BLACKGOLD
Natural Resources Limited

Moving FORWARD Towards SUSTAINABLE GROWTH

Annual Report 2015

Contents

This annual report has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.) (the "Sponsor"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Sponsor has not independently verified the contents of this annual report. This annual report has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.

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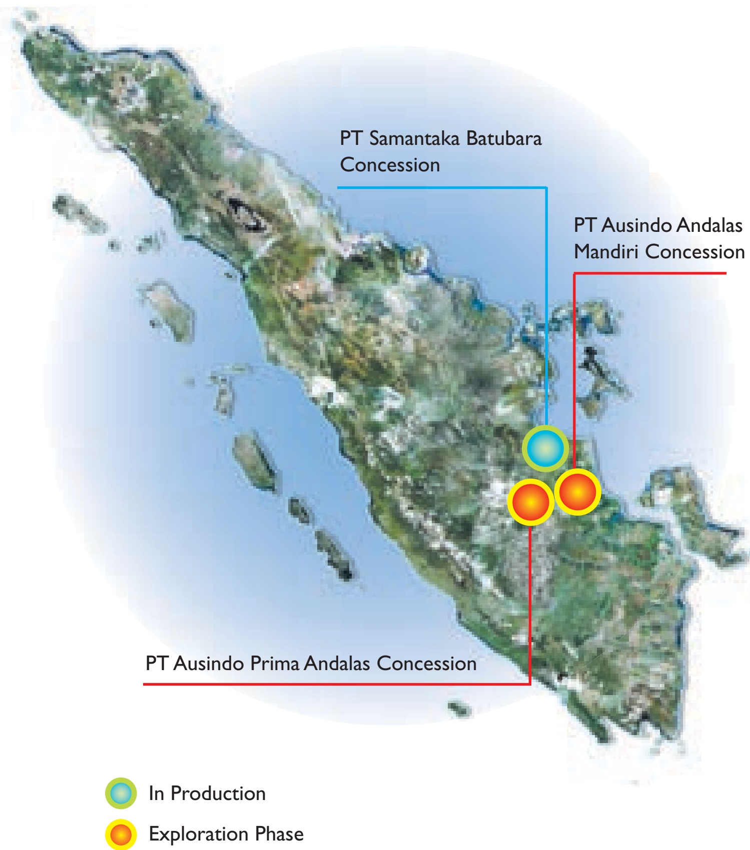
Corporate Profile

BlackGold Natural Resources Limited ("**BlackGold**" or the "**Company**", and together with its subsidiaries, the "**Group**") is an Indonesia-focused coal mining company targeting Indonesia's rapidly-growing power plant industry, with a specific focus on supplying coal to power plants located in Riau province, Sumatra, Indonesia.

The Group holds the rights to three coal concessions in Sumatra, namely PT Samantaka Batubara, PT Ausindo Andalas Mandiri, and PT Ausindo Prima Andalas ("concessions") as shown in the diagram below, covering over 45,550 hectares in combined acreage. The Group has, to date, explored a total area of approximately 10,000 hectares in the PT Samantaka Batubara concession.

The Group is listed on the Catalist board of the Singapore Exchange Securities Trading ("SGX-ST").

The listing follows the acquisitions of the entire issued and paid up share capital of BlackGold Asia Resources Pte. Ltd. and BlackGold Energy Limited as well as their respective subsidiaries, which was completed on 10 March 2015.



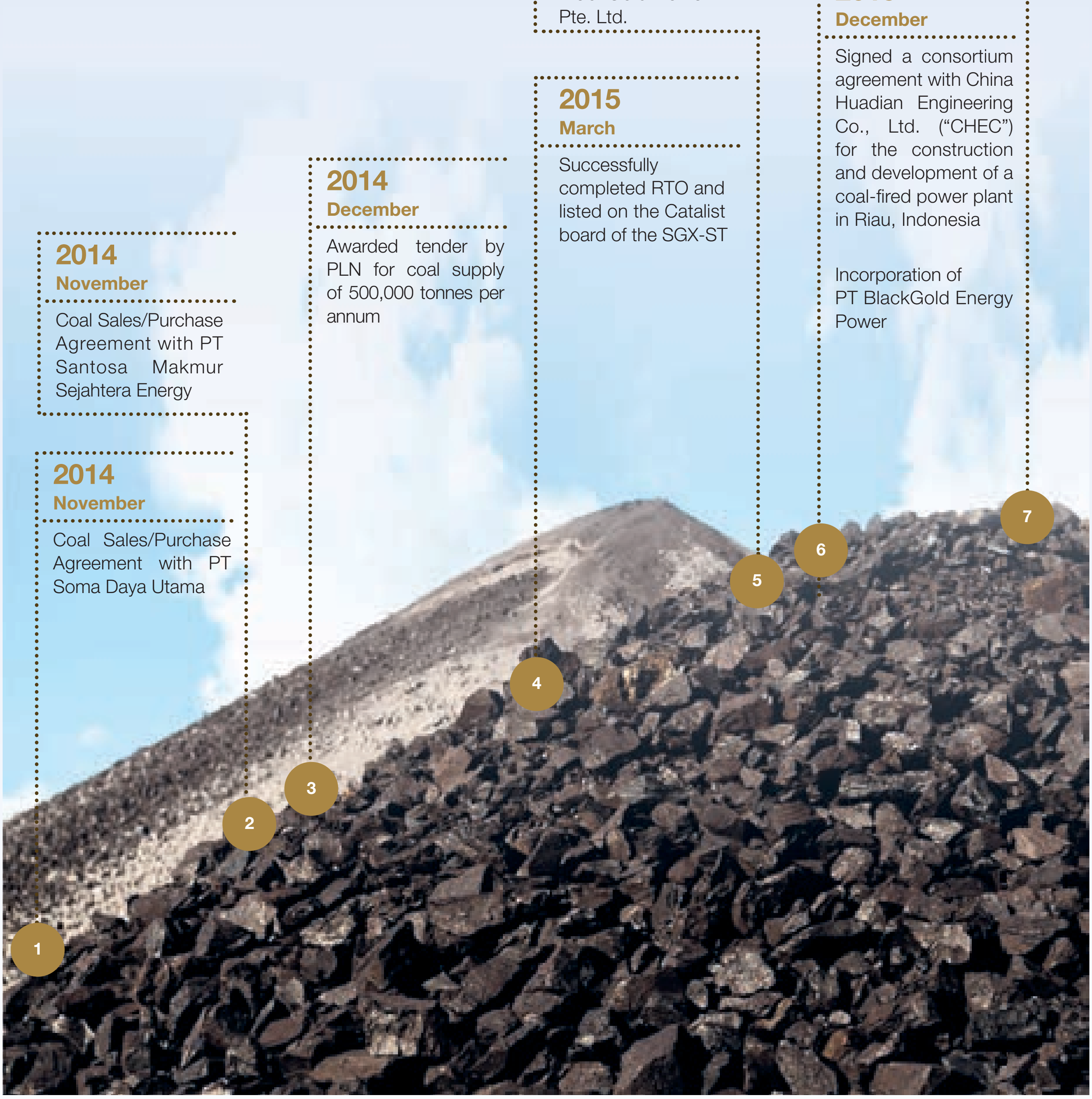
Group Structure

BLACKGOLD
Natural Resources Limited

100%

- 100% BlackGold Asia Resources Pte. Ltd. (Singapore)
  - 99% PT Samantaka Batubara (PT SB Concession, Sumatra, Indonesia)
- 100% BlackGold Energy Ltd (Hong Kong)
  - 99% PT BlackGold Energy Indonesia (Indonesia)
    - 99% PT Ausindo Prima Andalas (PT APA Concession, Sumatra, Indonesia)
    - 99% PT Ausindo Andalas Mandiri (PT AAM Concession, Sumatra, Indonesia)
- 100% BlackGold Power Pte. Ltd. (Singapore)
  - 99% PT BlackGold Energy Power (Indonesia)

Corporate Milestones



1 — 2014 November
Coal Sales/Purchase Agreement with PT Soma Daya Utama

2 — 2014 November
Coal Sales/Purchase Agreement with PT Santosa Makmur Sejahtera Energy

3 — 2014 December
Awarded tender by PLN for coal supply of 500,000 tonnes per annum

4 — 2015 March
Successfully completed RTO and listed on the Catalist board of the SGX-ST

5 — 2015 November
Incorporation of BlackGold Power Pte. Ltd.

6 — 2015 December
Signed a consortium agreement with China Huadian Engineering Co., Ltd. ("CHEC") for the construction and development of a coal-fired power plant in Riau, Indonesia

Incorporation of PT BlackGold Energy Power

7 — 2016 April
Commenced production and signed a coal sales contract with a Riau state-owned enterprise

Chairman's Statement

Dear Shareholders

On behalf of the Board of Directors, I am pleased to present to you the first annual report of BlackGold Natural Resources Limited ("BlackGold" or the "Company", and together with its subsidiaries, the "Group") for the financial year ended 31 December 2015 ("FY 2015"). FY 2015 was a significant year for BlackGold. The successful completion of the reverse takeover ("RTO") on 10 March 2015 marked a significant corporate chapter for BlackGold. Following the RTO, BlackGold is listed on the Catalist board of the Singapore Exchange Securities Trading Limited ("SGX-ST") under stock code 41H. This RTO sets the stage for us to further grow our business and we are very excited about the Group's prospects for the coming years.

Performance Review

The Group has made important developments throughout FY 2015. I am pleased to report that we have made steady progress in accordance with our coal production plan, and our first delivery had taken place in the second quarter of 2016.

The Group also succeeded in securing coal supply contracts with several power plants, and has been awarded a tender to supply 500,000 metric tonnes per annum to the Indonesian state-owned electricity company, PT Perusahaan Listrik Negara ("PT PLN"). With the revision of the mine-mouth coal pricing regime by the Minister of Energy and Mineral Resources in 2014, the Group qualifies as a mine-mouth coal supplier, and is eligible to sell coal to the power plant at a benchmarked production cost plus a margin. This ensures that the Group enjoys profit stability in the long run in spite of any future fluctuations in the coal prices.

Intekhab Khan
Independent Non-Executive Chairman

Chairman's Statement

Business updates

The robust economic growth in Indonesia is one of the main contributing factors to the increase of domestic energy demand, especially in Sumatra where the demand for electricity is expected to grow by 11.0%[1] annually. However, the growth of electricity generation is unable to keep pace with the rate of demand. In an effort to meet the electricity needs of this region, PT PLN is planning the construction of several new power plants in proximity to BlackGold's assets. The construction of these new power plants will potentially create demand for our coal in the future.

In line with the Government's effort to meet the domestic electrification demand, the Group has formed a consortium together with China Huadian Engineering Co., Ltd. ("CHEC") in December 2015, for an ongoing cooperation project for the development, construction, operation and maintenance of a coal-fired power plant in Riau province, Indonesia. This consortium will participate in a bid to produce and provide electric power to PT PLN, generating new streams of revenue for the Group. As PT Samantaka Batubara ("PT SB"), the Group's subsidiary, is the designated coal supplier in the agreement, the Group will also enjoy revenue from the sale of coal from its concession for delivery to the power plant.

Moving forward, we will also continue to grow our business by developing new projects, acquisitions and expansion into other markets. In addition to coal, the Group plans to diversify and explore business opportunities in sectors with good prospects for long term growth.

Commitment to excellence

At BlackGold, we believe that good corporate governance is crucial to our business integrity and is fundamental to our success. Not only does it strengthen internal and external relationships, it also builds trust with our stakeholders and promotes the long-term interests of our shareholders. The management has spent time in discussions to ensure that there is a strong, open, and effective governance system in place throughout the Group. This is best evidenced by our implementation of the Group's Code of Best Practices on Securities Transaction, Code of Ethics, and Whistle-blowing Policy with which all of our employees are required to comply. Looking forward, we will continue to develop and maintain our high standard of corporate governance as it is crucial to the Group's continuing success.

The Group welcomed Mr Sudiarso Prasetio and Mr Johanes Budisutrisno Kotjo as consultants of the Group. With more than 60 years of combined experience in the mining and energy industries, both Mr Prasetio and Mr Kotjo bring to the group wealth of experiences from their successful careers. We also welcomed new personnel to our finance and accounting team, with the primary goal of maximizing shareholders value. We are confident that this addition will further improve efficiency in managing our operational costs and enhance our competitive position in the market. We are thrilled to have them as part of our team, and we are confident that they will help bring the Group to new heights in FY2016.

As part of our efforts to enhance investor relations, we have launched a re-designed company website. Our corporate website is an important channel for BlackGold's investor communications. The Group is committed to maintaining transparency in shareholder communications, and we aim to continuously provide our shareholders with accurate and up-to-date information relating to the Group.

Appreciation

On behalf of the Board of Directors of the Group, I would like to extend my deepest appreciation and thank all our business associates and employees for their dedication and hard work in helping the Company realize its many milestones during the year. As we look to the future, I am confident in the success of the Group as we have significant resources of high-quality coal and a solid, experienced workforce who have consistently demonstrated their abilities to operate effectively and efficiently. Together, let us look forward to the continued success of the Group.

Intekhab Khan
Independent Non-Executive Chairman

Source: [1]RUPTL PLN 2016-2025, Ministry Energy and Mineral Resources Republic of Indonesia

Board of Directors

1. James Rijanto
2. Bangun Madong Parulian Samosir
3. Gerald Lim Thien Su
4. Nandakumar Ponniya
5. Bala Chandran
6. Philip Cecil Rickard
7. Intekhab Khan

Board of Directors

Intekhab Khan

Independent Non-Executive Chairman

Mr Khan was appointed as the Non-Executive Chairman of the Group on 10 March 2015, and was re-designated to Independent Non-Executive Chairman on 28 March 2016. He is also a member of the Board's Audit, Nominating and Remuneration Committees. As the Chairman, he provides leadership to the Board, and ensures the Board's effectiveness in the execution of its duties. Mr Khan is also currently serving as the managing director of M & A Law Corporation, a Singapore-incorporated law firm. A lawyer with over 19 years of experience, Mr Khan brings to the Group a wealth of legal experience in the energy sector, having advised clients on, inter alia, energy commercial contracts, construction projects and general commercial and corporate law. Mr Khan has represented coal mining owners and investors in numerous energy projects, including areas related to mergers and acquisitions, group and corporate restructuring, project financing and general compliance. His extensive knowledge and well-honed skills have enabled him to execute his responsibilities efficiently and effectively.

Mr Khan is also qualified to practice law in England and Wales; and is currently a Notary Public and Commissioner for Oaths.

Philip Cecil Rickard

Chief Executive Officer and Executive Director

Mr Rickard was appointed as the Group's Chief Executive Officer and Executive Director on 10 March 2015. He is a global entrepreneur with more than 26 years of experience in the energy and mining industry, and has repeatedly produced sustained revenue and EBITA growth in dynamic and changing markets. Mr Rickard is currently the Executive Director and Chief Executive Officer of the Group, where he is responsible for overseeing the overall strategic directions and expansion plans for the growth and development of the Group, as well as for the development of its coal mines in Sumatra.

Prior to joining the Group in November 2011, Mr Rickard was the country manager (Indonesia) for the Norsk Hydro group from January 2009. He is also the founder of several successful resource and mining ventures, including Terrasys Energy Pte. Ltd., Sawa Energy and Indo Gold Mining Pte. Ltd. In these ventures, Mr Rickard led significant acquisitions, capital raisings and mining expansions and demonstrated an acute ability to formulate strategic vision and advance expansion plans, developing mines and investments for various large resource companies.

Mr Rickard also serves as the President Commissioner of PT Samantaka Batubara, a subsidiary of the Group.

Mr Rickard graduated with a Bachelor of Arts (Philosophy) from Gonzaga University in 1992.

James Rijanto

Chief Investment Officer and Executive Director

Mr Rijanto was appointed as the Chief Investment Officer and Executive Director of the Group in March 2015. He is in charge of developing the Group's strategies and business plans. Mr Rijanto is also responsible for managing the Group's investments, sales and marketing operations, and sourcing for new investment opportunities.

