n.m.
Net loss attributable to:			
- Equity holders of the Company	(29,245,231)	(490,240)	n.m.
- Non-controlling interests	(21,098)	(6,735)	213
	(29,266,329)	(496,975)	n.m.
Total comprehensive (loss) attributable to:			
- Equity holders of the Company	(30,148,103)	(884,225)	n.m.
- Non-controlling interests	(38,299)	(7,633)	402
	(30,186,402)	(891,858)	n.m.

n.m. denotes not meaningful

1(a)(ii) The total comprehensive income/(loss) attributable to equity holders of the Company include the following credits/(charges):-

	GROUP		
	Unaudited	Unaudited	Change
	15M2015 US\$	15M2014 US\$	+/- %
Employee compensation & directors' fees	(1,186,930)	(236,608)	402
Rental expenses	(174,711)	(138,772)	26
Professional fees, travelling and corporate social responsibility expenses	(782,700)	(77,568)	n.m.
Legal and licensing expenses	(266,732)	(39,639)	n.m.
Geology and survey expenses	(581,076)	-	n.m.
Professional fees (for RTO)	(1,719,162)	(3,031)	n.m.
RTO cost	(12,959,102)	-	n.m.
Arranger fees	(10,731,216)	-	n.m.
Loss on disposal of NH Subsidiaries	(3,728)	-	n.m.

n.m. denotes not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	GROUP		COMPANY	
	Unaudited As at 31/12/2015 US\$	Unaudited As at 30/9/2014 US\$	Unaudited As at 31/12/2015 US\$	Audited As at 30/9/2014 US\$
ASSETS				
Current assets				
Cash and cash equivalents	2,522,778	101,472	1,777,886	9,437,636
Other receivables	85,866	-	13,667,035	8,507
Deposits and prepayments	8,925,632	38,453	39,009	8,005
	11,534,276	139,925	15,483,930	9,454,148
Non-current assets				
Property, plant and equipment	251,548	71,885	8,442	-
Deferred exploration expenditure	6,123,360	3,640,436	-	-
Investment in subsidiaries	-	-	123,409,681	3,980,018
Restricted cash	185,932	210,996	-	-
	6,560,840	3,923,317	123,418,123	3,980,018
Total assets	18,095,116	4,063,242	138,902,053	13,434,166
LIABILITIES				
Current liabilities				
Trade and other payables	260,138	92,552	-	8,278,887
Current tax liability	53,333	13,234	-	-
Accrued operating expenses	1,158,669	233,234	148,696	112,801
Finance lease liabilities	2,365	2,698	-	-
Loans from shareholders	3,511,376	-	-	-
	4,985,881	341,718	148,696	8,391,688
Non-current liabilities				
Finance lease liabilities	4,261	7,051	-	-
Provision for employee benefit	16,157	-	-	-
Loans from shareholders	-	3,249,229	-	-
	20,418	3,256,280	-	-
Total liabilities	5,006,299	3,597,998	148,696	8,391,688
NET ASSETS	13,088,817	465,244	138,753,357	5,042,478
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	44,854,402	1,053,109	159,951,597	15,508,587
Capital reserves	-	1,000,000	-	-
Currency translation reserve	(1,584,148)	(681,276)	(461,056)	-
Accumulated losses	(30,201,420)	(956,189)	(20,737,184)	(10,466,109)
	13,068,834	415,644	138,753,357	5,042,478
Non-controlling interests	19,983	49,600	-	-
Total equity	13,088,817	465,244	138,753,357	5,042,478

1(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

(a) the amount repayable in one year or less, or on demand;

	As at 31/12/2015		As at 30/9/2014	
	Secured	Unsecured	Secured	Unsecured
	US\$	US\$	US\$	US\$
Shareholders' loans	-	3,511,376	-	-

(b) the amount repayable after one year;

	As at 31/12/2015		As at 30/9/2014	
	Secured	Unsecured	Secured	Unsecured
	US\$	US\$	US\$	US\$
Shareholders' loans	-	-	-	3,249,229

The above relates to shareholders' loans from Twin Gold Ventures S.A. ("TGV") and Novel Creation Holdings Limited ("Novel Creation"), and these loans are non-interest bearing, unsecured and repayable upon demand. These loans have been reclassified from "non-current liabilities" to "current liabilities" as the agreement wherein TGV and Novel Creation have agreed not to demand payment for these amounts shall expire on 9 September 2016. There has been no request for repayment to date.

