

<p align="center">UNAUDITED FINANCIAL STATEMENTS FOR THE FULL YEAR ENDED 31 DECEMBER 2016</p>
--

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

UNAUDITED FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE FULL YEAR ENDED 31 DECEMBER 2016

The board of directors (the “**Board**”) of the Company is pleased to announce the unaudited consolidated financial results of the Group for the twelve months ended 31 December 2016 (“**12M2016**”) and the corresponding twelve months ended 31 December 2015 (“**12M2015**”).

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 12M2016 US\$	Audited 12M2015 US\$	Change +/- %
Sales	320,307	-	n.m.
Cost of Sales	(265,759)	-	n.m.
Gross Profit	54,548	-	n.m.
Other income	18,626	14,415	29
Currency translation losses	(26,918)	(217,781)	(88)
Expenses			
- Administrative	(3,667,738)	(3,325,311)	10
- Finance	(332)	(1,976)	(83)
- Others *	(12,541)	(25,659,163)	(100)
Loss before tax	(3,634,355)	(29,189,816)	(88)
Income tax expense	(151)	-	n.m.
Loss net of tax	(3,634,506)	(29,189,816)	(88)

n.m. denotes not meaningful

Note:

* Other expenses in 12M2015 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 12M2016 US\$	Audited 12M2015 US\$	Change +/- %
<u>Other Comprehensive Income/Loss:</u>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Currency translation differences arising from consolidation	438,859	(866,029)	n.m.
Other comprehensive loss, net of tax	438,859	(866,029)	n.m.
Total comprehensive loss, net of tax	(3,195,647)	(30,055,845)	(89)
Net loss attributable to:			
- Equity holders of the Company	(3,620,790)	(29,169,478)	(88)
- Non-controlling interests	(13,716)	(20,338)	(33)
	(3,634,506)	(29,189,816)	(88)
Total comprehensive loss attributable to:			
- Equity holders of the Company	(3,188,590)	(30,021,734)	(89)
- Non-controlling interests	(7,057)	(34,111)	(79)
	(3,195,647)	(30,055,845)	(89)

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 12M2016 US\$	Audited 12M2015 US\$	Change +/- %
Interest income	9,738	11,234	(13)
Employee compensation & directors' fees	(1,506,592)	(1,122,184)	34
Professional fees, travelling and corporate social responsibility expenses	(978,573)	(724,742)	35
Legal and licensing expenses	(357,141)	(253,581)	41
Rental expenses	(195,091)	(161,061)	21
Geology and survey expenses	(40,283)	(581,076)	(93)
Professional fees (for Reverse Acquisition)	-	(1,719,162)	(100)
Reverse Acquisition cost	-	(12,959,102)	(100)
Arranger fees	-	(10,731,216)	(100)

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	Audited	Unaudited	Audited
	As at	As at	As at	As at
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	US\$	US\$	US\$	US\$
ASSETS				
Current assets				
Cash and cash equivalents	123,541	2,522,778	81,472	1,777,886
Trade and other receivables	169,232	85,866	14,193,433	13,667,035
Inventories	34,270	-	-	-
Deposits and prepayments	7,651,019	8,925,632	7,149	39,009
	7,978,062	11,534,276	14,282,054	15,483,930
Non-current assets				
Property, plant and equipment	1,582,599	251,548	5,196	8,442
Mining properties	4,940,778	-	-	-
Exploration and evaluation expenditure	1,989,136	6,123,360	-	-
Investment in subsidiaries	-	-	123,409,681	123,409,681
Restricted cash	190,052	185,932	-	-
	8,702,565	6,560,840	123,414,877	123,418,123
Total assets	16,680,627	18,095,116	137,696,931	138,902,053
LIABILITIES				
Current liabilities				
Trade and other payables	961,893	260,138	951,665	-
Accrued operating expenses	1,718,178	1,158,669	276,329	148,696
Finance lease liabilities	2,451	2,365	-	-
Loans from shareholders	-	3,511,376	-	-
Current tax liability	37,952	53,333	73	-
	2,720,474	4,985,881	1,228,067	148,696
Non-current liabilities				
Finance lease liabilities	1,715	4,261	-	-
Provision for employee benefit	47,222	16,157	-	-
Loans from shareholders	3,984,847	-	-	-
Other provisions	33,199	-	-	-
	4,066,983	20,418	-	-
Total liabilities	6,787,457	5,006,299	1,228,067	148,696
NET ASSETS	9,893,170	13,088,817	136,468,864	138,753,357
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	44,854,402	44,854,402	159,951,597	159,951,597
Currency translation reserve	(1,151,948)	(1,584,148)	(706,456)	(461,056)
Accumulated losses	(33,822,210)	(30,201,420)	(22,776,277)	(20,737,184)
	9,880,244	13,068,834	136,468,864	138,753,357
Non-controlling interests	12,926	19,983	-	-
Total equity	9,893,170	13,088,817	136,468,864	138,753,357