Mr Rijanto started his career at Ernst & Young Corporate Finance as a senior associate in 2006. He went on to become a Director of PT Vitadaya Harapan, a privately-owned Indonesian power generation company, from January 2009 to December 2011. He also worked at PT Pathway International, an Indonesian energy and infrastructure construction and development firm, where he advised on strategic financial and investment matters.

Mr Rijanto graduated with a Bachelor of Arts (Economics) from Boston University in 2005.

Nandakumar Ponniya

Lead Independent Director

Mr Ponniya joined the Board in March 2015 and was appointed as Lead Independent Director of the Company, as well as the chairman of the Nominating and Remuneration Committees. He is a lawyer and was appointed as a principal in Baker & McKenzie. Wong & Leow, in October 2014. His key practice was in international arbitration involving commercial and corporate matters, as well as major construction disputes. Mr Ponniya has also been listed in the *Guide to the World's Leading Construction Lawyers* 2013 and further identified as a "rising star" in the *Guide to the World's Leading Experts in Commercial Arbitration* 2013.

Board of Directors

Mr Ponniya currently serves on the Inquiry Panel of the Law Society of Singapore and is an accredited Associate Mediator of the Singapore Mediation Centre. He is also currently an adjunct assistant professor at the National University of Singapore and the Singapore Management University, as well as a visiting lecturer at the Faculty of Law, Universitas Pelita Harapan in Indonesia. Mr Ponniya has also been an independent director of Sakae Holdings Ltd since March 2011.

Mr Ponniya graduated with a Bachelor of Law (Honours) from the National University of Singapore in July 1995. He is also qualified to practice law in England and Wales, and New York, USA.

Bala Chandran
Independent Director

Mr Chandran was appointed as an Independent Director of the Company in March 2015. He also serves as a member of the Remuneration and Nominating Committees. Mr Chandran is a litigation lawyer and has over 30 years of experience at Mallal & Namazie, where he is currently a partner. His main area of practice focuses in commercial and civil matters such as insolvency, employment, personal injury and compensation claims, insurance related claims, landlord and tenant disputes, as well as wills and probate matters.

Mr Chandran is currently a Commissioner of Oaths and a Notary Public, as well as a member of the Law Society of Singapore.

He graduated with a Bachelor of Law (Honours) from the National University of Singapore in 1978, and obtained a post-graduate diploma in business law from the University of Singapore in July 1987.

Board of Directors

Gerald Lim Thien Su
Independent Director

Mr Lim joined the Board as an Independent Director in March 2015. He also serves as the chairman of the Audit Committee of the Company. He has been serving as the chief executive officer of Marsh Trade Credit, Financial & Political Risks for Asia since October 2012. Mr Lim brings to the Group extensive experience in venture capital, private equity, finance, and risk management.

Mr Lim has served on various grassroots and non-government organizations. He currently sits on the boards of SGX listed Hi-P International Limited and International Healthway Corporation Limited since November 2010 and April 2016, respectively. Mr Lim also served as the chief executive officer of AON Singapore and AON Taiwan. In recognition of his contribution to the community, Mr Lim was awarded the Public Service Medal in 2006 by the President of Singapore.

He is currently the Honorary Consul of the Republic of Slovenia and the president of the Singapore Insurance Brokers Association. Apart from his commitment to the Group, Mr Lim also participates actively in the community. He serves as chairman of Tampines Central Citizens Consultative Committee, and is a member of the Council of Education of the Methodist Church in Singapore.

Mr Lim graduated with a Bachelor of Business Administration from the National University of Singapore in 1981, and obtained a Masters of Arts in Education and Human Development from George Washington University in 1991.

Bangun Madong Parulian Samosir
Independent Director

Mr Parulian was appointed to the Board on 10 March 2015 and serves as an Independent Director of the Company. He brings to the Group an extensive mining and entrepreneurial experience from holding a variety of senior positions in the Indonesian mining and construction industry.

Mr Parulian has been the adviser of PT Pamapersada Nusantara, one of Indonesia's largest mining construction and contracting companies and part of the multi-billion dollar PT Astra International Group, since 2007, and had also served in its engineering division (first as engineering department head and subsequently as engineering division head) and operational audit division (as operational auditor) from February 1994 to August 2007.

Prior to his tenure with PT Pamapersada Nusantara, Mr Parulian had served in both the Surface and Underground mining divisions of PT Freeport Indonesia Inc. (first as a mine engineer trainee, where he progressed to a control foreman, and subsequently the assistant chief engineer) from January 1983 to January 1994.

Mr Parulian graduated with a Bachelor of Mine Engineering from Bandung Institute of Technology in October 1982.

Key Management

Suherman Budiono
Chief Financial Officer

Mr Budiono is currently the Chief Financial Officer of the Group. He leads the finance, accounting, tax, analysis and financial reporting of the BlackGold Group's operations. He is also responsible for improving the BlackGold Group's financial control systems and policies.

Prior to joining the Group in 2012, Mr Budiono served as the head of finance & accounting at PT Vitadaya Harapan from August 2009 to December 2011, where he led the financial control, financial reporting, as well as tax planning and analysis of the company. He was responsible for developing the financial control system and policy of PT Vitadaya Harapan, including its integration with the company site office system.

Mr Budiono graduated with a Bachelor of Accounting and Economics from Wijaya Kusuma University in August 1986. He is currently a member of the Ikatan Akuntan Indonesia, which is a member of the International Federation of Accountants.

Jeremy Ng
Deputy Chief Financial Officer

Mr Ng is the Deputy Chief Financial Officer of the Group since 2015, and performs a key-supporting role to the Chief Financial Officer. From 2006 to 2010, he worked as an audit staff and was appointed as an audit manager of PricewaterhouseCoopers LLP. Prior to joining the BlackGold Group, he also served as the Chief Financial Officer of a coal trading company based in China. Mr Ng is an associate member of the Institute of Singapore Chartered Accountants.

He graduated from Nanyang Technological University, Singapore, in 2002 and holds a Bachelor of Accountancy degree.

Key Management

Risa Herisana
Head of Sales and Marketing

Mr Herisana is the Head of Sales and Marketing of the Group since 2015, and brings to the Group a wealth of experience in sales and marketing processes and commercial activities, as well as experience in financing, logistics and project management and operational matters.

Mr Herisana is responsible for developing and leading the implementation of annual marketing plans with the goal of having a consistent sale increases over a period of time. He is also responsible for directing the development and implementation of the Group sales strategy that currently targets local clients with a view of expanding this to international clients. Prior to joining the Group in 2012, Mr Herisana was a project manager at PT Karya Anugrah Kusuma, where he developed his understanding of coal logistics and built his contacts within the industry.

Mr Herisana graduated with a Bachelor of Management from Widyatama University, Bandung in January 2004.

Hanggono Sakti
Head of Mining and Exploration

Mr Sakti is the Head of Mining and Exploration of the Group since 2015. He is responsible for leading, coordinating, and supervising the exploration activities in the Group's Concessions. Mr Sakti manages a team of geologists and technical specialists in completing a wide range of geological tasks.

Mr Sakti is a qualified geologist and has been actively involved in numerous coal exploration programmes range from field geology, drilling, data management, programme direction and management, with roles in companies such as PT Karya Anugerah Kusuma from July 2011 to February 2012, PT Adidaya Tangguh from April 2011 to June 2011, and PT Indika Energy Group from June 2008 to February 2010.

Mr Sakti graduated with a Bachelor in Geology from the Sekolah Tinggi Teknologi Nasional Yogyakarta in April 2006.

Lili Haryanto
Operations Director

Mr Haryanto is a qualified mining engineer with more than 30 years of experience. He joined the Group in 2016.

Mr Haryanto started his career in PT Astra International Group. Mr Haryanto served as supervisor of the rental division in United Tractors where he managed its clients' mining and construction activities. Thereafter, Mr Haryanto assumed the role of project manager in PT Allied Indo Coal's concession in Padang, overseeing an annual coal production of 3 million tonnes.

Mr Haryanto also served as the project manager in Adaro Indonesia for a coal-mine in Banjarmasin. Under his charge, the coal-mine was able to reach an annual coal production of 5 million tonnes. Mr Haryanto then joined PT Bukit Asam Tbk as its project manager for the Muara Tiga Besar coal mine overseeing an annual coal production of 3 million tonnes.

Recognized for his talents, Mr Haryanto was appointed by PT Pamapersada Nusantara, one of Indonesia's largest mining construction and contracting companies and part of the PT Astra International Group, as its general manager for the training and development center; and was subsequently appointed as the head of health and safety.

Mr Haryanto graduated in 1998 from University of Sriwijaya majoring in Mining Engineering.

Key Management

Sudiarso Prasetio
Consultant

An experienced civil engineer, Mr Prasetio brings to the Group more than 40 years of experience in the construction and mining industry, having had senior and managerial positions with responsibilities in construction, infrastructure, plant management, logistics, heavy machinery and finance. Mr Prasetio joined the Group in 2015.

Mr Prasetio was the president director of PT Pamapersada Nusantara, one of Indonesia's largest mining construction and contracting companies and part of the multi-billion dollar PT Astra International group. He was first appointed as a director of PT Pamapersada Nusantara in 1992, became its managing director in 1993, and was appointed as its president director in 1999. Mr Prasetio has led PT Pamapersada Nusantara through several milestones and contracts for construction, logging and mining service contracts in a multitude of natural resources. Under his stewardship, PT Pamapersada Nusantara grew to become one of Indonesia's largest mining contractors.

Johanes Budisutrisno Kotjo
Consultant

Mr Kotjo was the senior executive director of the Indonesia based Salim Group from 1983 to 1994. Mr Kotjo has more than 20 years of experience in merger and acquisitions transactions. He was the president commissioner of the IDX-listed PT Apac Citra Centertex Tbk from 1995 to 2014. In 1994, Mr Kotjo went into his first resources venture together with a major mining player, Robert Friedland, and has been successfully investing into mining ventures such as Gold Field Resources, Diamond Field Fosset Bay and others. Mr Kotjo joined the Group in 2016.

Mr Kotjo graduated from Technical University of Berlin, Germany, majoring in Chemical Engineering.

Corporate Social Responsibility

Elementary school in Peranap

At BlackGold, we make it our priority to act as a responsible mining company in all aspects of our business, from our work practices to our care for the environment. We understand that our business activities have an effect on the environment, communities, and the people who work at our concessions. That is why we place great emphasis on our corporate social responsibility ("CSR"), as we believe that being socially and environmentally responsible is the essence of success. Our CSR strategy focuses on 3 primary areas: Communities, Health & Safety, and Environmental Care.

Focus on people

The Group believes in maintaining the balance between economic, social, and community developments, and we are committed to creating both commercial and societal benefits for our stakeholders. Our success depends on our ability to maintain the trust and good relationships with the communities in which we operate, and we foster these relationships by contributing to the long-term growth of the local society. Focus on the local communities is an integral part of BlackGold's commitment to good corporate citizenship, and we strive to serve and give back to these communities in a variety of ways.

BlackGold is proud to be actively involved with the communities where we conduct our business, and we have made substantial efforts to integrate with the local communities and assist in their social and economic developments.

In 2015, the Group provided financial assistance for the following activities:

- Road maintenance in 5 villages, namely: Simpur, Sunda Baru, Sungai Ubo, Peranap and Gumanti
- Infrastructure improvement project for 8 primary schools and a mosque in Peranap
- Infrastructure improvement project for a mosque in the village of Cimpur
- The manufacture of clean water facilities for 2 mosques in Peranap and Sunda Baru
- Providing cataract treatment for local communities in 3 districts, namely: Rengat, Kualacenaku and Peranap
- Renovation of the multipurpose building in Sungai Ubo

Corporate Social Responsibility

Our commitment to benefit the community is also demonstrated in the opportunities we create for local employment. By sourcing our workforce from the mine's local area, the Group makes a direct economic contribution to the local communities.

The Group has also made plans for 2016 to continue building good relationships with the local communities by providing scholarships and organizing social services. We intend to find additional ways to improve the standard of living for local communities through continued corporate social responsibility efforts.

Health and safety

BlackGold is committed to excellence in mining safety, and we believe that injuries and accidents are preventable. The Group takes the safety and security of our workplace and employees very seriously, and we strive to ensure that an ideal environment is created for all our employees. We proactively attempt to avoid injuries by providing the necessary training for all workers, as well as developing and implementing health and safety measures to create a workplace that is free from injuries. Maintaining our workers and subcontractors' health and safety is our priority, and we demonstrate this by continuously improving the safety practices and procedures described in the Group's Health, Safety and Environmental ("HSE") Management System.

Our comprehensive HSE Management System includes safety management plans and procedures that have to be followed by all our workers and sub-contractors. It also includes safety measures such as how to react during emergencies and accidents, as well as how to identify appropriate controls to reduce or eliminate risk exposures.

We believe our emphasis on workers' health and safety has a satisfactory result, and are pleased to report that there has not been any repeated incidents of severe injuries or fatalities thus far.

Caring for the environment

The Group is committed to operating in a manner that is safe and environmentally conscious in all areas of its operations. Helping to meet the growing energy needs in a careful and responsible manner is the core of our mission.

Corporate Social Responsibility

At every concession, we take active measures to protect the environment and minimize our impact. Our subsidiary, PT Samantaka Batubara, has submitted the Environmental Impact Assessment (also known as the Analisa Mengenai Dampak Lingkungan) ("AMDAL") which conforms to the guidelines and frameworks set out by the Indonesian government. As a company committed to Indonesia, BlackGold will work to protect the country's natural environment as it conducts its operations. To achieve this, we have developed a corporate social responsibility policy which will address the Group's impact on environment. The Group's environmental protection measures include (but are not limited to) the following:

- Proposed measures for controlling and monitoring soil erosion and minimizing loss of flora and fauna habitat
- Proposed construction of diversion channels, drainage systems and sedimentation ponds to ensure proper water drainage
- Regular water quality monitoring and treatment
- Proposed water treatment and water recycling and processing system


Community health centre in Kualacenaku

- Prevention of dust and gas emission measures
- Prevention of noise emission measures
- Hazardous materials management operations comprising storage and handling of hydrocarbons (fuels and lubricants) and chemicals
- Waste oil, solid waste as well as sewage and oily wastewater management
- Response plan for managing emergencies
- Site closure planning and rehabilitation

Ceremony for the opening of Samantaka Batubara mine pit

Business Review

The Company successfully completed the acquisition of BlackGold Asia Resources Pte. Ltd., BlackGold Energy Limited and their subsidiaries on 10 March 2015. With the completion of the reverse takeover ("RTO"), the Company was renamed BlackGold Natural Resources Limited ("BlackGold" or the "Company", and together with its subsidiaries, the "Group"). Following the completion of the RTO, the Company has on 11 May 2015 changed its financial year end from 30 September to 31 December. As a result, the Group's financial year for 2015 comprises the twelve-month period from 1 January 2015 and ends on 31 December 2015 ("FY2015").

INCOME STATEMENT

Revenue

As at 31 December 2015, the Group was in the exploration phase for its PT Ausindo Andalas Mandiri ("AAM") Concession and PT Ausindo Prima Andalas ("APA") Concession, and has entered into the development phase for the PT Samantaka Batubara ("SB") Concession.

Since coal production did not commence in FY2015, there was no revenue generated as of 31 December 2015.

Key expenses

Administrative expenses rose 569% from US $0.5 million in FY2014 to US$3.3 million in FY2015, due mainly to the following factors:

i) Higher employee benefit expenses and Directors' fees due to increased headcount and the constitution of a new Board of Directors pursuant to the RTO. These expenses amounted to US$1.1 million.

ii) Increased licensing, corporate social responsibility and geology expenses in association with preparatory works at its mining concessions which amounted to US$1.0 million.

iii) Higher costs of engaging professional parties which amounted to US$0.4 million to fulfill the Group's regulatory obligations following its listing on the SGX-ST.