(c) Details of any collateral

Not Applicable.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Unaudited 15M2015 US\$	Unaudited 15M2014 US\$
Cash flows from operating activities		
Loss before tax	(29,266,329)	(496,975)
Adjustments for:		
- Depreciation of property, plant and equipment	22,244	18,513
- Interest income from fixed deposits and current account	(14,523)	(12,862)
- RTO cost	12,959,102	-
- Arranger fees	10,731,216	-
- Unrealised currency translation gains	(708,220)	(210,899)
	<u>(6,276,510)</u>	<u>(702,223)</u>
Change in working capital:		
Deposit and prepayments	(38,196)	30,537
Other receivables	(52,235)	25,192
Other payables	240,733	716,891
Provision for employee benefits	16,157	11,618
Cash (used in) / generated from operating activities	<u>(6,110,051)</u>	<u>82,015</u>
Tax received	41,663	-
Net cash (used in) / provided by operating activities	<u>(6,068,388)</u>	<u>82,015</u>
Cash flows from investing activities		
Payment for exploration expenditure	(2,913,182)	(885,506)
Advances for exploration expenditure	(7,982,796)	-
Purchase of plant and equipment	(223,102)	(7,348)
Interest received	14,523	12,862
Net cash received from RTO	8,783,193	-
Net cash used in investing activities	<u>(2,321,364)</u>	<u>(879,992)</u>
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	18,462,994	-
Proceeds from shareholders' loan	494,598	620,570
Share issue expense	(557,471)	-
Repayment of finance lease	(2,157)	(14,533)
Payment to shareholders in capital reduction exercise	(7,602,702)	-
Net cash provided by financing activities	<u>10,795,262</u>	<u>606,037</u>
Net increase / (decrease) in cash and cash equivalents	<u>2,405,510</u>	<u>(191,940)</u>
Cash and cash equivalents at the beginning of the period	101,472	254,195
Effects of currency translation on cash and cash equivalents	15,796	(17,916)
Cash and cash equivalents at the end of the period	<u>2,522,778</u>	<u>44,339</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Comparison of the Group and Company's changes in equity from 15M2015 to 15M2014 may not be meaningful in view of the changes in share capital pursuant to the RTO.

GROUP - Current period

	Share Capital US\$	Accumulated losses US\$	Capital reserves US\$	Currency Translation reserve US\$	Non- controlling interests US\$	Total equity US\$
Balance at 30 September 2014	1,053,109	(956,189)	1,000,000	(681,276)	49,600	465,244
Total comprehensive loss for the period	-	(29,245,231)	-	(902,872)	(38,299)	(30,186,402)
Issuance of placement shares	18,462,994	-	-	-	-	18,462,994
Share issue expenses	(557,471)	-	-	-	-	(557,471)
Issuance of shares for arranger fees	10,731,216	-	-	-	-	10,731,216
RTO of BlackGold Group	14,164,554	-	-	-	-	14,164,554
Transition to no par value regime in subsidiary (Note (a))	1,000,000	-	(1,000,000)	-	-	-
Incorporation of a subsidiary	-	-	-	-	8,682	8,682
Balance at 31 December 2015	44,854,402	(30,201,420)	-	(1,584,148)	19,983	13,088,817

GROUP - Prior period

	Share Capital US\$	Accumulated losses US\$	Capital reserves US\$	Currency Translation reserve US\$	Non- controlling interests US\$	Total equity US\$
Balance at 30 September 2013	1,053,109	(541,702)	1,000,000	(337,907)	53,045	1,226,545
Total comprehensive loss for the period	-	(490,240)	-	(393,985)	(7,633)	(891,858)
Transition to no par value regime in subsidiary (Note (a))	1,000,000	-	(1,000,000)	-	-	-
Balance at 31 December 2014	2,053,109	(1,031,942)	-	(731,892)	45,412	334,687

Note (a) Under the Hong Kong Companies Ordinance Cap 622, the concepts of par value and authorised share capital were abolished and the amount in the capital reserves account as of 31 December 2014 is required to become part of the share capital of BlackGold Energy Limited, a subsidiary of the Group, incorporated in Hong Kong.

