

BLACKGOLD NATURAL RESOURCES LIMITED

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

CLARIFICATION ON DISCLOSURE OF USE OF PLACEMENT PROCEEDS

The Board of Directors (the “**Board**” or “**Directors**”) of BlackGold Natural Resources Limited (the “**Company**” or “**BlackGold**” and, together with its subsidiaries, the “**Group**”) refers to its announcements dated 10 April 2018, 16 September 2018 and 18 September 2018.

In its announcement dated 10 April 2018, it was disclosed in the 2017 Annual Report that placement proceeds used for development of the Riau-1 Project (the “**Project**”) amounted to S\$4.258 million. In a subsequent announcement dated 18 September 2018, the Company had reported in its response to SGX’s queries that the Company had spent approximately S\$1.6 million on the Project (the “**Subsequent Disclosure**”).

The Company wishes to clarify that the arising difference of S\$2.658 million pertains to apportionments of costs of land acquired, land clearing and mining-related activities in relation to the Group’s bid on the Project. These costs were originally assessed to contribute to the Project’s development in the future and were apportioned as such. In contrast, the Subsequent Disclosure of S\$1.6 million includes only costs directly attributable to the Project such as: a) the land parcels acquired which were earmarked for the site of the Riau-1 power plant, b) site expenses at the intended site of the Riau-1 power plant and c) licences, reports and professional fees incurred specifically for the Group’s bid on the Project.

Following another announcement dated 16 September 2018 where it was announced that the Heads of Agreement (“**HOA**”) in relation to the consortium for the Project had expired on 15 September 2018, the S\$2.658 million could no longer be apportioned to the Project. As a result, the Subsequent Disclosure includes only costs specifically attributable to the Project.

Notwithstanding the above, the S\$2.658 million, having been fully utilised and being expenses incurred for work at the PT Samantaka Batubara concession, may still be utilised for the benefit of other coal sales activities besides the Project.

By Order of the Board

Philip Cecil Rickard
Executive Chairman and Chief Executive Officer
21 November 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, SAC Capital Private Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**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 Ms. Tay Sim Yee (Telephone number: +65 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.