During FY2015, other expenses also increased by US$25.7 million due mainly to one-off RTO-related expenses which included :

i) Legal and professional fees amounting to US$ 1.7 million.

ii) Arranger fees (non-cash item) of US$10.7 million, in the form of issuance of shares to the arranger in the RTO.

iii) Acquisition costs which relate to acquisition costs arising from the RTO, amounting to US$13.0 million.

Net loss before tax

As a result of the above factors, the Group recorded a net loss of US$29.2 million. Excluding the non-recurring expenses arising from the RTO of US$25.7 million, adjusted net loss of the Group would have been US$3.5 million for FY2015.

BALANCE SHEET

Total assets of the Group increased to US$18.1 million as at 31 December 2015, from US$4.1 million in FY2014 due to:

i) Increase of US$2.5 million non-current assets arising from the capitalisation acquisition of exploration and evaluation expenditures; and property, plant and equipment. These assets have been capitalised in the course of preparing the Group's concessions for exploration and development, and includes the costs of licences, exploration activities and other infrastructure.

ii) Increase of US$8.9 million prepayments classified as current assets which includes land acquisition expenses, and payments for costs of conveyor, jetty and other infrastructure.

iii) Increase of US$2.5 million in cash and cash equivalents, classified as current assets, being remaining amounts from the US$18.5 million proceeds arising from the placement exercise for 86 million ordinary shares of the Company on 10 March 2015.

Total liabilities of the Group increased to US$5.0 million as at 31 December 2015, from US$3.8 million in FY 2014 due to:

i) Increase of US$0.7 million (excluding shareholders loans), arising mainly from accrued operating expenses comprising taxes payable on land and crops at the Group's mining concessions and the FY2015 audit fees of the Group.

ii) Increase of US$0.5 million from loans issued by Shareholders.

Business Review

CASH FLOWS

Due to its preparation activities prior to commencing production, and given that production did not commence in FY2015, the Group recorded a net cash flow used in operating activities of US$6.2 million in FY2015.

The Group also recorded a net cash flow used in investing activities of US$10.3 million, comprising net cash outflows of US$11.2 million from exploration and development activities, as well as the cost of infrastructure at its mining concessions. This was partially offset by net cash inflow of US$1.2 million following the reverse acquisition of NH Ceramics Ltd.

Notwithstanding the above, the Group's net cash provided by financing activities improved from US$0.5 million in FY2014 to US$18.6 million in FY2015, mainly due to placement proceeds from the issuance of 86 million new shares of the Company upon completion of the RTO.

STRONGER BALANCE SHEET

The Group ended FY2015 with a stronger balance sheet with net assets at US$13.1 million from US$0.3 million as at FY2014. Cash and cash equivalents as at 31 December 2015 were US$2.5 million versus US$0.05 million as at 31 December 2014. This improvement was largely attributed to positive cash inflow from the proceeds of its placement exercise which raised proceeds of S$25.3 million. With its investment from the placement proceeds into the mining assets, the Group approaches a state of readiness to commence its production activities in FY2016.

BUSINESS OUTLOOK

The Group has commenced production in early 2016, and we have been making steady progress in our production activities. In continuing its efforts to ramp up production, the Group plans to increase its manpower resources and acquire new equipment. Barring any unforeseen circumstances, the Group expects this to enhance our productive efficiencies in 2016.

Coal Reserves and Resources Statement

The following should be read in accordance with the Independent Qualified Person's Report ("IQPR") dated 8 July 2016, released on the SGXNET. Hard copies of the IQPR will be furnished to shareholders upon their request.

Name of Asset / Country : PT SB Concession / Indonesia

		Gross Attributable to Licence[1]		Net Attributable to the Company		
Category	**Mineral Type**	**Tonnes[3] (Million)**	**Grade**	**Tonnes[3] (Million)**	**Grade**	**Change From Previous Update (%)**
RESERVES[4]						
Proved	Coal	-	Lignite	-	Lignite	**-**
Probable	Coal	45	Lignite	45	Lignite	**+38%**
Total Reserves	**Coal**	**45**	**Lignite**	**45**	**Lignite**	**+38%**
RESOURCES[2 & 4]						
Measured	Coal	33	Lignite	33	Lignite	**+65%**
Indicated	Coal	120	Lignite	120	Lignite	**+28%**
Inferred	Coal	55	Lignite	55	Lignite	**-38%**
Total Resources	**Coal**	**210**	**Lignite**	**210**	**Lignite**	**+4%**

Notes:
1. Licence refers to PT SB Concession's Production Operations (IUP) licence.
2. Resources are inclusive of Reserves.
3. The results presented are rounded to reflect the accuracy of the estimates. Minor discrepancies are due to rounding and are not considered material by PT GMT.
4. Resources and Reserves are reported in accordance with the JORC Code (2012).

In FY2015, the Group drilled a total depth of 24,848 metres at the PT Samantaka Batubara concession. A total of 478 drill holes were geophysically logged. Out of the total 478 drill holes, 7 drill holes with a total depth of 407.50 metres were made for geotechnical and geohydrology studies. A detailed ground topography survey was conducted on an area of approximately 6,500 hectares. Total cash used for exploration activities amounted to US$1,830,000 in FY2015. The Group has commenced its pre-production activities including land-clearing and topsoil and overburden removal at the SB Mine Pit 1. Total cash used for development and pre-production activities amounted to US$8,080,000 in FY2015.

Name of qualified person: Krisjna Irawan Alimoeddin
Credentials: S1 Teknik Geology, MAusIMM

Name of qualified person: Roger Harry Poley
Credentials: BSc (Eng), FAusIMM (CP)

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Corporate Governance Report

The Board of Directors (the "Board" or the "Directors") of BlackGold Natural Resources Limited (the "Company", and together with its subsidiaries, the "Group") recognises the importance of corporate governance and is committed to maintaining high standards to safeguard the interests of the Company's shareholders and enhance corporate value and accountability by complying with the corporate governance practices, principles and guidelines contained in the Code of Corporate Governance 2012 (the "Code").

On 11 May 2015, the Company announced the change of its financial year end from 30 September, being the last reported financial year end, to 31 December. This was to align the financial year end of the Company with that of its new subsidiaries following the completion of the RTO (as defined herein).

This report sets out the corporate governance practices that were adopted by the Group during the financial period from 1 January 2015 to 31 December 2015 ("FY2015") with specific reference to each of the principles of the Code. The Board confirms that, for FY2015, the corporate governance practices adopted by the Group were in line with the recommendations of the Code. Where there were deviations from the Code, appropriate explanations are provided.

1. THE BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.

The Board oversees the Group's corporate governance together with the Management, led by the Chief Executive Officer, who are accountable to the Board. The Board is collectively responsible for promoting long-term shareholder value and making objective decisions in the best interest of the Company.

In addition to carrying out its statutory responsibilities, the Board's roles include:-

- Guide and formulate the Group's overall long-term strategic plans, performance objectives as well as operational initiatives and ensure that the necessary financial and human resources are in place to meet its objectives;
- Establish and oversee the processes of evaluating the adequacy of internal controls, risk management, financial reporting and compliance;
- Review the performance of the management;
- Set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and duly met; and
- Assume responsibility for corporate governance.

Delegation of authority by the Board

The Audit Committee ("AC"), Nominating Committee ("NC") and the Remuneration Committee ("RC") assist the Board in the execution of its responsibilities. The AC, NC and RC have been constituted with clearly defined terms of reference, which are reviewed on a regular basis to ensure their continued relevance. The ultimate responsibility and decision on all matters still lies with the Board. The effectiveness of each Board Committee is constantly monitored. Details on the Board Committees are set out in this Report.

Corporate Governance Report

Matters specifically referred to the Board for its approval include, but not limited to, the following:-

- Quarterly results announcements;
- Annual results and accounts;
- Declaration of interim dividends and proposal for final dividends;
- Convening of shareholders' meetings;
- Authorisation for merger and acquisition transactions; and
- Authorisation of major transactions (including but not limited to interested person transactions and capital budgets).

Meetings of Directors

The Board and Board Committees meetings are scheduled and planned in advance and the Board meets quarterly during the year as required. Prior to the meeting, the Board will also receive management papers. When physical meetings are not possible, the Board and Board Committees may also make decisions by way of circulating written resolutions. The Company's Constitution ("Constitution") has provisions for Board meetings to be held via teleconferencing or videoconferencing.

The Board was re-constituted following the completion of the acquisition of the entire issued and paid-up share capital of BlackGold Asia Resources Pte. Ltd. ("BGA") and BlackGold Energy Limited ("BGE") by the Company (formerly known as NH Ceramics Ltd) (the "RTO") on 10 March 2015.

The attendance by each Director at the Board and Board Committees meetings are disclosed as follows:-

	Board		Audit Committee		Nominating Committee		Remuneration Committee	
Number of meetings held in FY2015:	**4**		**4**		**1**		**1**	
Name of Director	**No. of meetings to be attended**	**No. of meetings attended**	**No. of meetings to be attended**	**No. of meetings attended**	**No. of meetings to be attended**	**No. of meetings attended**	**No. of meetings to be attended**	**No. of meetings attended**
Intekhab Khan#	4	4	4	4	1	1	1	1
Philip Cecil Rickard	4	4	–	4*	–	–	–	–
James Rijanto	4	4	–	4*	–	–	–	–
Nandakumar Ponniya	4	4	4	4	1	1	1	1
Gerald Lim Thien Su	4	4	4	4	–	–	–	–
Bala Chandran	4	4	–	4*	1	1	1	1
Bangun Madong Parulian Samosir	4	3	–	3*	–	–	–	–

Notes:-

* By invitation

\# Mr Intekhab Khan was re-designated from Non-Executive Chairman to Independent Non-Executive Chairman on 28 March 2016.

Corporate Governance Report

Briefings, updates and training for Directors

New Directors receive a formal letter of appointment setting out their roles, obligations, duties and responsibilities as a member of the Board. The Directors are given appropriate briefing when they were appointed to the Board. Appropriate programmes are conducted for all Directors appointed to ensure that they are familiar with the Company's business, operations, governance practice and regulatory requirements.

All Directors are encouraged to attend seminars, conferences and training courses for them to stay abreast of relevant business development and outlook. Such conferences, seminars and training courses will be arranged and funded by the Company for all Directors.

During the year, the external auditors, Messrs PricewaterhouseCoopers LLP briefed the AC and the Board on developments in financial reporting standards. In addition, Management updates the Board at each meeting on business and strategic development relating to the Group's activities. The Board also received updates on changes to relevant laws and regulations.

2. BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management and substantial shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision-making.

The Board comprises seven Directors of whom five are Independent Directors, details of the directorships are as follow:-

Name of Director	Designation	Audit Committee	Nominating Committee	Remuneration Committee
Intekhab Khan#	Independent Non-Executive Chairman	Member	Member	Member
Philip Cecil Rickard	Chief Executive Officer and Executive Director	–	–	–
James Rijanto	Chief Investment Officer and Executive Director	–	–	–
Nandakumar Ponniya	Lead Independent Director	Member	Chairman	Chairman
Gerald Lim Thien Su	Independent Director	Chairman		
Bala Chandran	Independent Director	–	Member	Member
Bangun Madong Parulian Samosir	Independent Director	–	–	–

Mr Intekhab Khan was re-designated from Non-Executive Chairman to Independent Non-Executive Chairman on 28 March 2016.

The Board consists of individuals possessing a wide range of competencies, skills, experience and qualifications that are extensive and complementary, including accounting, finance, business, legal as well as industry expertise and knowledge to effectively provide oversight of, and guide the Company's strategic direction. The Non-Executive Directors constructively challenge and assist in the development of business strategies, and assist the Board in reviewing the performance of the Management in meeting goals and objectives and monitoring the reporting of performance.

Corporate Governance Report

With Independent Directors constituting more than half of the Board, the Board is satisfied that there is a strong and independent element on the Board. Each Director's independence is reviewed annually by the NC in accordance with the criterion provided by the Code.

The Board and the NC has examined its size and is of the view that it is an appropriate size for effective decision-making, taking into account the scope and nature of the operations of the Company, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board committees.

The NC has reviewed and determined that the Independent Directors are independent. The Independent Directors have confirmed that they do not have any relationship with the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement with a view to the best interests of the Company. None of the Independent Directors has served beyond nine years from the date of his first appointment.

3 CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

To ensure an appropriate balance of power and improved accountability to shareholders, the Code recommends that the roles of Chairman and Chief Executive Officer ("CEO") be held by separate persons. Mr Intekhab Khan and Mr Philip Cecil Rickard hold the roles of Independent Non-Executive Chairman (effective as at 28 March 2016) and Chief Executive Officer, respectively.

The Chairman is responsible for, *inter alia,* leading the Board to ensure its effectiveness, setting agenda for Board meetings, and ensuring adequate time for discussion, promoting openness and discussion during Board meetings, ensuring that Directors receive complete, adequate and timely information, ensuring effective communication with the shareholders, encouraging constructive relations within the Board and between the Board and the Management, facilitating effective contributions from the Directors and promoting high standards of corporate governance.

The CEO is responsible to the Board for the overall development of strategy, management and performance of the Company.

To ensure that shareholders' interests are protected, Mr Nandakumar Ponniya has been appointed as the Lead Independent Director of the Company. Shareholders will be able to consult the Lead Independent Director where they have concerns for which interactions through the normal channels of the Chairman of the Company has failed to resolve or for which such communications is considered inappropriate. Where necessary, the Lead Independent Director, together with the Independent Directors, will meet in the absence of other non-Independent Directors and the Management, and the Lead Independent Director will provide feedback to the Chairman if necessary. During the financial period under review, the Independent Directors, led by the Lead Independent Director, held various informal meetings and discussions among themselves without the presence of the other Directors, and had provided feedback to the Chairman.

Corporate Governance Report

4. BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The NC comprises 3 Directors, all of whom are independent subsequent to the re-designation of Mr Intekhab Khan as at 28 March 2016 ("Re-designation"). The NC is chaired by Mr Nandakumar Ponniya. The NC is scheduled to meet at least once a year, or when necessary.

The NC's duties and functions are guided by its terms of reference, and include:-

- Reviewing and making recommendations to the Board on board appointments and re-nomination having regard to the Directors' contribution and performance;
- Reviewing the Board structure, size and composition having regard to the scope and nature of the operations and the core competencies of the Directors as a group;
- Determining annually whether a Director is independent, with reference to guidelines of the Code;
- Assessing if a Director is able to and has been adequately carrying out his duties as a Director of the Company, especially where he has multiple board representations;
- Recommending the nomination of Directors who are retiring by rotation to be put forward for re-election; and
- Proposing objective criteria to the Board for approval and implementation, to evaluate the effectiveness of the Board as a whole and the contribution of each Director to the effectiveness of the Board.

Each member of the NC shall abstain from voting on any resolutions, making any recommendations and/or participating in any deliberations of the NC in respect of the assessment of his performance or independence on his re-nomination as a Director.

Selection and appointment of new Directors

On an annual basis, the NC will conduct a review of the composition of the Board in terms of the size and mix of skills and qualifications of the Board members. Where necessary, the search and nomination process for new Directors will be through search companies, contacts or recommendations that go through the normal selection process. In the selection and nomination of new Directors, the NC establishes the key attributes that an incoming Director should have, based on attributes of existing Board members and the requirements of the Company.

The NC shall assess the suitability of the candidate based on his skills, knowledge and experience; and ensure he is aware of the expectations and the level of commitment required, before recommending the candidate to the Board. Upon review and recommendation by the NC to the Board, the new Director will be appointed by way of passing a board resolution.

Re-appointment of Directors

Under the Constitution, one-third of the Directors shall retire from office by rotation at each annual general meeting of the Company ("AGM"). The Constitution also provides that all retiring Directors are eligible to offer themselves for re-appointment. All Directors are required to retire from office at least once every three years.

The NC recommended to the Board that Mr Bala Chandran, Mr James Rijanto, and Mr Bangun Madong Parulian Samosir, be nominated for re-appointment at the forthcoming AGM. In making its recommendation,

Corporate Governance Report

the NC has considered, amongst others, the Directors' integrity, independent mindedness, contribution and performance (such as attendance, participation, preparedness and candour). The Board has accepted the recommendations of the NC and the retiring Directors will be offering themselves for re-appointment at the forthcoming AGM, and have abstained from both the NC's and the Board's deliberations of their respective re-appointments.