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 31/12/2016		As at 31/12/2015	
	Secured	Unsecured	Secured	Unsecured
	US\$	US\$	US\$	US\$
Shareholders' loans	-	-	-	3,511,376

(b) the amount repayable after one year;

	As at 31/12/2016		As at 31/12/2015	
	Secured	Unsecured	Secured	Unsecured
	US\$	US\$	US\$	US\$
Shareholders' loans	-	3,984,847	-	-

The above relates to shareholders' loans from Twin Gold Ventures S.A. ("**TGV**") and Novel Creation Holdings Limited ("**Novel Creation**"). These loans are non-interest bearing, unsecured and repayable upon demand.

On 31 March 2016, certain subsidiaries of the Group entered into second supplemental deeds with TGV and Novel Creation to extend the non-repayment period for a further 18 months until 9 March 2018.

Accordingly, these loans were reclassified from "current liabilities" to "non-current liabilities" in 1Q2016.

During 4Q2016, certain subsidiaries in the Group had drawn-down on a further amount of US\$473,471 under these shareholders' loan facilities.

(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 12M2016 US\$	Audited 12M2015 US\$
Cash flows from operating activities		
Loss before tax	(3,634,506)	(29,189,816)
Adjustments for:		
- Depreciation of property, plant and equipment	19,581	17,976
- Amortisation of mining properties	3,715	-
- Interest income from fixed deposits and current account	(9,738)	(11,234)
- Loss on disposal of subsidiaries	-	3,728
- Interest expense	332	1,976
- Acquisition costs arising from Reverse Acquisition	-	12,959,102
- Shares issued to Arranger	-	10,731,216
- Unrealised currency translation losses / (gains)	338,852	(697,131)
	<u>(3,281,764)</u>	<u>(6184,183)</u>
Change in working capital:		
Inventories	(33,529)	-
Deposit and prepayments	(379,610)	(39,328)
Trade and other receivables	(83,352)	(55,601)
Trade and other payables	1,115,696	353,120
Provision for employee benefits	30,707	5,709
Other provisions	33,199	-
Cash used in operating activities	<u>(2,598,653)</u>	<u>(5,920,283)</u>
Tax paid	<u>(16,563)</u>	<u>40,225</u>
Net cash used in operating activities	<u>(2,615,216)</u>	<u>(5,880,058)</u>
Cash flows from investing activities		
Payment for exploration expenditure	(71,453)	(2,695,224)
Advances for exploration expenditure	(133,110)	(8,546,978)
Purchase of property, plant and equipment	(36,817)	(223,069)
Reverse Acquisition – net cash effect	-	1,184,129
Interest received	9,738	11,234
Net cash used in investing activities	<u>(231,642)</u>	<u>(10,269,908)</u>
Cash flows from financing activities		
Proceeds from shareholders' loan	473,471	705,819
Proceeds from issuance of placement shares	-	18,462,994
Share issue expenses	-	(557,471)
Repayment of finance lease	(2,645)	(4,259)
Net cash provided by financing activities	<u>470,826</u>	<u>18,607,083</u>
Net (decrease) / increase in cash and cash equivalents	<u>(2,376,032)</u>	<u>2,457,117</u>
Cash and cash equivalents at the beginning of the period	2,522,778	44,339
Effects of currency translation on cash and cash equivalents	<u>(23,205)</u>	<u>21,322</u>
Cash and cash equivalents at the end of the period	<u>123,541</u>	<u>2,522,778</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.