COMPANY - Current period

	Share Capital	Accumulated losses	Currency Translation reserve	Total equity
	US\$	US\$	US\$	US\$
Balance at 30 September 2014	15,508,587	(10,466,109)	-	5,042,478
Total comprehensive loss for the period	-	(10,271,075)	(461,056)	(10,732,131)
Issuance of placement shares	18,462,994	-	-	18,462,994
Share issue expenses	(557,471)	-	-	(557,471)
Issuance of shares for arranger fees	10,731,216	-	-	10,731,216
RTO of BlackGold Group	123,408,973	-	-	123,408,973
Capital reduction exercise	(7,602,702)	-	-	(7,602,702)
Balance at 31 December 2015	<u>159,951,597</u>	<u>(20,737,184)</u>	<u>(461,056)</u>	<u>138,753,357</u>

COMPANY - Prior period

	Share Capital	Accumulated losses	Currency Translation reserve	Total equity
	US\$	US\$	US\$	US\$
Balance at 30 September 2013	15,508,333	(9,864,639)	-	5,643,694
Total comprehensive loss for the period	-	(988,402)	-	(988,402)
Translation differences	254	-	-	254
Balance at 31 December 2014	<u>15,508,587</u>	<u>(10,853,041)</u>	<u>-</u>	<u>4,655,546</u>

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Changes in the Company's share capital

The movement in the Company's issued and fully paid-up share capital from 1 October 2014 to 31 December 2015 were as follows:

	No. of Shares	Share capital US\$
At 1 October 2014	335,577,825	15,508,587
At 10 March 2015	335,577,825	15,508,587
Share consolidation (every 5 shares into 1 consolidated share)	67,115,563	15,508,587
Issuance of shares pursuant to the RTO	584,745,762	123,408,973
Issuance of shares for arranger fees	50,847,458	10,731,216
Issuance of shares from new placement shares	86,000,000	18,462,994
Reduction of share capital via distribution to shareholders	-	(7,602,702)
Share issue expenses	-	(557,471)
As at 31 December 2015	788,708,783	159,951,597

There were no further changes in the issued and paid-up capital of the Company since the completion of the RTO from 10 March 2015 to 31 December 2015.

There were no outstanding convertibles or share options granted as at 31 December 2015 and 31 December 2014.

There were no treasury shares held or issued as at 31 December 2015 and 31 December 2014.

1(d)(iii) Total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	As at 31 December 2015	As at 30 September 2014
Number of issued shares excluding treasury shares	788,708,783	335,577,825*

* Total shares issued of the Company as at 30 September 2014 before the completion of the RTO.

1(d)(iv) A statement showing all sales, transfers, disposals, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. The Company does not have any treasury shares.

2. Please state whether the figures have been audited or reviewed, and if so which auditing standard or practice has been followed.

The figures have not been audited or reviewed by the Company's auditors.

3. If the figures have been audited or reviewed, please provide a statement on whether there are any qualifications or emphasis of matter.

Not applicable.

4. Please state whether the same accounting policies and method of computation as in the issuer's most recently audited financial statements have been followed.

On 1 October 2014, the Group and the Company adopted the new or revised Singapore Financial Reporting Standards ("**FRS**"), which are effective for the financial period beginning 1 January 2014.

The following are the FRS that are relevant to the Group and the Company:

- FRS 110 and FRS 27: Consolidated Financial Statements and Separate Financial Statements (Revised) (Effective for annual periods beginning on or after 1 January 2014)
- FRS 112: Disclosure of Interests in Other Entities (Effective for annual periods beginning on or after 1 January 2014)
- FRS 32: Offsetting Financial Assets and Financial Liabilities (Effective for annual periods beginning on or after 1 January 2014)

The adoption of these new or revised FRS is assessed to have no material impact to the financial results of the Group and of the Company for the current financial period reported on.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

See paragraph 4 above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	15M2015	15M2014
	US\$	US\$
Basic loss per share (cents)	(4.06)	(45.39)
Weighted average number of shares for the purpose of computing basic loss per share	720,721,109	1,080,102
Fully diluted loss per share (cents)	(4.06)	(45.39)
Weighted average number of shares for the purpose of computing fully diluted loss per share	720,721,109	1,080,102

The comparison of the basic and fully diluted loss per share for 15M2015 and 15M2014 is not meaningful as the RTO was effected on 10 March 2015.

The basic loss per ordinary share and the fully diluted loss per ordinary share for 15M2015 were the same as there were no potentially dilutive ordinary shares existing during the period.