Director's independence

The NC is charged with determining the independence of the Directors with reference to the guidelines set out in sections 2.3 and 2.4 of the Code.

In line with the guidance in the Code, the Board takes into account the existence of relationships or circumstances that are relevant in its determination as to whether a Director is independent, including the employment of a Director by the Company or any of its related corporations in the current or any of the past three financial years; an immediate family member of a Director who has been employed by the Company or its related corporations in any of the past three financial years; the acceptance by a Director of any significant compensation from the Company or any of its related corporations for the provision of services in the current or the past financial year, other than compensation for board service; and a Director being related to any organisation from which the Company or any of its subsidiaries received payments in excess of S$200,000 (the "Threshold") in the current or past financial year.

Mr Intekhab Khan had been re-designated as the Independent Non-Executive Chairman with effect from 28 March 2016. Notwithstanding that the Company had made material payments (as defined in Guideline 2.3 (d)) to M&A Law Corporation ("M&A"), a law corporation in which Mr Intekhab Khan serves as the managing director, for legal advice relating to the reverse takeover ("RTO") that completed in March 2015, the NC and the Board had reviewed Mr Intekhab Khan's independence and had determined that Mr Intekhab Khan is regarded as independent director on the following bases:-

(i) The NC is of the view that it is not meaningful to apply the Threshold with regards to the aforementioned payments, as these payments were one-time professional fees to M&A and were incurred prior to the listing of the Company in connection with the RTO exercise. The M&A's principal in charge of the RTO was not Mr Intekhab Khan. The NC also notes that the aggregated payments (excluding payments in respect of the RTO) made to M&A for the twelve months ended 31 December 2015 were below the Threshold.

(ii) Mr Intekhab Khan's role of providing strategic advice to the Company's management team was non-executive in nature, without any fees or compensation. He has since ceased to undertake the aforementioned role since the completion of the RTO.

The NC has assessed Mr Intekhab Khan's involvement during the RTO exercise, and up to the date of his re-designation as an Independent Non-Executive Director and noted that Mr Intekhab Khan had acted independently and objectively in judgement, and was not under the obligation, formal or informal, to act in accordance with any shareholder's direction, instructions or wishes of any 10% shareholder.

For the financial year under review, the Board, upon recommendation by the NC, is of the view that the Independent Directors are independent, and that, no individual or small group of individual dominates the Board's decision-making process.

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Representations on multiple boards

The Company's current policy stipulates that a Director should not have in aggregate more than five listed companies' board representations, in order to be able to devote sufficient time and attention to the affairs of the Company, and to discharge his duties as a Director of the Company.

The NC has reviewed and is satisfied that in FY2015, where Directors had other listed company board representations, the Directors have been able to devote sufficient time, resources and attention to the affairs of the Company to adequately carry out their duties as Directors of the Company. There is no alternate Director being appointed to the Board for the financial year under review.

All of the Directors were appointed on 10 March 2015 following the completion of the RTO. Key information on each Director, including his current directorship in other listed companies and principal commitments are set out in the "Board of Directors" section of this Annual Report.

5. BOARD PERFORMANCE

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

The NC has established an evaluation process to assess the effectiveness of the Board as a whole and the contribution by each Director to the effectiveness of the Board. The Board has not engaged any external facilitator for this annual assessment of Board's effectiveness.

For the financial year under review, all Directors were requested to complete a Board Evaluation Form to assess the overall effectiveness of the Board. The completed evaluation forms were collated and submitted to the NC for review before being submitted to the Board for discussion and determining areas for improvements to the Board's effectiveness. Following the review, the Board is of the view that the Board and its Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board.

The performance criteria for the Board are in respect of board size and composition, board processes and participation in meetings, Board's accountability, discharge of Board's functions and Board's access to information.

6. ACCESS TO INFORMATION

Principle 6: In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to Board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

All Directors have unrestricted access to the Company's records and information. The Management also furnishes the Board with regular accurate, timely and complete information to enable the Board to effectively discharge its duties. Board papers relating to matters such as financial statements, strategic plan and developments of the Group, are made available to Directors in advance of each meeting to be deliberated upon, in order to make informed decisions thereon.

The Board has direct and independent access to Management and the Company Secretary at all times through email, telephone and face-to-face meetings. The Company Secretary is present at all formal Board meetings to respond to the queries of any Director, to ensure that Board procedures are followed, and that the requirements under the Companies Act (Chapter 50 of Singapore) and all other regulations of the SGX-ST are complied with. The appointment and removal of the Company Secretary is a matter of the Board as a whole.

Corporate Governance Report

The Directors, whether individually or collectively, will have access to independent professional advice where such services are required in furtherance of their duties. The cost of such independent professional advice will be borne by the Company.

7. PROCEDURES FOR DEVELOPING REMUNERATION POLICIES
8. LEVEL AND MIX OF REMUNERATION
9. DISCLOSURE ON REMUNERATION

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

The RC comprises three Directors, all of whom are independent, subsequent to the Re-designation. The RC is chaired by Mr Nandakumar Ponniya. The RC will meet at least once a year or when necessary.

The RC is responsible for, amongst other:-

- Review and recommend a framework of remuneration policies to determine specific remuneration packages and terms of employments for the Directors and key executives; and
- Functioning as the committee to administer the BlackGold Employee Share Option Scheme as set out in the Directors' Statement in this Annual Report.

No individual Director shall be directly involved in deciding their own remuneration.

The RC has access to expert advice relating to executive compensation and remuneration matters where required, the cost of such independent professional advice will be borne by the Company. During the financial year, the RC did not require the services of an external remuneration consultant.

Annual reviews of the compensation and remuneration packages are conducted by the RC to ensure that the remuneration of the Executive Directors and key management personnel is commensurate with their contribution to the performance of the Group and competitive to recruit, retain and motivate the personnel.

The Independent Directors receive Directors' fees in accordance with a remuneration framework where each Director is paid a basic fee based on their level of responsibilities. The Chairman and Lead Independent Director are paid additional fees for their appointments commensurate with additional responsibilities associated with their appointments. The Independent Directors shall not be over-compensated to the extent that their independence may be compromised, and the payments of Directors' fees are subject to shareholders approval at the AGM.

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Executive Directors are remunerated as members of Management, and do not receive Directors' fees. The Company has entered into service agreements with Mr Philip Cecil Rickard (Chief Executive Officer and Executive Director) and Mr James Rijanto (Chief Investment Officer and Executive Director) (together, the "Executive Directors"), for an initial term of three years from 10 March 2015. Upon expiry of the initial term of three (3) years, the employment of each Appointee shall be automatically renewed on a year-to-year basis on such terms and conditions as the parties may agree. The remuneration packages of the Executive Directors comprise (i) a basic salary component; (ii) a fixed bonus in the amount equivalent to the basic monthly salary of the executive; and (iii) a variable component, where applicable, based on the performance of the Group as a whole. The Executive Directors and/or their associates will abstain from voting in respect of any resolution or decision to be made by the Board in relation to their terms and renewal of their respective service agreements. Each member of the RC shall abstain from voting on any resolutions, making recommendations and/or participating in any deliberations of the RC in respect of his remuneration package or that of employees related to him (if any).

The Board has reviewed the terms of their service agreements and is of the opinion that the remuneration of the Executive Directors and Management is competitive compared to the market rate for companies in a similar stage of production.

No termination or retirement benefits are granted to the Directors, CEO and key management personnel. The RC is of the view that there is no requirement to institute contractual provisions to allow the Company to reclaim incentive components of their remuneration in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

A breakdown showing the level and mix of remuneration paid/payable to each individual Director or key executive for the financial year ended 31 December 2015 is as follows:-

Name of Director	Base Salary	Directors' Fee	Bonus	Provident Fund Contribution	Total
Between S$250,001 to S$500,000	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**
Philip Cecil Rickard	92	–	8	–	100
James Rijanto	92	–	8	–	100
Below S$250,000					
Intekhab Khan	–	100	–	–	100
Bala Chandran	–	100	–	–	100
Gerald Lim Thien Su	–	100	–	–	100
Nandakumar Ponniya	–	100	–	–	100
Bangun Madong Parulian Samosir	–	100	–	–	100
Name of Top 5 Management Personnel (who are not Directors or CEO)	**Base Salary**	**Directors' Fee**	**Bonus**	**Provident Fund Contribution**	**Total**
Below S$250,000	**(%)**	**(%)**	**(%)**	**(%)**	**(%)**
Suherman Budiono	92	–	8	–	100
Jeremy Ng	86	–	7	7	100
Hanggono Sakti	93	–	7	–	100
Risa Herisana	92	–	8	–	100
Natalia Hermanto	93	–	7	–	100

Corporate Governance Report

The Company is of the opinion that it is not in the best interest of the Company to disclose the exact details of remuneration of the Directors and key executives due to reasons of commercial sensitivity.

During the financial year ended 31 December 2015, there were no employees in the Group who were immediate family members of the Directors or the CEO.

A BlackGold Employee Share Option Scheme was approved by shareholders at an extraordinary general meeting of the Company held on 28 January 2015. During FY2015, no options have been granted under the BlackGold Employee Share Option Scheme. Details and terms of the scheme are set out in the "Directors' Statement" section of this Annual Report.

10. ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is accountable to the shareholders and is committed to ensure compliance with the Listing rules of the SGX-ST. The Directors have each signed the respective undertaking in the form set out in Appendix 7H of the Catalist Rules to undertake to use their best endeavours to comply with the Catalist Rules and to procure that the Company shall so comply. Similar undertakings have been executed by the Executive Officers.

The Board provides promptly, quarterly and annual financial results. It is the aim of the Board to include analyses in these reports of sufficient detail to provide a balanced and understandable assessment of the Company's financial performance, position and prospects. Management provides the Board with reports for planning, decision-making and review of consolidated quarterly and year-end performances for SGXNET and public announcements. The Board also provides shareholders with periodic updates and reports through announcements, where necessary, in relation to the business's developments.

The Board takes adequate steps to ensure compliance with legislative and regulatory requirements and observes obligation of continuing disclosure under the Catalist Rules.

11. RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The AC conducts annual review to ensure the adequacy, sufficiency and effectiveness of the Company's material internal controls, including financial, operational, compliance and information technology controls, and risk management.

The Group has in place a system of internal control and risk management to provide reasonable assurance against material financial misstatements of loss, including the safeguarding of assets, maintenance of proper accounting records and compliance with appropriate legislation and the identification and containment of business risks.

Information relating to risk management, objective and policies is set out on page 70.

As the Group does not have a risk management committee, the Board and the Management assume the responsibility of the risk management function.

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The Board notes that all internal controls systems contain inherent limitations and no system of internal control provide absolute assurance against the occurrence of material errors, poor judgment in decision-making, human error, fraud or other irregularities.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, reviews performed by Management, the Board, with the concurrence of the AC, is of the opinion that the internal controls of the Group are adequate and effective in addressing the financial, operational, information technology controls, compliance risks and risk management systems as at 31 December 2015.

The Board has also received the assurance of the CEO and the Chief Financial Officer that (a) the financial records have been properly maintained and the financial statements give true and fair view of the Company's operations and finances; and (b) regarding the effectiveness of the risk management and internal control systems.

12. AUDIT COMMITTEE

Principle 12: The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.

The AC comprises 3 Directors, all of whom including the chairman of the AC are independent subsequent to the Re-designation. The AC is chaired by Mr Gerald Lim Thien Su. The other committee members are Mr Intekhab Khan and Mr Nandakumar Ponniya. The majority of the members of the AC have recent and relevant accounting or financial management expertise, as interpreted by the Board in its business judgement, to discharge the AC's functions.

The AC is guided by its terms of reference, its duties and functions include:-

- Reviewing with the internal and external auditors the audit plan, scope of work, their evaluation of the system of internal accounting controls, their management letter and the Management's response and results of the audits conducted by the internal and external auditors;
- Reviewing the internal control and procedures and ensure coordination between the external auditors and Management;
- Monitoring the integrity of the financial information provided by the Company, assessing, and challenging, where necessary, the correctness, completeness, and consistency of financial information before submission to the Board for approval;
- Assessing the adequacy and effectiveness of the internal control systems established by Management to identify, assess, manage, and disclose financial, operational, compliance and information technology controls (including those relating to compliances with existing legislation and regulation);
- Monitoring and assessing the role and effectiveness of the internal audit function in the overall context of the Company's risk management system, including review of the internal auditors' reports on the effectiveness of the systems for internal control, financial reporting and risk management;
- In connection with the terms of engagement to the external auditors, making recommendations to the Board on the selection, appointment, re-appointment, and resignation of the external auditors based on a thorough assessment of the external auditors' functioning, and approve the remuneration and terms of engagement of the external audit;
- Monitoring and assessing the external auditors' independence annually and keep the nature and extent of non-audit services provided by the external auditors under review to ensure the external auditors' independence or objectivity is not impaired, and to nominate them for re-appointment;

Corporate Governance Report

- Reviewing the interested person transactions on a quarterly basis; and
- Assessing, at the end of the audit cycle, the effectiveness of the audit process.

The AC has full authority to investigate any matter within its term of reference, has full access to and co-operation of the Management and has reasonable resources to enable it to discharge its function properly.

Annually, the AC will meet with the internal and external auditors without the presence of the Management as and when necessary to review the adequacy of audit arrangement with emphasis on the scope and quality of their audit, the independence, objectivity and observations of the external auditors. The Group has complied with Rules 712 and 715 of the Catalist Rules in relation to its external auditors.

PricewaterhouseCoopers LLP is the appointed external auditors of the Company. In FY2015, the aggregate amount of fees paid or payable to the Company's external auditors was S$364,000 comprising of, approximately: S$220,000 for audit and S$144,000 for non-audit fees. The AC conducted a review of all non-audit services provided by the external auditors and is satisfied that the nature and extent of such services does not prejudice the independence and objectivity of the external auditors. Accordingly, the AC has recommended to the Board that, Messrs PricewaterhouseCoopers LLP be nominated for re-appointment as external auditors at the forthcoming AGM.

The AC is kept abreast by Management, the external and internal auditors on changes and updates to accounting standards, and other issues which could have a direct impact on the financial statements of the Group, if any, during FY2015.

The Group has implemented a whistle-blowing policy under which employees and outsiders could, through defined and accessible channels, raise concerns in confidence about possible improprieties in matters of business activities, financial reporting or other matters to the Board. No such whistle-blowing matters were received during FY2015.

No former partner or Director of the Company's existing auditing firm is a member of the AC.

13. INTERNAL AUDIT

Principle 13: The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Board recognises that it is responsible for maintaining a system of internal controls to safeguard shareholders' investments and the Company's businesses and assets while the Management is responsible for establishing and implementing the internal control procedures in a timely and appropriate manner.

For the financial year under review, as the size of the Group does not warrant an in-house internal audit function, the Company has outsourced its internal audit function to Nexia TS Risk Advisory Pte. Ltd. Audit work performed by the internal auditors is guided by International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors. The internal auditors' primary line of reporting would be to the chairman of the AC, although the internal auditors would also report administratively to the CEO.

Before the commencement of the internal audit, the internal auditors will propose an internal audit plan to the AC on an annual basis and obtain the approval from the AC before proceeding. The findings of such review are submitted to the AC for their review. Subsequent to the internal audit conducted, the findings and corresponding responses from the Management to address these findings were reported at the meeting of the AC.

Corporate Governance Report

For FY2015, the AC has reviewed the adequacy and effectiveness of the internal audit function of the Company, and is satisfied that the internal audit function is staffed by suitably qualified and experienced professionals with the relevant experience. The AC also reviews the internal audit reports as well as the remedial measures recommended by the internal auditors and adopted by Management to addresses any issues or inadequacies identified.