GROUP - Current period

	Share Capital US\$	Currency Translation reserve US\$	Accumulated losses US\$	Non- controlling interests US\$	Total equity US\$
Balance at 31 December 2015	44,854,402	(1,584,148)	(30,201,420)	19,983	13,088,817
Total comprehensive loss for the period	-	432,200	(3,620,790)	(7,057)	(3,195,647)
Balance at 31 December 2016	<u>44,854,402</u>	<u>(1,151,948)</u>	<u>(33,822,210)</u>	<u>12,926</u>	<u>9,893,170</u>

GROUP - Prior period

	Share Capital US\$	Currency Translation reserve US\$	Accumulated losses US\$	Non- controlling interests US\$	Total equity US\$
Balance at 31 December 2014	2,053,109	(731,892)	(1,031,942)	45,412	334,687
Total comprehensive loss for the period	-	(852,256)	(29,169,478)	(34,111)	(30,055,845)
Issue of placement shares	18,462,994	-	-	-	18,462,994
Share issue expenses	(557,471)	-	-	-	(557,471)
Shares issued to Arranger	10,731,216	-	-	-	10,731,216
Shares issued for Reverse Acquisition	14,164,554	-	-	-	14,164,554
Incorporation of a subsidiary	-	-	-	8,682	8,682
Balance at 31 December 2015	<u>44,854,402</u>	<u>(1,584,148)</u>	<u>(30,201,420)</u>	<u>19,983</u>	<u>13,088,817</u>

COMPANY - Current period

	Share Capital US\$	Currency Translation reserve US\$	Accumulated losses US\$	Total equity US\$
Balance at 31 December 2015	159,951,597	(461,056)	(20,737,184)	138,753,357
Total comprehensive loss for the period	-	(245,400)	(2,039,093)	(2,284,493)
Balance at 31 December 2016	<u>159,951,597</u>	<u>(706,456)</u>	<u>(22,776,277)</u>	<u>136,468,864</u>

COMPANY - Prior period

	Share Capital US\$	Currency Translation reserve US\$	Accumulated losses US\$	Total equity US\$
Balance at 31 December 2014	15,508,587	-	(10,853,041)	4,655,546
Total comprehensive loss for the period	-	(461,056)	(9,884,143)	(10,345,199)
Issue of placement shares	18,462,994	-	-	18,462,994
Share issue expenses	(557,471)	-	-	(557,471)
Shares issued to Arranger	10,731,216	-	-	10,731,216
Shares issued for Reverse Acquisition	123,408,973	-	-	123,408,973
Capital reduction exercise	(7,602,702)	-	-	(7,602,702)
Balance at 31 December 2015	159,951,597	(461,056)	(20,737,184)	138,753,357

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

	No. of Shares	Share capital (US\$)
As at 31 December 2016	788,708,783	159,951,597
As at 31 December 2015	788,708,783	159,951,597

There were no changes in the issued and paid-up share capital of the Company from 31 December 2015 to 31 December 2016.

There were no outstanding convertibles or share options granted as at 31 December 2016 and 31 December 2015.

There were no treasury shares held or issued as at 31 December 2016 and 31 December 2015.

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 2016	As at 31 December 2015
Number of issued shares excluding treasury shares	788,708,783	788,708,783

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.

Accounting policies and methods of computations used in the consolidated financial statements for the year ended 31 December 2016 are consistent with those applied in the financial statements for the year ended 31 December 2015, except for the adoption of accounting standards (including its consequently amendments) and interpretations applicable for the financial period beginning 1 January 2016.

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.

The Group adopted the new/revised Financial Reporting Standards ("**FRS**") that are effective for annual periods beginning on or after 1 January 2016. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS.

The following are the new or amended FRS that are relevant to the Group:

- Improvements to Financial Reporting Standards (November 2014)
- Amendments to FRS 16 Property, Plant and Equipment and FRS 38 Intangible Assets: Clarification of Acceptable Methods of Depreciation and Amortisation
- Amendments to FRS 110 Consolidated Financial Statements
- Amendments to FRS 1 Presentation of Financial Statements: Disclosure Initiative

The adoption of these new or revised accounting standards and interpretations do not have any material effect on the financial statements of the Group.

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.

	12M2016 US\$	12M2015 US\$
Basic loss per share (cents)	(0.46)	(3.89)
Weighted average number of shares for the purpose of computing basic loss per share	788,708,783	750,710,194
Fully diluted loss per share (cents)	(0.46)	(3.89)
Weighted average number of shares for the purpose of computing fully diluted loss per share	788,708,783	750,710,194

The basic loss per ordinary share and the fully diluted loss per ordinary share for 12M2016 were the same as there were no potentially dilutive ordinary shares existing during the period.