The weighted average number of 1,080,102 shares in 15M2014 relates to those of the BlackGold Group, the deemed accounting acquirer in the RTO which occurred on 10 March 2015.

7. Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:-

- (a) Current financial period reported on; and
(b) Immediately preceding financial year.**

	31 Dec 2015	30 Sep 2014
	US\$	US\$
Net asset value of the Group per ordinary share (cents)	1.7	43.1
No. of ordinary shares in issue	788,708,783	1,080,102
Net asset value of the Company per ordinary share (cents)	17.6	1.5
No. of ordinary shares in issue	788,708,783	335,577,825

The comparison of the net asset value per ordinary share as at 31 December 2015 and 30 September 2014 is not meaningful as the RTO was effected on 10 March 2015.

The 1,080,102 ordinary shares in issue of the Group as at 30 September 2014 relates to those of the BlackGold Group, the deemed accounting acquirer in the RTO which occurred on 10 March 2015.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Introduction

The RTO, which was completed on 10 March 2015, is being accounted for as a reverse acquisition under the FRS where the BlackGold Group (the legal subsidiary) is deemed as the acquirer for accounting purposes.

Accordingly, the Group's consolidated financial statements for the financial period ended 31 December 2015 were prepared as a continuation of the BlackGold Group's financial statements and that the BlackGold Group has acquired the Company with effect from 10 March 2015.

Further, the Group has amended its financial year end from 30 September to 31 December and, consequently, for the purpose of this announcement, the unaudited consolidated financial results of the Group will cover a period from the end of preceding financial year i.e. 1 October 2014 to 31 December 2015, and a corresponding period between 1 October 2013 and 31 December 2014.

In view of the above, the comparison of revenue and expenses of the Group between 15M2015 and 15M2014, may not be meaningful.

Review of Profit & Loss

Currently, the Group is in the exploration phase for its PT AAM Concession and PT APA Concession, and has entered into the pre-production phase for PT SB Concession.

Since coal production has not yet commenced in FY 2015, there was no revenue generated as of 31 December 2015.

Interest income from time deposit balances and current account

Such income amounted to US\$15K in 15M2015, as compared to US\$13K 15M2014. There was a slight increase, mainly due to higher time deposit balances in 15M2015 as compared to 15M2014.

Currency translation loss

The Group recorded currency translation losses of US\$218K in 15M2015, as compared to currency translation gain of US\$109K in 15M2014.

The currency translation losses in 15M2015 were mainly due to translation differences on shareholders loans and taxes payable for land at its Indonesian subsidiaries. In view of the strengthening of the United States Dollar (being the reporting currency) against the Indonesian Rupiah (being the recording currency for these liabilities), the Group recorded currency translation losses in these period.

Administrative Expenses

Administrative expenses mainly relate to employee remuneration, directors' fees, rental, travelling expenses and expenses relating to corporate social responsibility.

Administrative expenses increased by US\$3M or 452%, from US\$617K in 15M2014 to approximately US\$3M in 15M2015. The increase was mainly attributable to:-

- an increase in employee compensation and directors' fees of US\$950K mainly due to the increase in (i) headcount to prepare for expansion and commencement of the Group's mining operations; and (ii) directors' fees after appointment of new Board to the Company subsequent to its RTO;
- an increase in rental expenses of US\$36K due to an increase in office rental rates.
- an increase in legal and licensing expenses of US\$227K in respect of legal consultation fees and licensing fees for increased land acquisition activities
- an increase in geology and survey expenses of US\$581K for exploration works at its mining concessions; and
- an increase of US\$705K in other administrative expenses relating to (i) the cost of engaging professional parties mainly for the purpose of fulfilling the Group's regulatory obligations following its listing on the Singapore Exchange, (ii) increased frequency of travel by personnel to the Group's mining concessions; and (iii) efforts at social responsibility towards the local communities at its mining concessions.

Other expenses

Other expenses were US\$26M in 15M2015. Comparatively, other expenses were negligible in 15M2014.

Other expenses in 15M2015 comprised mainly (a) non-recurring professional fees in relation to the RTO of US\$2M; (b) RTO cost of US\$13M; and (c) arranger fees of US\$11M. RTO cost relates to acquisition costs arising from the RTO on 10 March 2015. Arranger fees relate to one-off issuance of shares to UOB Kay Hian Private Limited as the arranger in the RTO transaction.