14. SHAREHOLDER RIGHTS
15. COMMUNICATION WITH SHAREHOLDERS
16. CONDUCT OF SHAREHOLDER MEETINGS

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

Principle 16: Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company communicates with shareholders and the investment community through timely release of announcements via SGXNET, including the Company's quarterly and full year financial results announcements. Financial results announcements and annual reports are announced or issued within the mandatory period prescribed. All information on the Company's new developments, as necessary, is communicated to shareholders equally and on a timely basis via SGXNET.

Shareholders are informed of general meetings through reports/circulars sent to all shareholders in addition to notices published in the newspapers, and the Company's announcements via SGXNET. All shareholders of the Company with an address in Singapore will be able to receive a copy of the Company's annual report and notices of general meetings. Shareholders will be briefed on the rules, including the voting procedures that govern general meetings of shareholders.

At general meetings, separate resolutions will be presented on each distinct issue, and shareholders are given the opportunity to air their views and ask Directors or Management questions regarding the Company and the Group. Shareholders can have access to the Company's financial information as well as developments of the Company through its website at http://www.blackgold-group.com.

The Board and Management will be present at these meetings to address any questions that shareholders may have. The chairman of the AC, the NC and the RC are normally present and available to address questions relating to the work of their respective Board Committees at general meetings. External auditors will also be present to assist the Board in addressing queries by shareholders. All resolutions at the forthcoming AGM will be put to vote by poll, in compliance with the Catalist Rules to allow greater transparency and more equitable participation by shareholders. The proceeding of the AGM will be properly recorded, including all comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and the Management, and these minutes will be available to shareholders upon their request.

The Company does not have a fixed dividend policy. The Board has reviewed and has not declared any dividend for FY2015 as the Company requires the existing cash to fund its operating activities.

Corporate Governance Report

The Company's Constitution allows a member (other than a relevant intermediary as defined in Section 181 of the Companies Act) to appoint one or two proxies to attend and vote its general meetings. The Companies Act allows relevant intermediaries, which include Central Provident Fund ("CPF") Approved Nominees to appoint multiple proxies, and empower CPF Investors to attend and vote at general meetings of the Company as their CPF Approved Nominees' proxies. Voting in absentia by mail, email or fax is currently not permitted under the Company's Constitution until security, integrity and other pertinent issues are satisfactorily resolved.

17. DEALINGS IN SECURITIES

In compliance with Catalist Rule 1204(19) of the Catalist Rules, the Company has adopted an internal securities code of compliance to provide guidance to the Directors and all employees with regard to dealings in securities. All Directors and employees of the Company are advised by way of quarterly circulars to (i) not deal in the Company's shares on short-term considerations or when they are in possession of unpublished price-sensitive information and (ii) that they are required to report on their dealings in shares of the Company. The Company prohibits dealings in its shares by its Directors and employees during the period commencing two weeks before the announcement of the Company's quarterly financial statements and one month before the announcement of the Company's full-year financial statements, and ending on the date of the announcement of the results.

Directors and employees are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period or when they are in possession of unpublished price-sensitive information and they are not to deal in the Company's securities on short-term considerations.

The Group confirms that it has adhered to its internal securities code of compliance for FY2015.

18. INTERESTED PERSON TRANSACTIONS

The Company has adopted a policy in respect of any transactions with interested persons and has set out procedures such that all such transactions be at arm's length and reviewed by the AC quarterly.

The Company does not have any general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules for FY2015.

Save for interested person transactions with a value of less than S$100,000 each, there were no interested persons transactions entered into by the Group during FY2015.

19. MATERIAL CONTRACTS

Save as disclosed below, there were no material contracts entered into by the Company or any of its subsidiaries involving the interests of any Director or controlling shareholders, either still subsisting at the end of FY2015, or if not then subsisting, entered into since the end of the previous financial year ended 30 September 2014:-

1. Service agreements entered into between the Executive Directors and the Company.

2. Loan agreement dated 20 December 2012 between Twin Gold Ventures S.A. ("Twin Gold Ventures"), a controlling shareholder, and BGE for a loan facility from Twin Gold Ventures to BGE for up to US$10M. The loan is interest-free and unsecured.

3. Loan agreement dated 20 December 2012 between Twin Gold Ventures and BGA for a loan facility from Twin Gold Ventures to BGA for up to US$10M. The loan is interest-free and unsecured.

4. Loan agreement dated 20 December 2012 between Twin Gold Ventures and PT Samantaka Batubara ("PT SB") for a loan facility from Twin Gold Ventures to PT SB for up to US$10M. The loan is interest-free and unsecured.

Corporate Governance Report

5. Loan agreement dated 26 March 2013 between Novel Creation Holdings Limited ("Novel Creation") and PT SB for a loan facility from Novel Creation to PT SB for up to US$10M. The loan is interest-free and unsecured.

Material contracts (2) to (5) set out above were entered into prior to the completion of the RTO on 10 March 2015, and details have been set out in the Company's circular to shareholders dated 30 December 2014. On 31 March 2016, BGA, BGE and PT SB have entered into supplemental deeds to shareholder's loan with Twin Gold Ventures and Novel Creation, substantial shareholders of the Company, respectively that Twin Gold Ventures and Novel Creation shall not demand for repayment of all or any part of the shareholder loan on or before such date falling 36 months after completion of the RTO.

20. SPONSORSHIP

Approximately S$0.47 million non-sponsor fees were paid to the Sponsor, SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.), in FY2015. This is for financial advisory fee (inclusive of reimbursement of expenses and Goods and Services Tax totalling S$0.07 million) in the proposed acquisition of BGA and BGE.

21. UTILISATION OF PROCEEDS

As of 2Q2016, the IPO proceeds have been fully utilised. The breakdown of the use of proceeds is set out below:-

Intended use of Net Proceeds	Allocation of Net Proceeds as disclosed in the Offer Information Statement (S$)	Net Proceeds utilised as at the date of this Annual Report (S$)	Balance of the Net Proceeds as at the date of this Annual Report (S$)
Capital expenditure for the development of PT SB Mine Concession	11,140,000	11,140,000	–
Exploration works within the Concession Blocks	3,000,000	3,000,000	–
General working capital purposes	10,470,000	10,470,000	–
Total	**24,610,000**	24,610,000	–

Breakdown of proceeds used for general working capital is as follows:-

- Administrative expenses S$9,905,000
  (which includes employee compensation, licensing expenses and recurring professional fees)
- Other expenses S$565,000
  (comprised mainly of non-recurring professional fees in relation to the RTO)

Directors' Statement

For the financial year ended 31 December 2015

The Directors present their statement to the members together with the audited financial statements of the Group for the financial year ended 31 December 2015 and the balance sheet of the Company as at 31 December 2015.

In the opinion of the Directors,

(a) the balance sheet of the Company and the consolidated financial statements of the Group as set out on pages 41 to 79 are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Group for the financial year covered by the consolidated financial statements; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The Directors of the Company in office at the date of this statement are as follows:

Mr Intekhab Khan	(Appointed on 10 March 2015)
Mr Philip Cecil Rickard	(Appointed on 10 March 2015)
Mr James Rijanto	(Appointed on 10 March 2015)
Mr Bala Chandran	(Appointed on 10 March 2015)
Mr Gerald Lim Thien Su	(Appointed on 10 March 2015)
Mr Nandakumar Ponniya	(Appointed on 10 March 2015)
Mr Bangun Madong Parulian Samosir	(Appointed on 10 March 2015)

Arrangements to enable Directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' interests in shares or debentures

According to the register of Directors' shareholdings, none of the Directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of Director or nominee		Holdings in which Director is deemed to have an interest	
	At 31.12.2015	At 1.1.2015 or date of appointment, if later	At 31.12.2015	At 1.1.2015 or date of appointment, if later
BlackGold Natural Resources Limited				
(No. of ordinary shares)				
Mr Intekhab Khan[(1)]	**–**	–	**36,996,294**	36,996,294
Mr Philip Cecil Rickard[(2)]	**–**	–	**13,967,607**	13,967,607
Mr James Rijanto[(3)]	**–**	–	**13,967,607**	13,967,607

(1) Pursuant to Section 7 of the Companies Act, Mr Intekhab Khan is deemed to be interested in 36,996,294 shares held by Kaalasona Limited.

(2) Pursuant to Section 7 of the Companies Act, Mr Philip Cecil Rickard is deemed to be interested in 13,967,607 shares held by Cerenti Investments Ltd.

(3) Pursuant to Section 7 of the Companies Act, Mr James Rijanto is deemed to be interested in 13,967,607 shares held by Cerenti Investments Ltd.

Directors' Statement

For the financial year ended 31 December 2015

The Directors' interests in the ordinary shares and convertible securities of the Company as at 21 January 2016 were the same as those as at 31 December 2015.

Share options

At an Extraordinary General Meeting held on 28 January 2015, shareholders of the Company approved the BlackGold Employee Share Option Scheme (the "Scheme") for the granting of transferable options that are settled by issuance or transfer of the ordinary shares of the Company, as the employee may elect, in the name of the Central Depository (Pte) Limited ("CDP") for credit to the securities account of the employee maintained with CDP, the employee's securities sub-account with a CDP Depository Agent or the Central Provident Fund ("CPF") investment account maintained with a CPF agent bank.

During the financial period, there were:

(i) no options granted to take up unissued shares of the Company or its subsidiaries; and

(ii) no shares issued by virtue of exercise of option to take up unissued shares of the Company or its subsidiaries.

As at the end of the financial period, there were no unissued shares of the Company or its subsidiaries under option.

The Remuneration Committee ("RC") is responsible for administering the Scheme. At the date of this report, the members of the RC are Mr Nandakumar Ponniya (Chairman of the RC), Mr Intekhab Khan, and Mr Bala Chandran.

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Mr Gerald Lim Thien Su (Chairman)
Mr Intekhab Khan
Mr Nandakumar Ponniya

All members of the Audit Committee were independent non-executive directors of the Company.

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Singapore Companies Act and in performing these functions, the committee reviewed:

- the scope and the results of internal audit procedures with the internal auditor;
- the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- the assistance given by the Company's management to the independent auditor; and
- the balance sheet of the Company and the consolidated financial statements of the Group for the financial year ended 31 December 2015 before their submission to the Board of Directors.

The Audit Committee has recommended to the Board that the independent auditor, PricewaterhouseCoopers LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Directors' Statement

For the financial year ended 31 December 2015

Independent Auditor

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the Directors

Philip Cecil Rickard Director	James Rijanto Director

8 August 2016

Independent Auditor's Report

To the Members of BlackGold Natural Resources Limited

Report on the Financial Statements

We have audited the accompanying financial statements of BlackGold Natural Resources Limited (previously known as "NH Ceramics Ltd") (the "Company") and its subsidiaries (the "Group") set out on pages 41 to 79, which comprise the consolidated balance sheet of the Group and balance sheet of the Company as at 31 December 2015, and the consolidated statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015, and of the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date.

Other Matters

As described in Note 2 to the accompanying financial statements, the 2014 comparatives to the consolidated financial statements are that of BlackGold Asia Resources Pte. Ltd., BlackGold Energy Limited and their subsidiaries. These comparatives are unaudited.

Independent Auditor's Report

To the Members of BlackGold Natural Resources Limited

Report on other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore, of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 8 August 2016

Consolidated Statement of Comprehensive Income

For the financial year ended 31 December 2015

	Note	2015 US$	2014 US$ (Unaudited)
Interest income from time deposits and current account		**11,234**	10,400
Other income		**3,181**	–
Currency translation (losses)/gains - net		**(217,781)**	124,402
Expenses			
- Administrative	5	**(3,325,311)**	(496,834)
- Finance	5	**(1,976)**	(927)
- Others	5	**(25,659,163)**	(978)
Loss before income tax		**(29,189,816)**	(363,937)
Income tax expense	7	**–**	–
Loss for the financial year		**(29,189,816)**	(363,937)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation		**(866,029)**	(134,792)
Other comprehensive loss, net of tax		**(866,029)**	(134,792)
Total comprehensive loss, net of tax		**(30,055,845)**	(498,729)
Loss attributable to:			
Equity holders of the Company		**(29,169,478)**	(357,565)
Non-controlling interests		**(20,338)**	(6,372)
		(29,189,816)	(363,937)
Total comprehensive loss attributable to:			
Equity holders of the Company		**(30,021,734)**	(501,055)
Non-controlling interests		**(34,111)**	2,326
		(30,055,845)	(498,729)
Loss per share for loss attributable to equity holders of the Company (US Cents per share)			
Basic and diluted loss per share	8	**(3.89)**	(0.06)

The accompanying notes form an integral part of these financial statements.

Balance Sheet - Group

As at 31 December 2015

	Note	Group 31 December 2015 US$	 31 December 2014 US$ (Unaudited)
ASSETS			
Current assets			
Cash and cash equivalents	9	**2,522,778**	44,339
Other receivables	10	**85,866**	402
Prepayments	11	**8,925,632**	33,436
		11,534,276	78,177
Non-current assets			
Property, plant and equipment	15	**251,548**	62,620
Exploration and evaluation expenditure	13	**6,123,360**	3,799,838
Restricted cash	12	**185,932**	206,756
		6,560,840	4,069,214
Total assets		**18,095,116**	4,147,391
LIABILITIES			
Current liabilities			
Other payables	16	**260,138**	152,270
Accrued operating expenses	17	**1,158,669**	640,738
Finance lease liabilities	19	**2,365**	2,386
Loans from shareholders	18	**3,511,376**	–
Current income tax liabilities	7	**53,333**	14,576
		4,985,881	809,970
Non-current liabilities			
Finance lease liabilities	19	**4,261**	7,084
Other non-current liability		**16,157**	11,618
Loans from shareholders	18	**–**	2,984,032
		20,418	3,002,734
Total liabilities		**5,006,299**	3,812,704
NET ASSETS		**13,088,817**	334,687
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	20	**44,854,402**	2,053,109
Currency translation reserve		**(1,584,148)**	(731,892)
Accumulated losses		**(30,201,420)**	(1,031,942)
		13,068,834	289,275
Non-controlling interests		**19,983**	45,412
Total equity		**13,088,817**	334,687

The accompanying notes form an integral part of these financial statements.

Balance Sheet - Company

As at 31 December 2015

	Note	Company 31 December 2015 US$	30 September 2014 US$
ASSETS			
Current assets			
Cash and cash equivalents	9	**1,777,886**	9,437,636
Other receivables	10	**13,667,035**	8,507
Prepayments	11	**39,009**	8,005
		15,483,930	9,454,148
Non-current assets			
Property, plant and equipment	15	**8,442**	–
Investments in subsidiaries	14	**123,409,681**	3,980,018
		123,418,123	3,980,018
Total assets		**138,902,053**	13,434,166
LIABILITIES			
Current liabilities			
Other payables	16	**–**	8,278,887
Accrued operating expenses	17	**148,696**	112,801
		148,696	8,391,688
Total liabilities		**148,696**	8,391,688
NET ASSETS		**138,753,357**	5,042,478
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Share capital	20	**159,951,597**	15,508,587
Currency translation reserve		**(461,056)**	–
Accumulated losses	21	**(20,737,184)**	(10,466,109)
Total equity		**138,753,357**	5,042,478

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes In Equity

For the financial year ended 31 December 2015

	Note	Share capital US$	Currency translation reserve US$	Accumulated losses US$	Total US$	Non-controlling interests US$	Total equity US$
		← Attributable to equity holders of the Company			→		
2015							
Beginning of financial year		2,053,109	(731,892)	(1,031,942)	289,275	45,412	334,687
Loss for the year		–	–	(29,169,478)	(29,169,478)	(20,338)	(29,189,816)
Other comprehensive loss for the year		–	(852,256)	–	(852,256)	(13,773)	(866,029)
Total comprehensive loss for the year		–	(852,256)	(29,169,478)	(30,021,734)	(34,111)	(30,055,845)
Issue of placement shares	20	18,462,994	–	–	18,462,994	–	18,462,994
Share issue expenses	20	(557,471)	–	–	(557,471)	–	(557,471)
Shares issued to Arranger	20	10,731,216	–	–	10,731,216	–	10,731,216
Shares issued for Reverse Acquisition	28	14,164,554	–	–	14,164,554	–	14,164,554
Incorporation of a subsidiary		–	–	–	–	8,682	8,682
Total transactions with owners, recognised directly in equity		42,801,293	–	–	42,801,293	8,682	42,809,975
End of financial year		**44,854,402**	**(1,584,148)**	**(30,201,420)**	**13,068,834**	**19,983**	**13,088,817**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes In Equity

For the financial year ended 31 December 2015

		Attributable to equity holders of the Company						
	Note	Share capital	Capital reserve	Currency translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
(Unaudited)		US$	US$	US$	US$	US$	US$	US$
2014								
Beginning of financial year		1,053,109	1,000,000	(588,402)	(674,377)	790,330	43,086	833,416
Loss for the year		–	–	–	(357,565)	(357,565)	(6,372)	(363,937)
Other comprehensive income for the year		–	–	(143,490)	–	(143,490)	8,698	(134,792)
Total comprehensive income for the year		–	–	(143,490)	(357,565)	(501,055)	2,326	(498,729)
Transition to no par value regime[(a)]		1,000,000	(1,000,000)	–	–	–	–	–
End of financial year		**2,053,109**	**–**	**(731,892)**	**(1,031,942)**	**289,275**	**45,412**	**334,687**

(a) Under the Hong Kong Companies Ordinance Cap 622, the concepts of par value and authorised share capital were abolished and the amount in the capital reserves account as of 31 December 2014 is required to become part of the share capital of BlackGold Energy Limited, a subsidiary of the Group, incorporated in Hong Kong.