During 2015, due to the reverse acquisition, the losses per share had been restated and reflected the results of the BlackGold Group, till the date of the reverse acquisition, and the results of the Group from the date of the reverse acquisition onwards. In addition, the losses per share had been retrospectively adjusted to take into consideration the share consolidation. The weighted average number of shares for 2016 was 788,708,783 as at 31 December 2016 and 1 January 2016.

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 2016 US\$	31 Dec 2015 US\$
Net asset value of the Group per ordinary share (cents)	1.3	1.7
No. of ordinary shares in issue	788,708,783	788,708,783
Net asset value of the Company per ordinary share (cents)	17.3	17.6
No. of ordinary shares in issue	788,708,783	788,708,783

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.

Review of Profit & Loss

Revenue

Revenue amounted to US\$320K in 12M2016. During 12M2016, revenues were generated from the Group's PT SB concession. Production and sales for the year commenced in 1H2016, and were made to a Riau state-owned enterprise. No coal sales were made during 12M2015.

Cost of Goods Sold

Cost of goods sold mainly relate to mining contractor, coal processing, royalties to government, provision for mine reclamation and rehabilitation, depreciation and amortization of mining properties and coal inventory.

Cost of goods sold amounted to US\$266K in 12M2016.

Gross Profit

The Group recorded gross profit of US\$55K in 12M2016.

Other Income

Other income amounted to US\$19K in 12M2016, as compared to US\$14K in 12M2015. The increase of US\$5K was mainly due to receipts from a government grant scheme during the year.

Currency translation gain

The Group recorded a currency translation loss of US\$27K in 12M2016, as compared to currency translation loss of US\$218K in 12M2015.

The currency translation losses in 12M2016 were mainly due to translation differences on shareholders loans and tax payable for land at its Indonesian subsidiaries. The United States Dollar (being the reporting currency) had weakened against the Indonesian Rupiah (being the recording currency for these liabilities) resulting in lower translation losses during 12M2016.

Administrative Expenses

Administrative expenses mainly relate to employee remuneration, directors' fees and expenses relating to licensing, compliance, geological, survey and recurring professional fees.

Administrative expenses increased by US\$342K or 10%, from US\$3.3M in 12M2015 to approximately US\$3.7M in 12M2016. The increase was mainly attributable to:-

- an increase in employee compensation and directors' fees of US\$384K, mainly due to the increase in headcount preparing for expansion and commencement of the Group's mining operations. Additionally, directors' fees were recorded for a full 3 months in 1Q2016, whereas during 1Q2015 certain employee compensation and directors' fees started accruing only upon completion of the RTO on 10 March 2015;
- an increase in legal and licensing expenses of US\$104K in respect of the Group's jetty and road utilisation licences as the concessions progressed in their exploratory and development activities as well as the licence fee for the Indonesian power sector.

- a decrease in geologist and survey expenses of US\$541K, as the Group had completed the majority of its exploration related activities and had moved into production in 1H2016.
- an increase of US\$603K in other administrative expenses mainly relating to recurring professional fees to fulfil the Group's regulatory obligations following its listing on the Singapore Exchange; and
- a decrease of US\$208K for corporate social responsibility activities as there were no such expenses incurred during 12M2016.

Other expenses

Other expenses decreased by US\$25.6M or approximately 100% from US\$25.7M in 12M2015 to 13K in 12M2016. This decrease was due to one-time RTO related expenses incurred during 3M2015.

These one-time RTO related expenses comprised mainly of (a) non-recurring professional fees in relation to the RTO of US\$2.0M; (b) RTO cost of US\$13.0M; and (c) arranger fees of US\$10.7M. 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\$3.6M during 12M2016.

Review of Statement of Financial Position

Non-current assets

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

Non-current assets increased by US\$2.1M, from US\$6.6M as at 31 December 2015 to US\$8.7M as at 31 December 2016, mainly due to (i) capitalisation of mining properties of US\$0.8M and (ii) increase in property, plant, equipment of US\$1.3M transferred from "deposits and prepayment" to property, plant and equipment as capitalised costs of jetty construction and freehold land.

Current assets

Current assets comprise cash and cash equivalents, inventories, trade and other receivables, as well as deposits and prepayments.

