

BLACKGOLD NATURAL RESOURCES LIMITED

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

SIGNING OF NON-BINDING MEMORANDUM OF UNDERSTANDING WITH PT PLN BATUBARA

The board of directors (the “**Board**”) of BlackGold Natural Resources Limited (the “**Company**”, and together with its subsidiaries, the “**Group**” or “**BlackGold**”) wishes to announce that on 24 March 2017 the Company’s subsidiary, PT Samantaka Batubara (“**PT SB**”), entered into a non-binding memorandum of understanding (the “**MOU**”) with PT PLN Batubara (“**PLNBB**”).

Pursuant to the MOU, PLNBB and PT SB (collectively, the “**Parties**”) shall consider further cooperation in relation to the supply of coal from PT SB’s concessions to power plants in Indonesia (the “**Cooperation**”). The manner of the Cooperation may be in the form of a joint venture or any other form agreed upon by the Parties. Upon successful completion of due diligence, the Parties will enter into a definitive agreement or term sheet for the Cooperation.

Through its coal procurement activities, PLNBB provides support to its parent company, PT Perusahaan Listrik Negara (Persero) (“**PT PLN Persero**”), for the obtainment of coal used in electricity generation. PLNBB’s business strategy is to establish coal supply cooperation agreements, which may include acquiring stakes in mining concessions that hold mining business licences. PT PLN Persero is Indonesia’s state-owned electricity company and has a monopoly over electricity distribution in Indonesia. BlackGold has an ongoing coal sales and purchase contract with PT PLN Persero for the delivery of 500,000 tonnes of coal per annum in respect of the Tenayan power plant in Sumatra.

The MOU between PT SB and PLNBB is not legally binding except for certain provisions relating to, *inter alia*, confidentiality. The MOU shall be valid for an initial term of one year commencing on the date of the MOU, and may be extended subject to mutual agreement between the Parties.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the MOU, other than through their respective shareholdings in the Company (if any).

The Company will provide the necessary updates as and when there are material developments to the MOU and/or upon the execution of a definitive agreement or term sheet in respect of the Cooperation.

CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are hereby reminded to exercise caution when dealing in the securities of the Company. In particular, shareholders and potential investors of the Company are reminded that there is no assurance that any business activities or transactions mentioned in this announcement will materialise. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Philip Cecil Rickard
Executive Director and Chief Executive Officer
29 March 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.