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 31 December 2015

	Note	2015 US$	2014 US$ (Unaudited)
Cash flows from operating activities			
Loss before tax		**(29,189,816)**	(363,937)
Adjustments for:			
- Depreciation	5	**17,976**	17,708
- Interest income		**(11,234)**	(10,400)
- Loss on disposal of subsidiaries	5	**3,728**	–
- Interest expense	5	**1,976**	927
- Acquisition costs arising from Reverse Acquisition	5	**12,959,102**	–
- Shares issued to Arranger	5	**10,731,216**	–
- Unrealised currency translation gains		**(697,131)**	(114,760)
		(6,184,183)	(470,462)
Changes in working capital, net of effects from acquisition and disposal of subsidiaries:			
- Prepayments		**(39,328)**	(1,430)
- Other receivables		**(55,601)**	44,766
- Other payables		**353,120**	451,614
- Other non-current liability		**5,709**	11,618
Cash generated from operations		**(5,920,283)**	36,106
Tax paid		**40,225**	1,423
Net cash (used in)/provided by operating activities		**(5,880,058)**	37,529
Cash flows from investing activities			
Payment for exploration expenditure and evaluation	13	**(2,695,224)**	(610,461)
Advances for exploration expenditure and evaluation		**(8,546,978)**	–
Purchase of property, plant and equipment	15	**(223,069)**	(2,350)
Reverse Acquisition – net cash effect	28	**1,184,129**	–
Interest received		**11,234**	10,400
Net cash used in investing activities		**(10,269,908)**	(602,411)
Cash flows from financing activities			
Proceeds from shareholders' loan		**705,819**	551,834
Proceeds from issuance of placement shares	20	**18,462,994**	–
Share issue expenses	20	**(557,471)**	–
Repayment of lease liabilities		**(4,259)**	(10,190)
Net cash provided by financing activities		**18,607,083**	541,644
Net increase/(decrease) in cash and cash equivalents		**2,457,117**	(23,238)
Cash and cash equivalents			
Beginning of financial year	9	**44,339**	69,469
Effects of currency translation on cash and cash equivalents		**21,322**	(1,892)
End of financial year	9	**2,522,778**	44,339

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2015

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

BlackGold Natural Resources Limited (previously known as "NH Ceramics Ltd") (the "Company") is listed on the Singapore Exchange and incorporated and domiciled in Singapore. The address of its registered office is 7 Temasek Boulevard, Suntec Tower One, #06-02A, Singapore 038987.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

In connection with the Reverse Acquisition (Note 2), the Company changed its financial year end from 30 September to 31 December to be coterminous with the BlackGold Group (Note 2).

2. Reverse acquisition undertaken by the Company

On 10 March 2015, the Company completed its acquisition of the entire share capital of BlackGold Asia Resources Pte. Ltd., BlackGold Energy Limited and their subsidiaries (collectively, the "BlackGold Group") ("Reverse Acquisition") via the issuance of 584,745,762 new ordinary shares in the Company to the shareholders of the BlackGold Group.

The Reverse Acquisition is a reverse takeover of the Company as the shareholders of the BlackGold Group became the controlling shareholders of the Company on completion of the transaction. Accordingly, the BlackGold Group (being the legal subsidiaries in the transaction) is regarded as the accounting acquirer, and the Company (being the legal parent in the transaction) is regarded as the accounting acquiree. In addition, the consolidated financial statements represent a continuation of the financial position, performance and cashflows of the BlackGold Group. Accordingly, the consolidated financial statements are prepared on the following basis:

a) the assets and liabilities of the BlackGold Group are recognised and measured in the balance sheet of the Group at their pre-acquisition carrying amounts;

b) the assets and liabilities of the Company are recognised and measured in the consolidated balance sheet at their acquisition-date fair values;

c) the accumulated profits and other equity balances recognised in the consolidated financial statements are the accumulated profits and other equity balances of the BlackGold Group immediately before the reverse acquisition;

d) the amount recognised as issued equity interests in the consolidated financial statements is determined by adding to the issued equity of the BlackGold Group immediately before the reverse acquisition. However, the equity structure appearing in the consolidated financial statements (i.e. the number and type of equity instruments issued) reflect the equity structure of the legal parent (i.e. the Company), including the equity instruments issued by the Company to effect the reverse acquisition;

e) the consolidated statement of comprehensive income for the financial year ended 31 December 2015 reflects the full year results of BlackGold Group together with the post-acquisition results of the Company; and

f) the comparative figures presented in these consolidated financial statements are those of the BlackGold Group.

Notes to the Financial Statements

For the financial year ended 31 December 2015

2. Reverse acquisition undertaken by the Company (continued)

Separate financial statements of the Company

The above accounting applies only at the consolidated financial statements. In the Company's separate financial statements, investments in the legal subsidiaries (the BlackGold Group) is accounted for at cost less accumulated impairment losses, if any, in the Company's balance sheet. The initial cost of the investment in the BlackGold Group is based on the fair value of the ordinary shares issued by the Company as at the acquisition date.

Further details on accounting of the Reverse Acquisition are provided in Note 28.

3. Significant accounting policies

3.1 Basis of preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") under the historical cost convention, except as disclosed in the Note 2 and the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Group's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

Interpretations and amendments to published standards effective in 2015

On 1 January 2015, the Group adopted the new or amended FRS and Interpretations of FRS ("INT FRS") that are mandatory for application for the financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the accounting policies of the Group and the Company and had no material effect on the amounts reported for the current or prior financial years.

3.2 Interest income

Interest income is recognised using the effective interest method.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.3 Group accounting

(a) Subsidiaries

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on that control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.3 Group accounting (continued)

(a) *Subsidiaries* (continued)

(iii) *Disposals*

When a change in the Group's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiaries" for the accounting policy on investments in subsidiaries in the separate financial statements of the Company.

(b) *Transactions with non-controlling interests*

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

3.4 Property, plant and equipment

(a) *Measurement*

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(b) *Depreciation*

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

	Useful lives
Motor vehicles	5 years
Furniture and fittings	3 - 5 years
Equipment	3 - 5 years

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.4 Property, plant and equipment (continued)

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other gains and losses". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

3.5 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

3.6 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "prepayments" (Note 11), "other receivables" (Note 10), "cash and cash equivalents" (Note 9) and "restricted cash" (Note 12) on the balance sheet.

(a) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset.

Loans and receivables are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

(b) Initial measurement

Loans and receivables are initially recognised at fair value plus transaction costs.

(c) Subsequent measurement

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.6 Loans and receivables (continued)

(d) The Group assesses at each balance sheet date whether there is objective evidence that loans and receivables are impaired and recognises an allowance for impairment when such evidence exists.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

3.7 Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is capitalised and carried forward, on an area of interest basis, provided one of the following conditions is met:

(i) the rights of tenure of exploring and evaluating an area are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area of interest, or alternatively by its sale; or

(ii) exploration activities in the area of interest have not yet reached the stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in or in relation to the area are continuing.

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent upon successful development and commercial exploitation, or alternatively, sale of the respective area and is reviewed at the end of each accounting period. Exploration and evaluation expenditure in respect of an area of interest, which has been abandoned, or for which a decision has been made by the Company's Directors against the commercial viability of the area of interest are written-off in the period the decision is made.

Exploration and evaluation expenditure represents the accumulated costs relating to general investigation, administration and licensing, geology and geophysics expenditures.

Exploration and evaluation expenditure is amortised over useful life of the mine using the straight line method from the commencement of commercial production and giving regard to the Mining Business Licence (Izin Usaha Pertambangan, "IUP").

Exploration and evaluation costs are assessed for impairment if facts and circumstances indicate that impairment may exist and are also tested yearly for impairment once commercial reserves are found.

Cash flows associated with exploration and evaluation expenditure are classified as investing activities in the consolidated statement of cash flows.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.8 Other payables

Other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

3.9 Fair value estimation of financial assets and liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

3.10 Leases

The Group leases equipment under a finance lease and operating leases from non-related parties.

(a) *Lessee - Finance leases*

Leases where the Group assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases.

The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognised on the balance sheet as plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognised in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

(b) *Lessee - Operating leases*

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognised in profit or loss on a straight-line basis over the period of the lease.

Contingent rents are recognised as an expense in profit or loss when incurred.

3.11 Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.11 Income taxes (continued)

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and

(ii) based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

3.12 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

3.13 Currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in United States Dollars. The functional currency of the Company is Singapore Dollars.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.13 Currency translation (continued)

(b) *Transactions and balances* (continued)

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses impacting profit or loss are presented in the income statement within “other gains and losses”.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) *Translation of Group entities’ financial statements*

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities are translated at the closing exchange rates at the reporting date;

(ii) income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

(iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

3.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments.

The Executive Committee (“Exco”) is the Group’s chief operating decision maker. Exco comprises the Chief Executive Officer, the Chief Financial Officer, head of mining and exploration and head of infrastructure and facilities. Management has determined the operating segments based on the reports reviewed by the Exco that are used to make strategic decisions, allocate resources and assess performance.

3.15 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and cash at bank which are subject to an insignificant risk of change in value.

3.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Notes to the Financial Statements

For the financial year ended 31 December 2015

3. Significant accounting policies (continued)

3.17 Impairment of non-financial assets

Property, plant and equipment, exploration and evaluation expenditure and investments in subsidiaries

Property, plant and equipment, exploration and evaluation expenditure and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

4. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Uncertain tax positions

The Group is subject to income taxes in Singapore and Indonesia. The Group operates in jurisdictions where legislative applications can give rise to uncertain tax positions. Management believes that the current tax positions taken by the Group are appropriate and supportable by expert advice where relevant. In determining the income tax liabilities, management is required to estimate the amount of capital allowances and the deductibility of certain expenses ("uncertain tax positions") at each jurisdiction. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the year in which such determination is made.

4.2 Fair value of the shares issued to Arranger

On 22 October 2012, the BlackGold Group entered into an arranger mandate with UOB Kay Hian Private Limited (the "Arranger") for the Arranger to introduce the Company to listed companies for the purpose of the Company's interest in a reverse takeover, assist in formulating, organising and conducting the negotiation process between the Company and the identified listed company, and assist in the listing of the enlarged entity subsequent to the reverse takeover. Upon the successful completion of the listing, the Arranger is entitled to 8% of the aggregate consideration in the shares of the enlarged entity.

Notes to the Financial Statements

For the financial year ended 31 December 2015

4. Critical accounting estimates, assumptions and judgements (continued)

4.2 Fair value of the shares issued to Arranger (continued)

Management is of the view that the aggregate consideration was the value of the three mining concessions that the BlackGold Group held. The management estimated the fair value of the three mining concessions based on the estimate resources of the three mining concessions and the economic value and resource estimates of the comparable companies publicly available. The computation based on assumptions relating to resource estimates, economic value, geographical conditions of the land and discount rate involved certain level of estimation uncertainty.

If the resource estimate used in the computation had been higher/lower by 5% from the management's estimates, the arranger fee would have been higher/lower by US$535,000.

On 10 March 2015, upon completion of the Reverse Acquisition, 50,847,458 shares of the Company were issued to the Arranger.

4.3 Exploration and evaluation expenditure and prepayments

The future recoverability of capitalised exploration and evaluation expenditure and prepayments is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors which could impact the future recoverability include the level of proved, probable and inferred coal resources, future technological changes which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to coal prices. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. The carrying value of assets within each area of interest are reviewed regularly taking into consideration the available facts and circumstances, and to the extent to which the capitalised value exceeds its recoverable value. The excess of capitalised value over the recoverable amount should be written off and this will reduce profits and net assets in the period in which this determination is made.

Based on the independent qualified person's report dated 8 July 2016, the management concluded that there was no objective evidence or indication that there was impairment as at 31 December 2015. The carrying amount of the Group's exploration and evaluation expenditure and prepayments as at 31 December 2015 was US$6,123,000 and US$8,926,000 respectively (2014: US$3,800,000 and US$33,000) (Note 13 and 11 respectively).

As at 31 December 2015, any reasonable possible change to the key assumptions as detailed in Note 13 is not likely to cause the recoverable amounts of exploration and evaluation expenditure and prepayments to be below the respective carrying amounts.

4.4 Impairment of investment in subsidiaries

The investment in subsidiaries held by the Company represents the fair value of consideration paid by the Company to acquire the BlackGold Group. The carrying amount of investment in subsidiaries was US$123 million as at 31 December 2015. The management is of the view that the recoverable amount of the investment in subsidiaries is the fair value of the mining concessions held by the BlackGold Group. The Company assesses at each balance sheet date whether there is objective evidence that the investment in subsidiaries is impaired and recognises an impairment charge when such evidence exists. The management concluded that there was no objective evidence of impairment in investment in subsidiaries as at 31 December 2015.

Notes to the Financial Statements

For the financial year ended 31 December 2015

5. Expenses by nature

	Group 2015 US$	Group 2014 US$ (Unaudited)
Employment compensation (Note 6)	**855,518**	253,847
Directors' fees	**266,666**	–
Medical expenses	**2,542**	1,587
Depreciation (Note 15)	**17,976**	17,708
Travelling expenses	**123,209**	41,241
Licensing and compliance costs	**213,451**	29,725
Sponsor fees	**41,420**	–
Legal expenses	**40,130**	8,199
Rental expenses	**161,061**	107,470
Entertainment expenses	**51,892**	21,780
Corporate social responsibility expenses	**208,438**	10,210
Professional fees	**393,095**	2,913
Geologist and surveyor fees	**581,076**	–
Stamp duty fees	**251,071**	–
Professional fees in connection with the Reverse Acquisition	**1,719,162**	–
Shares issued to Arranger (Note 28)	**10,731,216**	–
Acquisition costs arising from Reverse Acquisition (Note 28)	**12,959,102**	–
Loss on disposal of subsidiaries	**3,728**	–
Interest expense	**1,976**	927
Others	**363,721**	3,132
Total expenses	**28,986,450**	498,739

6. Employee compensation

	Group 2015 US$	Group 2014 US$ (Unaudited)
Wages and salaries	**827,181**	227,983
Other benefits	**5,709**	11,618
Employer's contribution to defined contribution plans including Central Provident Fund	**22,628**	14,246
	855,518	253,847

Notes to the Financial Statements

For the financial year ended 31 December 2015

7. Income taxes

(a) Income tax expense

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Group 2015 US$	Group 2014 US$ (Unaudited)
Loss before tax	**(29,189,816)**	(363,937)
Tax calculated at tax rate of 17% (2014: 17%)	**(4,962,269)**	(61,869)
Effects of:		
- different tax rates in other countries	**(89,233)**	(30,969)
- expenses not deductible for tax purposes	**5,040,369**	82,449
- income not subject to tax	**11,133**	10,389
Tax charge	**–**	–

(b) The tax charge relating to each component of other comprehensive income is as follows:

Group	2015 Before tax US$	2015 Tax charge US$	2015 After tax US$	2014 Before tax US$	2014 Tax charge US$ (Unaudited)	2014 After tax US$
Currency translation differences arising from consolidation of subsidiary	**(866,029)**	**–**	**(866,029)**	(134,792)	–	(134,792)
Other comprehensive income	**(866,029)**	**–**	**(866,029)**	(134,792)	–	(134,792)

(c) Tax payables

	Group 31 December 2015 US$	Group 31 December 2014 US$ (Unaudited)
Indonesian income tax:		
- Withholding tax	**53,333**	14,576

Under tax laws in Indonesia, the Group is required to withhold income tax on certain types of income earned by resident taxpayers or Indonesia permanent residents.

