

## BLACKGOLD NATURAL RESOURCES LIMITED

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

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### PROPOSED PLACEMENT OF 39,511,654 NEW SHARES IN THE CAPITAL OF THE COMPANY AT THE PLACEMENT PRICE OF S\$0.0901 FOR EACH NEW SHARE

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#### 1. INTRODUCTION

The board of directors (the “**Board**” or “**Directors**”) of BlackGold Natural Resources Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that, on 9 March 2017, the Company entered into a share placement agreement (the “**Share Placement Agreement**”) with Johannes Budisutrisno Kotjo (the “**Placee**”) pursuant to which the Placee has agreed to subscribe for, and the Company agreed to issue and allot, 39,511,654 new ordinary shares in the capital of the Company (“**Placement Shares**”) at a placement price of S\$0.0901 (“**Placement Price**”) for each Placement Share, on the terms and subject to the conditions of the Share Placement Agreement (the “**Proposed Placement**”). The aggregate consideration payable by the Placee for the subscription of the Placement Shares is S\$3,560,000.

The Company will apply to the Singapore Securities Trading Limited (“**SGX-ST**”) through its sponsor, SAC Advisors Private Limited, for the dealing in, listing of and quotation for the Placement Shares on the Catalist of the SGX-ST. The Company will make the necessary announcement upon receipt of the listing and quotation notice from the SGX-ST.

There is no placement agent appointed for the Proposed Placement. The Proposed Placement is not underwritten. The Placement Shares will be issued under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore. As such, no prospectus or offer information statement will be issued by the Company in connection with the Proposed Placement.

The Company confirms that the Proposed Placement will not result in any transfer of controlling interest in the Company.

#### 2. THE PROPOSED PLACEMENT

##### 2.1 Placement Price

The Placement Price of S\$0.0901 per Placement Shares represents a discount of approximately 9.9% to the volume weighted average price (“**VWAP**”) of S\$0.10 per ordinary share in the capital of the Company (“**Share**”) for trades done on the SGX-ST on

8 March 2017, being the last full market day on which the Shares were traded prior to the date of the Share Placement Agreement.

The Placement Price was agreed upon after arm's length negotiations between the Placee and the Company.

## 2.2 Placement Shares

The Placement Shares will be allotted and issued pursuant to the authority granted by shareholders of the Company ("**Shareholders**") by way of an ordinary resolution ("**General Mandate**") at the annual general meeting of the Company held on 29 August 2016 ("**2016 AGM**"). As at the date of the 2016 AGM, the Company has 788,708,783 Shares in issue and does not have any treasury shares.

As at the date of this announcement, the Company has not issued and allotted any new Shares under the General Mandate. Therefore, the maximum number of new Shares which may be issued other than on a pro-rata basis to existing Shareholders pursuant to the General Mandate is 394,354,391 new Shares. Accordingly, the proposed allotment and issue of the Placement Shares falls within the limit of the General Mandate.

The Placement Shares shall be issued free from all claims, charges, liens and other encumbrances whatsoever and shall rank, *pari passu*, in all respects with the existing Shares save that the Placement Shares will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the Completion Date.

## 2.3 Conditions Precedent

2.3.1 Completion of the Proposed Placement shall be conditional upon the satisfaction or waiver of the following conditions ("**Conditions**") on or before the Completion Date:

- (a) the relevant listing and quotation notice ("**Listing and Quotation Notice**") being obtained from the SGX-ST for the listing of and quotation for the Placement Shares on Catalist and not being revoked or amended;
- (b) any conditions attached to the Listing and Quotation Notice which is required to be fulfilled on or before the Completion Date having been fulfilled on or before that date to the satisfaction of the SGX-ST or waived by the SGX-ST;
- (c) all material approvals, consents, licenses, permits, waivers and exemptions (collectively, "**Approvals**") for the Proposed Placement having been granted by all third parties including all governmental bodies, whether in Singapore or elsewhere, to the Company and/or the Placee (as the case may be) and where any such Approval is subject to conditions, such conditions being reasonably acceptable to the Company and/or the Placee, as the case may be, and if such conditions are required to be fulfilled on or before the Completion Date, such conditions having

been fulfilled on or before the Completion Date, and such Approvals remaining in full force and effect; and

- (d) there having been, as at the Completion Date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the warranties contained in the Share Placement Agreement if they were repeated on and as of the Completion Date.

2.3.2 If any of the conditions set forth in paragraph 2.3.1 above is not satisfied on or before 8 May 2017 (or such later date as the parties may agree), the Company or the Placee shall, subject as mentioned below, thereupon be entitled to terminate the Share Placement Agreement and (except for the liability of the Company for the payment of expenses as provided in the Share Placement Agreement) the parties shall be released and discharged from their respective obligations under the Share Placement Agreement.

#### 2.4 Completion

The Completion Date shall be the date falling three (3) business days from the satisfaction of all Conditions set out in paragraph 2.3.1 above (or, if that day is not a business day, on the next business day), or such other date as the parties may agree in writing.

