

BLACKGOLD NATURAL RESOURCES LIMITED

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

UPDATE ON THE USE OF PLACEMENT PROCEEDS

The board of directors (the “**Board**”) of BlackGold Natural Resources Limited (the “**Company**”, and together with its subsidiaries, the “**Group**” or “**BlackGold**”) refers to the Company’s announcement on 10 March 2017, 27 March 2017, 18 April 2017 and 19 May 2017 (the “**Announcements**”) in relation to the following:

1. The issue of 39,511,654 new ordinary shares in the capital of the Company at an issue price of S\$0.0901 per new share raising net proceeds of approximately S\$3.5 million pursuant to the placement exercise which was completed on 19 May 2017 (the “**First Placement**”); and
2. The issue of 35,937,000 new ordinary shares in the capital of the Company at an issue price of S\$0.09 per new share raising net proceeds of approximately S\$3.2 million pursuant to the placement exercise which was completed on 18 April 2017 (the “**Second Placement**”),

(collectively, the “**Placements**”).

All capitalised terms not otherwise defined in this announcement shall have the same meaning as ascribed to them in the Announcements.

Following an earlier announcement on 8 June 2017, the Board wishes to update on the further utilisation of the net proceeds from the Placements as follows:

Intended use of net proceeds	Allocation of net proceeds (S\$’000)	Net proceeds utilised as of 15 June 2017 (S\$’000)	Balance (S\$’000)
Development of a 2 x 300 megawatt mine-mouth power plant (the “ Riau 1 Project ”)	472	87	385
General working capital	6,212	5,519 ⁽¹⁾	693
Total	6,684	5,606	1,078

Note (1): General working capital comprised operating and production expenses of the Group, mainly for the payment of trade and non-trade creditors, rental, salaries and professional fees.

The utilisation of the net proceeds from the Placements is consistent with the intended use as stated in the Announcements.

The Company will make periodic announcements on the use of the balance of net proceeds from the Placements as and when the funds are materially disbursed, and will provide a status report on such use in its annual report.

By Order of the Board

Philip Cecil Rickard
Executive Director and Chief Executive Officer
16 June 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.

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