Loss after tax

As a result of the above factors, the Group recorded net losses of US\$29M in 15M2015.

Review of Statement of Financial Position

Non-current assets

Non-current assets of the Group comprised property, plant and equipment, deferred exploration expenditure and restricted cash equivalents.

Non-current assets increased by US\$3M, from US\$4M as at 30 September 2014 to US\$7M as at 31 December 2015. The increase was mainly due to an increase in deferred exploration expenditure of US\$2M, relating to working capital expenditure in preparation for the Group's mining operations.

Current assets

Current assets comprised cash and cash equivalents, other receivables, as well as deposits and prepayments.

Current assets increased by US\$11M, from US\$139K as at 30 September 2014 to US\$12M as at 31 December 2015.

The increase was partly due to an increase in cash and cash equivalents, attributable to balance of the proceeds not utilised from the issue of new shares in the capital of the Company in March 2015, in connection with the RTO.

Deposits and prepayments increased by US\$9M due to prepayments to contractors for exploration and pre-production work; and for the obtainment of permits, licences and exploration activities at the Group's mining concessions. During the course of the Group's exploration and pre-production activities, more payment milestones were attained, resulting in prepayments being paid to the contractors.

Current liabilities

Current liabilities comprised trade and other payables, current tax liability, loans from shareholders, accrued operating expenses and finance lease liabilities (current portion).

Current liabilities increased by US\$5M, from US\$342K as at 30 September 2014 to US\$5M as at 31 December 2015. The increase was mainly due to a reclassification of US\$4M of loans from shareholders, an increase in accrued operating expenses of US\$925K and an increase in current tax liability of US\$40K. Loans from shareholders have been reclassified from "non-current liabilities" to "current liabilities" because the agreement wherein TGV and Novel Creation have agreed not to demand payment for these amounts shall expire on 9 September 2016.

Accrued operating expenses relate mainly to fees incurred for the Group's mining concessions.

Non-current liabilities

Non-current liabilities comprised finance lease liabilities (non-current portion), loans from shareholders and provision for employee benefit. Non-current liabilities decreased by US\$3M, from US\$3M as at 30 September 2014 to US\$20K as at 31 December 2015. The decrease was mainly due to the reclassification of loans from shareholders of US\$3M from "non-current liabilities" to "current liabilities" as explained above in the preceding paragraph on current liabilities.

Working capital

The Group recorded working capital of US\$7M as at 31 December 2015.

Review of Statement of Cash Flows

15M2015

The Group recorded net cash used in operating activities of US\$6M for 15M2015 which was a result of operating losses before changes in working capital of approximately US\$30M, adjusted for, inter alia:

- RTO cost of US\$13M which relate to acquisition costs arising from the RTO on 10 March 2015.
- shares issued as arranger fees of US\$11M which relate to professional fees paid in shares.
- net working capital inflows of approximately US\$166K

Net cash used in investing activities of US\$2M in 15M2015 was mainly due to cash used for the purchase of plant and equipment of US\$223K and advances and expenditure made in preparation for the Group's mining operations of US\$11M, partially offset by interest income of US\$15K from current account and time deposit.

Net cash provided by financing activities of US\$11M was mainly due to cash proceeds of US\$18M from issuance of new shares pursuant to the placement exercise, offset by the share issue expenses of US\$557K and the payment of US\$8M to shareholders of the Company as part of its selective capital reduction exercise as disclosed in the Circular.

As a result of the above, the Group recorded a net increase in cash and cash equivalents of US\$2M in 15M2015.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable as the Company has not disclosed any forecast or prospect statement to its shareholders previously.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

A publication dated 24 February 2016 highlighted the Ministry of Energy and Mineral Resources of Republic of Indonesia's ("MEMR") view that the domestic consumption of coal will rise 7.7% year-on-year to 86.0 million tonnes in 2016 from 79.8 million tonnes in 2015. The article further highlighted that the MEMR sets the domestic market obligation ("DMO"), which is the minimum annual amount of coal that Indonesia's coal producers need to supply to the local market, at 86 million tons. The DMO is set to ensure sufficient power generation in the country.