Notes to the Financial Statements

For the financial year ended 31 December 2015

8. Loss per share

(a) Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

Due to the reverse acquisition during the financial year, the losses per share has been restated and reflects the results of the BlackGold Group, till the date of the Acquisition, and the results of the Group from the date of the Acquisition onwards. In addition, the earnings per share has been retrospectively adjusted to take into consideration the Share Consolidation as mentioned in Note 20.

The number of ordinary shares outstanding from the beginning of the year to the reverse acquisition date for purpose of calculating the weighted average number of ordinary shares is deemed to be the number of ordinary shares issued by the Company for the Reverse Acquisition, excluding shares issued to the Arranger as arranger fee and placement shares, and the number of ordinary shares outstanding from the reverse acquisition date to the end of the year is the actual number of ordinary shares of the Company outstanding during the financial year. The number of ordinary shares issued by the Company for the Reverse Acquisition, excluding shares issued to the Arranger as arranger fee and placement shares, is used in the calculation of weighted average number of ordinary shares for the period ended 31 December 2014.

	31 December 2015	31 December 2014 (Unaudited)
Net loss attributable to equity holders of the Company (US$)	**(29,169,478)**	(357,565)
Weighted average number of ordinary shares outstanding for basic earnings per share	**750,710,194**	584,745,762
Basic loss per share (US Cents per share)	**(3.89)**	(0.06)

(b) Diluted loss per share

The basic loss per share for the period ended 31 December 2014 and financial year ended 31 December 2015 is the same as the respective diluted loss per share, as there were no potential dilutive ordinary shares in existence during the period ended 31 December 2014 and financial year ended 31 December 2015.

Notes to the Financial Statements

For the financial year ended 31 December 2015

9. Cash and cash equivalents

	Group		Company	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)	31 December 2015 US$	30 September 2014 US$
Cash at bank and on hand	**2,522,778**	44,339	**1,777,886**	9,437,636

Disposal of subsidiaries

On 31 March 2015, the Group completed its disposal of 100% interest in NH subsidiaries. The effects of the disposal on the cash flows of the Group were:

Carrying amounts of assets disposed of:

	Group 2015 US$
Cash and cash equivalents	**3,638**
Other receivables	**3,728**
Net assets disposed of	**7,366**

The aggregate cash inflows arising from the disposal of NH subsidiaries were:

	Group 2015 US$
Net asset disposed of (as above)	**7,366**
Loss on disposal of subsidiaries (Note 5)	**(3,728)**
Cash proceeds from disposal of subsidiaries	**3,638**
Less: Cash and cash equivalents in subsidiaries disposed of	**(3,638)**
Net cash inflow on disposal	**–**

10. Other receivables

	Group		Company	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)	31 December 2015 US$	30 September 2014 US$
Other receivables				
- non-related parties	**77,184**	402	**42,609**	8,507
- subsidiaries	**–**	–	**13,624,426**	–
- non-controlling shareholder of a subsidiary	**8,682**	–	**–**	–
	85,866	402	**13,667,035**	8,507

Non-trade receivables due from subsidiaries and non-controlling shareholder of a subsidiary are unsecured, interest-free and repayable on demand.

Notes to the Financial Statements

For the financial year ended 31 December 2015

11. Prepayments

	Group		Company	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)	31 December 2015 US$	30 September 2014 US$
Prepayments	**8,925,632**	33,436	**39,009**	8,005

Prepayments of the Group primarily consist of down payments made for exploration and evaluation activities and acquisition of property, plant and equipment in connection with the mining activities.

12. Restricted cash

	Group	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)
Time deposit	**185,932**	206,756

Restricted cash equivalents represents security deposit placed in Bank Kepulauan Riau until the expiry of the Mining Business Licence (Izin Usaha Pertambangan, "IUP") as required by the Department of Mining and Energy of the Regency of Riau, Indonesia. The expiry date of the IUP is 26 February 2023.

Interest rates on time deposit during 31 December 2015 were 6.0% (2014: 6.0%).

13. Exploration and evaluation expenditure

	Group	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)
Beginning of the financial year	**3,799,838**	3,250,422
Expenditure capitalised during the financial year	**2,695,224**	610,461
Depreciation capitalised during the financial year	**11,987**	13,183
Currency translation losses	**(383,689)**	(74,228)
End of the financial year	**6,123,360**	3,799,838

Exploration and evaluation expenditure are assessed for impairment when facts and circumstances indicate that the carrying amount of the exploration and evaluation expenditure may exceed its recoverable amount.

In assessing whether there is any indicator of impairment as at the balance sheet date, the management obtained an Independent Qualified Person's Report from PT GMT, an external, independent and qualified geologist, for an indication of the economic value of the mining concessions on which the exploration and evaluation expenditure were incurred.

Notes to the Financial Statements

For the financial year ended 31 December 2015

13. Exploration and evaluation expenditure (continued)

PT GMT had determined the economic value of the coal mining concessions using a financial model with the following key inputs:

- Coal price

- Production volume

- Operating costs

Management had considered the inputs assumed by PT GMT and estimated that a reasonable possible change in each of the inputs would not cause the recoverable value to fall below the carrying amount of the exploration and evaluation expenditure.

Accordingly, management believes that there was no impairment indicator in relation to the exploration and evaluation expenditure as at 31 December 2015.

14. Investments in subsidiaries

	Company	
	31 December 2015 US$	**30 September 2014 US$**
Equity investments at cost		
Beginning of financial year	**3,980,018**	3,980,018
Impairment	**(3,972,652)**	–
Disposals	**(7,366)**	–
Additions	**123,409,681**	–
End of financial year	**123,409,681**	3,980,018

On 28 December 2015, PT Samantaka Batubara ("PT SB"), a subsidiary of the Company, entered into a consortium agreement with China Huadian Engineering Co., Ltd. ("CHEC") in relation to a 2x300MW power plant. The consortium agreement is meant to secure commitments from both PT SB and CHEC for the project. The management is of the view that the agreement will not have any material impact on the financial position of the Group as at 31 December 2015.

Notes to the Financial Statements

For the financial year ended 31 December 2015

14. Investments in subsidiaries (continued)

The Company had the following subsidiaries as at 31 December 2015 which were all acquired as part of the Reverse Acquisition (Note 2):

	Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by Group 2015 %	Proportion of ordinary shares directly held by non-controlling interests 2015 %
	Held by the Company				
1	BlackGold Asia Resources Pte. Ltd.[(a)]	Investment holding	Singapore	**100**	**–**
2	BlackGold Energy Limited[(c)]	Investment holding	Hong Kong	**100**	**–**
3	BlackGold Power Pte. Ltd.[(a)(d)]	Investment holding	Singapore	**100**	**–**
	Held by the subsidiaries				
4	PT BlackGold Energy Indonesia[(b)]	Investment holding	Indonesia	**99**	**1**
5	PT BlackGold Energy Power[(b)(d)]	Investment holding	Indonesia	**99**	**1**
6	PT Samantaka Batubara[(b)]	Coal mining	Indonesia	**99**	**1**
7	PT Ausindo Prima Andalas[(b)]	Coal mining	Indonesia	**99**	**1**
8	PT Ausindo Andalas Mandiri[(b)]	Coal mining	Indonesia	**99**	**1**

(a) Audited by PricewaterhouseCoopers LLP, Singapore
(b) Audited by PricewaterhouseCoopers firms outside Singapore for the purpose of preparation of consolidated financial statements of the Group
(c) Audited by Heng & Tan, Certified Public Accountants, Hong Kong
(d) Incorporated during the financial year ended 31 December 2015

The Directors are of the opinion that the non-controlling interests in subsidiaries are not material to the Group.

Notes to the Financial Statements

For the financial year ended 31 December 2015

14. Investments in subsidiaries (continued)

NHC had the following subsidiaries as at 31 December 2014 and 30 September 2014 and all the subsidiaries have been disposed upon the completion of the Reverse Acquisition (Note 2):

	Name	Principal activities	Country of business/ incorporation	Proportion of ordinary shares directly held by parent %
1	Nam Huat Tiling & Panelling Co. Pte. Ltd. [(a)]	Specialist supplier and stockist of ceramic tiles, marble and other finishing and building products: processing, fabrication and precision cutting of building materials.	Singapore	**100**
2	Nam Tat Pte. Ltd.[(a)]	Dormant	Singapore	**100**
3	Nam Hong Properties Pte. Ltd.[(a)]	Property management and investments and other related business	Singapore	**100**
4	NH Enterprises (2008) Pte. Ltd.[(a)]	Property rental and investments	Singapore	**100**

(a) Audited by Nexia TS Public Accounting Corporation, Singapore

15. Property, plant and equipment

	Motor vehicles US$	Furniture and fittings US$	Equipment US$	Assets under construction US$	Total US$
Group					
2015					
Cost					
As at 1 January 2015	62,767	10,772	48,878	–	122,417
Additions	981	718	13,976	207,394	223,069
Currency translation differences	(6,322)	(696)	(3,906)	–	(10,924)
As at 31 December 2015	57,426	10,794	58,948	207,394	334,562
Accumulated depreciation					
As at 1 January 2015	33,289	4,706	21,802	–	59,797
Depreciation charge	11,987	3,608	14,368	–	29,963
Currency translation differences	(3,937)	(454)	(2,355)	–	(6,746)
As at 31 December 2015	41,339	7,860	33,815	–	83,014
Net book value					
As at 31 December 2015	**16,087**	**2,934**	**25,133**	**207,394**	**251,548**

Notes to the Financial Statements

For the financial year ended 31 December 2015

15. Property, plant and equipment (continued)

	Motor vehicles US$	Furniture and fittings US$	Equipment US$	Total US$
Group				
2014 (Unaudited)				
Cost				
As at 1 January 2014	63,976	9,726	49,539	123,241
Additions	–	1,450	900	2,350
Currency translation differences	(1,209)	(404)	(1,561)	(3,174)
As at 31 December 2014	62,767	10,772	48,878	122,417
Accumulated depreciation				
As at 1 January 2014	21,134	1,200	8,663	30,997
Depreciation charge	13,183	3,714	13,994	30,891
Currency translation differences	(1,028)	(208)	(855)	(2,091)
As at 31 December 2014	33,289	4,706	21,802	59,797
Net book value				
As at 31 December 2014	**29,478**	**6,066**	**27,076**	**62,620**

The carrying amount of an equipment held under a finance lease is US$2,773 (2014: US$7,412).

Depreciation charge of US$11,987 (2014: US$13,183) has been capitalised in Exploration and evaluation expenditure (Note 13).

	Equipment US$
Company	
2015	
Cost	
As at 1 October 2014	–
Additions	9,352
Currency translation differences	33
As at 31 December 2015	9,385
Accumulated depreciation	
As at 1 October 2014	–
Depreciation charge	950
Currency translation differences	(7)
As at 31 December 2015	943
Net book value	
As at 31 December 2015	8,442

Notes to the Financial Statements

For the financial year ended 31 December 2015

16. Other payables

	Group		Company	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)	31 December 2015 US$	30 September 2014 US$
Other payables – non trade				
- non-related parties	**260,138**	152,270	**–**	–
- subsidiaries	**–**	–	**–**	8,278,887
	260,138	152,270	**–**	8,278,887

Non-trade payables due to subsidiaries are unsecured, interest-free and repayable on demand.

17. Accrued operating expenses

	Group		Company	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)	31 December 2015 US$	30 September 2014 US$
Accrued operating expenses for				
- Dead rent	**877,275**	539,509	**–**	
- Professional fees	**20,285**	–	**17,918**	801
- Directors' fee	**8,938**	–	**8,938**	98,246
- Others	**252,171**	101,229	**121,840**	13,754
	1,158,669	640,738	**148,696**	112,801

During the term of the IUP (Note 12), the Company is required to pay rent ("dead rent") which is based on the number of hectares covered by the mining concession, as well as the stage of mining operations.

18. Loans from shareholders

The loans from shareholders are unsecured and interest-free. The shareholders have agreed that they would not demand for repayment of all or any part of the shareholder loan before 9 September 2016.

On 31 March 2016, the subsidiaries entered into a second supplemental deed with the shareholders to extend the Non-Repayment Period for a further eighteen (18) months until 9 March 2018.

Notes to the Financial Statements

For the financial year ended 31 December 2015

19. Finance lease liabilities

The Group leases certain equipment from a non-related party under a finance lease. The lease agreement does not have a renewal clause but provides the Group with the option to purchase the leased asset at nominal value at the end of the lease term.

	Group	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)
Minimum lease payments due		
- Not later than one year	**2,689**	2,875
- Between one and five years	**4,481**	7,666
	7,170	10,541
Less: Future finance charges	**(544)**	(1,071)
Present value of finance lease liabilities	**6,626**	9,470

The present values of finance lease liabilities are analysed as follows:

	Group	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)
Not later than one year	**2,365**	2,386
Later than one year		
- Between one and five years	**4,261**	7,084
Total	**6,626**	9,470

20. Share capital

	No. of ordinary shares issued Company & Group	Amount of share capital US$ Group	Amount of share capital US$ Company
2015			
Beginning of financial year	**335,577,825**	**2,053,109**	**15,508,587**
Share consolidation	**67,115,563**	**2,053,109**	**15,508,587**
Issuance of shares to Arranger (Note 4.2)	**50,847,458**	**10,731,216**	**10,731,216**
Issuance of shares for Reverse Acquisition (Note 28)	**584,745,762**	**14,164,554**	**123,408,973**
Issue of placement shares	**86,000,000**	**18,462,994**	**18,462,994**
Share issue expenses	**–**	**(557,471)**	**(557,471)**
Capital distribution	**–**	**–**	**(7,602,702)**
End of financial year	**788,708,783**	**44,854,402**	**159,951,597**
2014			
Beginning and end of financial year	**335,577,825**	**2,053,109**	**15,508,587**

Notes to the Financial Statements

For the financial year ended 31 December 2015

20. Share capital (continued)

On 9 March 2015, the shares in the Company were consolidated on the basis of one share for every five shares held by the shareholders ("Share Consolidation"). The number of consolidated shares to which shareholders are entitled arising from the Share Consolidation were rounded down to the nearest whole consolidated share, and any fractions of Consolidated Shares arising from the Share Consolidation were disregarded.

On 10 March 2015, the Company issued 86,000,000 ordinary shares ("placement shares") at S$0.295 each, for cash. Share issue expenses consist of the underwriting fee for these placement shares.

In conjunction with the completion of the Reverse Acquisition on 10 March 2015, the Company announced on 24 March 2015, the Selective Capital Reduction Exercise which involved the distribution of capital of S$10,447,195 (equivalent to US$7,602,702) representing approximately S$0.16 for each share held before the completion of the Reverse Acquisition, in cash. The Selective Capital Reduction Exercise did not result in any change in the number of shares of the Company.