Current assets decreased by US\$3.6M, from US\$11.5M as at 31 December 2015 to US\$8.0M as at 31 December 2016.

This was partly due to a US\$2.4M decrease in cash and cash equivalents, mainly arising from the utilisation of placement proceeds for exploration, development and working capital purposes. Please refer to note 1(c) Cash Flow Statement for more details.

Deposits and prepayments decreased by US\$1.3M due to capitalisation of the costs of jetty construction and freehold land, reclassified as property, plant and equipment amounting to US\$1.3M.

Inventories as well as trade and other receivables increased by US\$118K due to the Group commencing production and sale of coal in 1H2016.

Current liabilities

Current liabilities comprise trade and other payables, current tax liability, accrued operating expenses and finance lease liabilities (current portion).

Current liabilities decreased by US\$2.3M, from US\$5.0M as at 31 December 2015 to US\$2.7M as at 31 December 2016. The decrease was mainly due to a reclassification of US\$3.5M of loans from shareholders (as described in section 1(b)(ii) above), partially offset by an increase in accrued operating expenses of US\$560K for recurring professional fees and mining licences and an increase in trade and other payables of US\$702K from the Group's production activities.

Non-current liabilities

Non-current liabilities comprise non-current finance lease liabilities, loans from shareholders, provision for employee benefits and other provisions.

Non-current liabilities increased by approximately US\$4.0M, from US\$20K as at 31 December 2015 to US\$4.1M as at 31 December 2016. The increase was mainly due to the reclassification of loans from shareholders of US\$3.5M from "current liabilities" to "non-current liabilities" as explained in section 1(b)(ii) and shareholder's loan drawdown of US\$473K.

Working capital

The Group recorded working capital of US\$5.3M as at 31 December 2016.

Review of Statement of Cash Flows

12M2016

The Group recorded net cash used in operating activities of US\$2.6M for 12M2016 which was a result of operating losses before changes in working capital of approximately US\$3.3M, adjusted for net working capital inflows of approximately US\$700K.

Net cash used in investing activities of US\$232K in 12M2016 was mainly due to cash used for the purchase of fixed assets of US\$37K and advances and expenditure made in preparation for the Group's mining operations of US\$205K, partially offset by interest income of US\$10K from current account and time deposits.

Net cash provided by financing activities of US\$471K was mainly due to a draw-down on shareholder's loan of US\$473K, partially offset by repayment of finance lease liabilities of US\$2K.

As a result of the above, the Group recorded a net decrease in cash and cash equivalents of US\$2.4M in 12M2016.

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.

On 1 December 2016, the Group announced that it had, through its subsidiary, PT Samantaka Batubara, signed a sales and purchase contract with the Indonesian state-owned electricity company, PT Perusahaan Listrik Negara (“**PT PLN**”) for the delivery of 500,000 tonnes per annum of coal. The initial term of the contract is for 5 years, with an option to extend for three additional 5-year terms, subject to mutual agreement between both parties. The first delivery of 5,000 tonnes was successfully completed on 10 February 2017.

Further, on 24 February 2016, the Group announced that it had received a Purchase Order with approximate value of US\$12.6M from PT Semen Padang (“**Cement Padang**”), another state-owned company. Cement Padang is a subsidiary of PT Semen Indonesia (Persero) Tbk, the largest cement distributor in Indonesia.

Over the next 12 months, the Group expects to generate steady sales through its continued deliveries to these state-owned customers.

PT Santosa Makmur Sejahtera Energy (“**SMS**”) and PT Soma Daya Utama (“**SDU**”), both of which are independent power plant owners with which the Group has in place long-term coal sales agreements (as previously disclosed), have each informed the Group that they expect delays in the completion of their respective power plants. Consequently, barring unforeseen circumstances, the Group’s deliveries of coal to these customers will be postponed and are now expected to commence in 3Q2017 and 1Q2018 respectively. No penalties will be imposed on the Group as the delays were not the fault of the Group.

An article in rambuenergy.com reported on 23 January 2017 that based on a report produced by PT PLN, the Indonesian Government’s 35,000 MW electricity programme (for which the majority of power plants are coal-fired) is progressing according to plan. In the same article, the Energy and Mineral Resources Minister, Mr Ignasius Jonan, was quoted to have stated that PT PLN is committed to attain the 35,000 MW target, and is developing 46,000 km of power grid and substations to support the programme.