The MEMR's view is in line with the government's plan to increase Indonesia's electrification rate through power generation. The plan was reaffirmed by a recent article published in December 2015 by the Asian Development Bank ("ADB") which has recently approved assistance of US\$600 million for the state electricity company, Perusahaan Listrik Negara, to carry out major power transmission and distribution system upgrades in Sumatra. It was noted that the funds shall be used for improvements to help Sumatra achieve an electrification rate of 90% by 2019. The growth in Sumatra's power industry is envisaged to present additional opportunities for the Group to secure coal supply agreements.

Barring any unforeseen circumstances, the Group's concession which are located strategically in Sumatra, are well-positioned to benefit from the growth of the region's power industry.

11. If a decision regarding dividend has been made:-

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

None.

(b)(i) Amount per share

Not applicable.

(b)(ii) Previous corresponding period

None.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable.

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

Not applicable.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been declared or recommended during 15M2015.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a general mandate from shareholders for interested person transactions ("IPTs") pursuant to Rule 920(1)(a)(ii) of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("Catalist Rules").

Name of Interested Person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transaction conducted under the shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transaction less than S\$100,000)
	S\$	S\$
	15M2015	15M2015
N.A	-	-

There were no interested person transactions that were individually more than S\$100,000 during the 15M2015.

14. Use of IPO Proceeds

Pursuant to Rule 1204(5)(f) of the Catalist Rules, the Board wishes to provide an update on the use of the proceeds arising from the allotment and issue of 86,000,000 new ordinary shares at an issue price of S\$0.295 per share in the capital of the Company through the placement exercise, which was completed on 10 March 2015. The net proceeds of approximately S\$25 million (after deducting expenses of approximately S\$1 million) ("**Net Proceeds**") have been utilised as follows:-

Intended use of Net Proceeds	Allocation of Net Proceeds as disclosed in the Offer Information Statement (S\$)	Net Proceeds utilised as at date of this announcement (S\$)	Balance of the Net Proceeds as at the date of this announcement (S\$)
Capital expenditure for the development of PT SB Mine Concession	11,140,000	10,740,000	400,000
Exploration works within the Concession Blocks	3,000,000	2,514,000	486,000
General working capital purposes	10,470,000	9,519,000	951,000
Total	24,610,000	22,773,000	1,837,000

ADDITIONAL DISCLOSURE REQUIRED FOR MINERAL, OIL AND GAS COMPANIES

15 (a). Rule 705(6)(a) of the Catalist Rules

i. Use of funds/cash for the quarter:-

In the last quarter of the 15M2015 period ("**5Q2015**"), funds were mainly used for the following activities:-

Purpose	Forecasted usage of funds (US\$)	Actual usage of funds (US\$)
Pre-production activities*	702,000	3,104,000
General working capital	209,000	2,447,000
Total	911,000	5,551,000

**Pre-production activities includes capital expenditures and expenditure on exploration works.*

Actual cash used for pre-production activities in 5Q2015 exceeded forecasted figures by US\$3M to pay for expenses incurred for facilities required for coal production, which were originally expected to be paid during 1Q2016. Contractors for the mining facilities are attaining progress milestones earlier than forecasted, resulting in more progress billings made in 5Q2015.

Actual cash used in 5Q2015 for general working capital exceeded forecasted figures by US\$2M as payments for (i) licenses and permits of US\$690K and (ii) taxes on land and crops of US\$1M. These arose from increased efforts by the Group during 5Q2015 at preparing its mining concessions for production.

ii. Projection on the use of funds/cash for the next immediate quarter, including principal assumptions:-

For the next immediate quarter (financial period from 1 January 2016 to 31 March 2016 (“1Q2016”), the Group’s use of funds for production activities are expected to be as follows:-

Purpose	Amount (US\$)
Pre-production activities	134,000
Royalties and government fees	335,000
General working capital	181,000
Total	650,000

Principal Assumptions

Projected use of funds for certain items, including but not limited to, expenses incurred for the Group’s mine development activities, will vary according to the Group’s rate of coal mining and production. Accordingly, if the Group’s rate of coal mining and production changes, the Group’s use of funds for mine development activities will change as well. As set out in the Circular, mining operations will initially commence within the PT SB Concession, with pit design and mine development plans finalised for the SB Mine Pit 1, covering an area of 510 hectares. Barring any unforeseen circumstances and in line with the Group’s mining plan as set out in the Circular, the Group expects to complete mine development activities for SB Mine Pit 1 and to commence production by 1Q2016. The Group expects to achieve a coal mining and production rate of 675,000 tonnes per annum in FY2016.