### 3. **INFORMATION ON THE PLACEE**

The Placee is a private investor and is a consultant to the Company. The Placee is the brother of Mr Stefanus Rijanto Kotjo, a former controlling shareholder of the Company, and the uncle of Mr James Rijanto, an Executive Director of the Company.

The Placee does not fall into the categories as specified under Rule 812(1) of the Listing Manual Section B: Rules of Catalist of the SGX-ST. No commission or any other additional payment will be made in relation to the Proposed Placement. As at the date of this announcement, the Placee does not hold any Shares in the Company.

### 4. **RATIONALE FOR THE PROPOSED PLACEMENT AND USE OF PROCEEDS**

The estimated amount of proceeds from the Proposed Placement (net of estimated expenses of approximately S\$24,000 in connection with the Proposed Placement) will be approximately S\$3,536,000 ("**Net Proceeds**").

The rationale for the Placement is to strengthen the Group's working capital position. The Company intends to utilize the entire Net Proceeds to finance the Group's general working capital.

Pending the deployment of the Net Proceeds, the Net Proceeds may be deposited with banks and/or financial institutions and/or invested in short-term money market instruments and/or marketable securities, and/or used for any other purposes on a short-term basis, as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The Company will make periodic announcements on the utilisation of the Net Proceeds as and when such proceeds are materially disbursed and whether such use is in accordance with the stated use. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation. The Company will also provide a status report on the use of the Net Proceeds in its annual report(s).

## **5. DIRECTORS' CONFIRMATION**

The Directors are of the opinion that, (i) after taking into consideration the Group's present bank facilities, the working capital available to the Group is sufficient to meet its present requirements; and (ii) after taking into consideration the Group's present bank facilities and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

Notwithstanding the above, the Directors are of the opinion that the Net Proceeds will further strengthen and supplement the Group's financial position and capital base.

## **6. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT**

6.1 The financial effects of the Proposed Placement are presented solely for illustrative purposes and are not intended to be indicative or reflective of the actual future financial situation of the Company and the Group after the completion of the Proposed Placement.

The financial effects of the Proposed Placement have been computed based on the unaudited consolidated financial statements of the Group for the financial year ended 31 December 2016. The financial effects are based on the following assumptions:

- (i) the financial effect on the consolidated net tangible asset ("**NTA**") per Share is computed based on the assumption that the Proposed Placement was completed, on 31 December 2016;
- (ii) the financial effect on the loss per Share ("**LPS**") is computed based on the assumption that the Proposed Placement was completed on 1 January 2016;
- (iii) the Net Proceeds are converted at an exchange rate of US\$1 to S\$1.4019; and
- (iv) the expenses incurred in connection with the Proposed Placement amount to approximately S\$24,000.

## 6.2 Share Capital

	<b>Before the Proposed Placement</b>	<b>After the Proposed Placement</b>
Issued and paid-up share capital (US\$)	159,951,597	162,490,411
Total number of issued Shares	788,708,783	828,220,437

The Placement Shares represent approximately 5.01% of the existing issued and paid-up share capital (excluding treasury shares) of the Company as at the date of this announcement. Assuming the successful issuance and allotment of the Placement Shares, the Placement Shares will represent approximately 4.77% of the enlarged issued and paid-up share capital (excluding treasury shares) of the Company following the completion of the Proposed Placement.

## 6.3 NTA per Share

	<b>Before the Proposed Placement</b>	<b>After the Proposed Placement</b>
NTA (US\$)	9,893,170	12,432,581
NTA per Share (US\$ cents)	1.3	1.5

## 6.4 LPS

	<b>Before the Proposed Placement</b>	<b>After the Proposed Placement</b>
Loss attributable to the Shareholders (US\$)	3,620,790	3,620,790
Weighted average number of Shares	788,708,783	828,220,437
Loss per Share (US\$ cents)	0.46	0.44

## 7. **INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS**

None of the Directors or substantial shareholders of the Company or their respective associates has any interest, direct or indirect, in the Proposed Placement, other than in their capacity as a Director or shareholder of the Company.

## **8. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the Share Placement Agreement is available for inspection during normal business hours from 9.00 a.m. to 5.00 p.m. at the Company's registered office at 7 Temasek Boulevard #06-02A Suntec City Tower 1 Singapore 038987 for three (3) months from the date of this announcement.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement, and the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

## **10. TRADING CAUTION**

Shareholders are advised to exercise caution in trading their Shares. The Proposed Placement is subject to certain conditions. There is no certainty or assurance as at the date of this announcement that the Proposed Placement will be completed or that no changes will be made to the terms thereof. The Company will make the necessary announcements when there are further developments. Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

### **By Order of the Board**

Philip Cecil Rickard  
Executive Director and Chief Executive Officer  
10 March 2017

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*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.*

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