Barring unforeseen circumstances, with the aforementioned contracts in hand and given the continued dominance of coal in the development of local Indonesian power generation, the Group sees opportunities to strengthen its position in the market.

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 12M2016.

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\$	
	12M2016		12M2016	
Twin Gold Ventures S.A.	Note 1		-	

Note 1: During 4Q2016, certain subsidiaries in the Group had drawn-down on a further amount of US\$473,471 under these shareholders' loan facilities.

As at 31 December 2016, the total outstanding amount of the shareholder loans is US\$3,984,847. The shareholder loans are non-interest bearing, unsecured, have no fixed terms of repayment but shall be repayable upon demand from the lenders.

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) were fully utilised by 2Q2016.

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 12M2016 period ("4Q2016"), funds were mainly used for the following activities:-

Purpose	Forecasted usage of funds (US\$)	Actual usage of funds (US\$)
Development activities *	26,000	1,000
Production activities	224,000	-
General working capital	163,000	163,000
Total	413,000	164,000

* Development activities includes capital expenditures and expenditure on exploration works.

Actual cash used for development activities in 4Q2016 was lower than forecasted by US\$25K as the payment for works on the exploration activities are expected to be made at a later date since contractors are not expected to complete the works in advance of the original schedule.

Actual cash used for production activities in 4Q2016 was lower than forecasted by US\$224K. In preparation for the anticipated commencement of coal delivery to PT PLN, the Group transited to a new mining contractor that has capabilities to produce the greater volumes of coal required for the Group to fulfil its future deliveries. During the transition period, there was no cash outflow for the aforementioned activities.

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 2017 to 31 March 2017 (“1Q2017”)), the Group’s use of funds for production activities are expected to be as follows:-

Purpose	Amount
	(US\$)
Development activities	15,000
Production activities	271,000
General working capital	51,000
Total	337,000

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.

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.

During 12M2016, the Group drilled a total of 19 drill holes with a total depth of 198 metres at the PT Samantaka Batubara concession. In addition, for the purpose of mine design verification, the Group conducted infill drilling on a total area of approximately 50 hectares. The infill drilling commenced and ended in April 2016. No exploration activity was conducted in 2H2016. Total expenditure incurred for exploration activities in 12M2016 amounted to US\$126K.

The Group commenced its production activities at its SB Mine Pit 1 in 1H2016. A total of approximately 30,000 metric tonnes of coal were produced during the year of 2016. Total expenditure incurred for production activities in 12M2016 amounted to US\$123K.

Development of the Group’s port facilities and jetty remains underway.

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.

The Independent Qualified Person's Report ("IQPR") on the Coal Resources and Ore Reserves estimates as at 8 July 2016 was announced on 8 August 2016. A soft copy of the IQPR is available for download on the SGXNET and the Group's website at www.blackgold-group.com.

As at 31 December 2016, the Group has no material updates on the Coal Resources and Ore Reserve estimates as set out in the IQPR.

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.

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

The Group's operations constitute a single segment which is the exploration and mining of coal in Indonesia.

16 (c). A breakdown of sales

	Latest Financial Year	Previous Financial Year	Change +/-
	US\$	US\$	%
(a) Sales reported for first half year	158,137	-	n.m.
(b) Operating profit/loss after tax before deducting minority interest reported for first half year	(1,612,592)	(27,363,700)	n.m.
(a) Sales reported for second half year	162,170	-	n.m.
(b) Operating profit/loss after tax before deducting minority interest reported for second half year	(2,021,914)	(1,826,116)	n.m.

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

Not applicable as the Company has neither declared nor recommended any dividend as at 31 December 2016 and 31 December 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 officer 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	32	James Rijanto is the son of Stefanus Rijanto Kotjo, who is the controlling shareholder of BlackGold Group	<p>Chief Investment Officer, BlackGold Natural Resources Limited First Held: 2015</p> <p>Director of BlackGold Natural Resources Limited First Held: 2015</p> <p>Director of BlackGold Power Pte. Ltd., a subsidiary of the Company First Held: 2015</p> <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>	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 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

28 February 2017

*This announcement has been prepared by BlackGold Natural Resources Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), SAC Advisors Private Limited, 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, Director, at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542, telephone: (65) 6532 3829.

SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.