15 (b). Rule 705(6)(b) of the Catalist Rules

The Board confirms that to the best of its knowledge, nothing has come to its attention which may render the above information provided to be false or misleading in any material aspect.

15 (c). Rule 705(7)(a) of the Catalist Rules

Details of exploration (including geophysical surveys), development and/or production activities undertaken by the Company and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

As of 31 December 2015, the Group drilled a total depth of 24,848 metres at the PT Samantaka Batubara ("SB") concession. A total of 478 drill holes were geophysically logged.

Out of the total 478 drill holes, 7 drill holes with a total depth of 407.50 meters were made for geotechnical and geohydrology studies.

A detailed ground topography survey was conducted on an area of approximately 6,500 hectares.

Total cash used for exploration activities amounted to US\$472,000 in 5Q2015, and US\$1,830,000 in 15M2015.

The Group has commenced its pre-production activities, including land-clearing and topsoil and overburden removal at the SB Mine Pit 1.

The development and construction of the Group's mine site, jetty and port facilities are currently underway.

Total cash used for development and pre-production activities amounted to US\$2,632,000 in 5Q2015, and US\$8,080,000 in 15M2015.

Barring any unforeseen circumstances, and in line with the Group's mining plan as set out in the Circular, the Group expects to complete mine development activities for SB Mine Pit 1 and commence production by 1Q2016.

15 (d). Rule 705(7)(b) of the Catalist Rules

Update on its reserves and resources, where applicable, in accordance with the requirements as set out in Practice Note 4C, including a summary of reserves and resources as set out in Appendix 7D.

As at 31 December 2015, the Group is not aware of any material updates on the coal resources and ore reserve estimates.

Further to an announcement made on 29 January 2016, the Group shall be releasing its 2015 independent qualified person's report on the SGXNET on or prior to the date of dispatch of the 2015 Annual Report.

ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16 (a). Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

The Group's operations constitute a single segment which is the exploration and mining of coal in Indonesia. The Group did not commence production in 15M2014 and 15M2015 and accordingly, there was no revenue generated in these periods.

16 (b). In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

The Group's operations constitute a single segment which is the exploration and mining of coal in Indonesia. The Group did not commence production in 15M2014 and 15M2015 and accordingly, there was no revenue generated in these periods.

16 (c). A breakdown of sales

The Group is currently in the exploration and pre-production phase of its mining activities, and has yet to commence production in 15M2015. As such, there was no revenue generated as of 31 December 2015.

16 (d). A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Not applicable. No dividend has been announced since the completion of RTO on 10 March 2015.

16 (e). Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive office or substantial shareholder of the issuer pursuant to Rule 704(10).

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
James Rijanto	31	James Rijanto is the son of Stefanus Rijanto Kotjo, who is the controlling shareholder of BlackGold Group.	Chief Investment Officer, BlackGold Natural Resources Limited First Held: 2015 Director of BlackGold Natural Resources Limited First Held: 2015 Director of BlackGold Power Pte Ltd, a subsidiary of the Company First Held: 2015	N.A

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
			<p>Director of PT BlackGold Energy Power, a subsidiary of the Company First Held: 2015</p> <p>Director of BlackGold Asia Resources Pte Ltd, a subsidiary of the Company First Held: 2012</p> <p>Director of PT Samantaka Batubara, a subsidiary of the Company First Held: 2012</p> <p>Director of PT Ausindo Prima Andalas, a subsidiary of the Company First Held: 2012</p> <p>Director of PT Ausindo Andalas Mandiri, a subsidiary of the Company First Held: 2012</p> <p>Director of BlackGold Energy Limited, a subsidiary of the Company First Held: 2011</p> <p>Director of PT BlackGold Energy Indonesia, a subsidiary of the Company First Held: 2011</p>	

17. Confirmation by the Company to Rule 720(1) of the Catalist Rules

The Company confirms that it has procured all the required undertakings from all directors and executive officers of the Company under Rule 720(1) of the Catalist Rules.

BY ORDER OF THE BOARD

Phil Cecil Rickard
CEO/Executive Director

James Rijanto
CIO/Executive Director

29 February 2016

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

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

The contact person for the Sponsor is Mr. Sebastian Jones, Associate Director, Corporate Finance, Canaccord Genuity Singapore Pte. Ltd. at 77 Robinson Road #21-02 Singapore 068896, telephone: (65) 6854 6160.