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

21 Accumulated losses

Movement in accumulated losses for the Company is as follows:

	Company	
	15 months period ended 31 December 2015 US$	**Financial year ended 30 September 2014 US$**
Beginning of period/financial year	**(10,466,109)**	(9,864,639)
Net loss	**(10,271,075)**	(601,470)
End of period/financial year	**(20,737,184)**	(10,466,109)

22. Capital reserve

In 2012, BlackGold Energy Limited issued 330 ordinary shares for a total consideration of $1,000,330 for cash to provide funds for the expansion of the Group's operation. The newly issued shares rank pari passu in all respected with the previously issued shares. The difference between cash consideration received and the nominal value of share capital was recorded in capital reserve. The capital reserve was transferred to share capital in 2015.

23. General reserve

The Limited Liability Company Law of the Republic of Indonesia No. 40/2007, introduced in August 2007, requires the established of a general reserve from net profits amounting to at least 20% of a company's issued and paid up capital. There is no set period of time over which this reserve should be established. As at 31 December 2015, the Group has not yet established a general reserve, as it has accumulated losses rather than profits.

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For the financial year ended 31 December 2015

24. Commitments

Operating lease commitments - where the Group is a lessee

The Group leases offices from non-related parties under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The future minimum lease payables under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are as follows:

	Group	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)
Not later than one year	**140,115**	115,039
Between one and five years	**66,530**	–
	206,645	115,039

25. Financial risk management

Financial risk factors

The Group's activities expose it to currency risk, liquidity risk and capital risk. The management is responsible for setting the objectives and underlying principles of financial risk management for the Group.

(a) Market risk

(i) Currency risk

The Group operates in Singapore and Indonesia. Entities in the Group regularly transact in currencies other than their respective functional currencies ("foreign currencies").

Currency risk arises within entities in the Group when transactions are denominated in foreign currencies.

The Group's currency exposure based on the information provided to key management is as follows:

	SGD US$	**USD US$**	**IDR US$**	**Total US$**
At 31 December 2015				
Financial assets				
Cash and cash equivalents	2,056,170	7,073	459,535	2,522,778
Restricted cash	–	–	185,932	185,932
Inter-group receivables	14,068,762	795,000	3,491,113	18,354,875
Other receivables	42,609	–	43,257	85,866
	16,167,541	802,073	4,179,837	21,149,451

Notes to the Financial Statements

For the financial year ended 31 December 2015

25. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) *Currency risk* (continued)

	SGD US$	USD US$	IDR US$	Total US$
Financial liabilities				
Other payables	(35,971)	(7,787)	(216,380)	(260,138)
Accrued expenses	(236,436)	(365,198)	(557,035)	(1,158,669)
Finance lease liabilities	(6,626)	–	–	(6,626)
Inter-group payables	(14,068,762)	(795,000)	(3,491,113)	(18,354,875)
Loans from shareholders	–	(3,511,376)	–	(3,511,376)
	(14,347,795)	(4,679,361)	(4,264,528)	(23,291,684)
Net financial assets / (liabilities)	1,819,746	(3,877,288)	(84,691)	(2,142,233)
Currency exposure of financial liabilities, net of those denominated in the respective entities' functional currencies	(13,726,055)	(2,624,102)	(917,715)	(17,267,872)
At 31 December 2014 (Unaudited)				
Financial assets				
Cash and cash equivalents	13,416	6,134	24,789	44,339
Restricted cash	–	–	206,756	206,756
Inter-group receivables	705,000	295,000	289,647	1,289,647
Other receivables	–	–	402	402
	718,416	301,134	521,594	1,541,144
Financial liabilities				
Other payables	(484)	(34,048)	(117,738)	(152,270)
Accrued expenses	(48,037)	(270,887)	(321,814)	(640,738)
Finance lease liabilities	(9,470)	–	–	(9,470)
Inter-group payables	(705,000)	(295,000)	(289,647)	(1,289,647)
Loans from shareholders	–	(2,984,032)	–	(2,984,032)
	(762,991)	(3,583,967)	(729,199)	(5,076,157)
Net financial liabilities	(44,575)	(3,282,833)	(207,605)	(3,535,013)
Currency exposure of financial (liabilities)/assets, net of those denominated in the respective entities' functional currencies	128,185	(2,937,764)	(129,792)	(2,939,371)

Notes to the Financial Statements

For the financial year ended 31 December 2015

25. Financial risk management (continued)

Financial risk factors (continued)

(a) Market risk (continued)

(i) Currency risk (continued)

If the SGD, USD and IDR changes against the respective functional currencies by 5% (2014: 5%) and 5% (2014: 5%) respectively with all other variables including tax rate being held constant, the effects arising from the net financial liability/asset position will be as follows:

	Increase/(Decrease)	
	2015	2014
	Loss after tax	Loss after tax
	US$	US$ (Unaudited)
Group		
SGD		
- Strengthened	**569,631**	(5,320)
- Weakened	**(569,631)**	5,320
USD		
- Strengthened	**108,900**	121,917
- Weakened	**(108,900)**	(121,917)
IDR		
- Strengthened	**38,085**	(5,386)
- Weakened	**(38,085)**	5,386

The Company does not have significant currency exposure as its financial assets and financial liabilities are primarily denominated in its functional currency.

(ii) Price risk

The Group and Company have insignificant exposure to equity risk because it does not hold any financial assets which are classified as financial assets at fair value through profit or loss.

(iii) Interest rate risk

The Group and Company have insignificant exposure to interest rate risk because there are no interest-bearing borrowings as at 31 December 2015 and 2014 and 30 September 2014.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. For other receivables, the Group adopts the policy of dealing only with customers with appropriate credit history.

The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial instruments presented on the balance sheet. The Group's major classes of financial assets are bank deposits and trade and other receivables.

Notes to the Financial Statements

For the financial year ended 31 December 2015

25. Financial risk management (continued)

Financial risk factors (continued)

(b) Credit risk (continued)

(i) *Financial assets that are neither past due nor impaired*

Bank deposits that are neither past due nor impaired are mainly deposits with banks with high credit-ratings assigned by international credit-rating agencies. Other receivables that are neither past due nor impaired are substantially companies with a good collection track record with the Group.

(ii) *Financial assets that are past due and/or impaired*

There is no other class of financial assets that is past due and/or impaired.

(c) Liquidity risk

The table below analyses non-derivative financial liabilities of the Group and the Company into relevant maturity groupings based on the remaining period from the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	Less than 1 year US$	Between 1 and 2 years US$	Between 2 and 5 years US$	Over 5 years US$
Group				
At 31 December 2015				
Other payables	260,138	–	–	–
Accrued operating expenses	1,158,669	–	–	–
Finance lease liabilities	2,689	2,689	1,792	–
Loans from shareholders	3,511,376	–	–	–
At 31 December 2014				
(Unaudited)				
Other payables	152,270	–	–	–
Accrued operating expenses	640,738	–	–	–
Finance lease liabilities	2,875	2,875	4,791	–
Loans from shareholders	–	2,984,032	–	–
Company				
At 31 December 2015				
Other payables	–	–	–	–
Accrued operating expenses	148,696	–	–	–
Finance lease liabilities	–	–	–	–
Loans from shareholders	–	–	–	–
At 30 September 2014				
Other payables	8,278,887	–	–	–
Accrued operating expenses	112,801	–	–	–
Finance lease liabilities	–	–	–	–
Loans from shareholders	–	–	–	–

Notes to the Financial Statements

For the financial year ended 31 December 2015

25. Financial risk management (continued)

Financial risk factors (continued)

(d) Capital risk

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value.

The Board of Directors monitors its capital based on net debt and total capital. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as loans from shareholders plus other payables and finance lease liabilities less cash and cash equivalents. Total capital is calculated as total equity plus net debt.

	Group		Company	
	31 December 2015 US$	31 December 2014 US$ (Unaudited)	31 December 2015 US$	30 September 2014 US$
Net debt	**2,414,031**	3,742,171	**(1,629,190)**	(1,045,948)
Total equity	**13,088,817**	334,687	**138,753,357**	5,042,478
Total capital	**15,502,848**	4,076,858	**137,124,167**	3,996,530
Gearing ratio	**16%**	92%	**–[a]**	(26%)

The Group and the Company are in compliance with all externally imposed capital requirements for the financial years ended 31 December 2015 and 2014 and 30 September 2014.

[a] Not material

26. Related party transactions

(a) In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and a related party at terms agreed between the parties:

	Group	
	2015 US$	2014 US$ (Unaudited)
Professional services rendered by a related party	**57,869**	–

(b) Key management personnel compensation

Key management personnel compensation is as follows:

	Group	
	2015 US$	2014 US$ (Unaudited)
Wages and bonuses	**689,465**	49,678
Employer's contribution to defined contribution plans, including Central Provident Fund	**6,493**	–
	695,958	49,678

Notes to the Financial Statements

For the financial year ended 31 December 2015

27. Segment information

Management has determined the operating segments based on the reports reviewed by the management that are used to make strategic decisions.

The management considers that the entire Group's operations constitute a single segment which is the exploration and mining of coal in Indonesia. The mining concessions in Indonesia are held by investment holding companies incorporated in Singapore and Hong Kong. The management assesses the performance of the Group's operations based on the profit before income, total assets and total liabilities which are measured in a manner consistent with that of the financial statements.

28. Reverse acquisition

As disclosed in Note 2, the BlackGold Group is regarded as the accounting acquirer, and the Company (being the legal parent in the transaction) is regarded as the accounting acquiree of the Reverse Acquisition. The BlackGold Group is deemed to have issued equity shares as purchase consideration for the assets and liabilities of the Company using the accounting principles in FRS 102 *Share-based Payment,* as the Company's operations did not constitute a business under FRS 103 *Business Combinations*.

In the consolidated financial statements, the acquisition was measured at US$14,164,554, which was the fair value of the entire issued equity of the Company just prior to the completion of the Reverse Acquisition on 10 March 2015. In the Company's separate financial statements, the acquisition was measured at US$123,408,973, which was the value of the shares issued by the Company based on the market price of the shares as at the acquisition date.

The identifiable assets of NH Ceramics Ltd were as follows:

	US$
Cash and cash equivalents	**8,786,831**
Other receivables	**21,323**
Total assets	**8,808,154**
Less: Cash distribution pursuant to Selected Capital Reduction Exercise (Note 20)	**(7,602,702)**
Total identifiable net assets	**1,205,452**
Acquisition costs arising from reverse acquisition	**12,959,102**

The difference between the purchase consideration and identifiable assets of the Company, amounting to US$12,959,102, were recognised in the Consolidated Statement of Comprehensive Income as acquisition costs arising from the Reverse Acquisition in accordance with FRS 102.

The Group also recognised US$10,731,216 in the Consolidated Statement of Comprehensive Income as the cost of 50,847,458 shares issued to the Arranger of the Reverse Acquisition. Further details of the arrangement are disclosed in Note 4.2.

Notes to the Financial Statements

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29. Events occurring after balance sheet date

On 21 April 2016 the Company announced that its subsidiary, PT Samantaka Batubara, has commenced production of coal as scheduled in March 2016 and entered into a coal sales contract with a Riau state-owned enterprise for the delivery of an initial 26,000 tonnes of coal.

30. Significant laws and regulations that may have an impact on the Group

a. Ministerial Regulation No. 34/2009

In December 2009, the Minister of Energy and Mineral Resources issued Ministerial Regulation No. 34/2009, which provides a legal framework requiring mining companies to sell a portion of their output to domestic customers ("DMO").

On 27 April 2015, the Directorate General of Mineral and Coal issued Regulation No. 2805/30/DJB/2015 regarding the DMO implementation for year 2015 which revoked the DMO requirement which was announced previously in 2014. Directorate General of Mineral and Coal has announced that there are no DMO obligation in 2015 as the quota for 2015 domestic sales has been achieved.

b. Ministerial Regulation No. 27/2013

On 13 September 2013, the Minister of Energy and Mineral Resources issued Ministerial Regulation No. 27/2013 on the Procedures and Determination of Divestment Price as well as Changes in Capital Investment in Mineral and Coal Mining Businesses. Based on this regulation, the provision which governs the changes in capital investment consists of (a) changes in investment and financing sources, (b) changes in company status from foreign investment to domestic investment or vice versa, (c) changes in Article of Association, (d) changes in the Board of Directors and Commissioners and (e) changes in shareholders composition.

c. Government Regulation No. 78/2010

On 20 December 2010, the Government of Indonesia released an implementing regulation for Mining Law No. 4/2009, i.e. Government Regulation No. 78/2010 ("GR No. 78") that deals with reclamation and post-mining activities for both IUP-Exploration and IUP-Production Operation holders. This regulation updates Ministerial Regulation No. 18/2008 issued by the Minister of Energy and Mineral Resources on 29 May 2008.

An IUP-Exploration holder, among other requirements, must include a reclamation plan in its exploration work plan and budget and provide a reclamation guarantee in the form of a time deposit placed at a state-owned bank.

The requirement to provide reclamation and post-mine guarantees does not release the IUP holder from the requirement to perform reclamation and post-mine activities.

In 2014, the Ministry of Energy and Mineral Resources released implementing regulation No. 7/2014 on reclamation and post-mining activities for mineral and coal mining companies which further regulates aspects of the reclamation plan, consideration of future value from the post-mining costs and accounting reserve determination.

As at the date of these financial statements, the Group has placed time deposit as its reclamation guarantee.

Notes to the Financial Statements

For the financial year ended 31 December 2015

30. Significant laws and regulations that may have an impact on the Group (continued)

d. Government Regulation No. 9/2012

On 6 January 2012, the Government of Indonesia released a regulation for non-tax state revenue GR No. 9/2012 which replaced previous regulation GR No. 45/2003. This regulation provides clarification for obligation fees on metal mineral and coal commodities business which previously has not been set in GR No. 45/2003. In addition, it also provides guidelines on other fixed fees related to metal mineral and coal mines activities and other fees which are not related to commodities such as compensation for information related to IUP and IUPK exploration areas, replacement costs for closed coal mines and portion of the Government's share (4%) from IUPK-Production Operation holders based on its net income. The Group has accrued its dead rent obligation as at 31 December 2015 and 2014.

e. Government Regulation No. 33/2014

Based on Government Regulation No. 33 of 2014, all companies which have activities in production and protected forest areas but not related to forestry activity will have an obligation to pay a forestry fee ranging from Rp1,600,000 to Rp4,000,000 per hectare. The Group has recognised this fee on an accrual basis.

f. Minister of Energy and Mineral Resources Regulation No. 9/2016

On 4 April 2016, the Minister of Energy and Mineral Resources ("MEMR") issued a new regulation on coal pricing and mine mouth power projects, Regulation No. 9 of 2016 on the Procedures for the Supply and Determination of Coal Price for Mine Mouth Power Plants ("Reg 9"). Reg 9 replaces the previous MEMR regulation No. 10 of 2014 on the same matter ("Reg 10").

As with Reg 10, the new Reg 9 provides for the pricing of coal from mines to a mine mouth power plant to be on a cost-plus basis, but the key change introduced under Reg 9 is to allow the "plus" to be set within the rate of 15% to 25%, instead of the previously fixed margin of 25%. The Group has assessed that any reasonable possible change to the margin is not likely to cause the recoverable amounts of exploration and evaluation expenditure and prepayments to be below the respective carrying amounts.

g. Environmental Law No. 32/2009

On 3 October 2009, Law No. 32 of 2009 on Protection and Management of Environment ("Environmental Law 32") replaced Law No. 23 of 1997 on Environmental Management. Under Indonesian environmental regulations, remedial and preventative measures and sanctions (such as the obligation to rehabilitate tailings areas, the imposition of substantial criminal penalties and fines and the cancellation of approvals) may be imposed to remedy or prevent pollution caused by operations. A monetary penalty may be imposed in lieu of performance of an obligation to rehabilitate damaged areas. Environmental Law 32 also requires licensing of all waste disposals, storage and handling. Waste disposal may only be conducted in specified locations determined by the Minister of Environmental Affairs.

As at the date of these financial statements, nothing has come to the Group's attention that would deem them in violation of the regulations.

Notes to the Financial Statements

For the financial year ended 31 December 2015

31. New or revised accounting standards and interpretations

Below are the mandatory standards, amendments and interpretations to existing standards that have been published, and are relevant for the Group's accounting periods beginning on or after 1 January 2016 and which the Group has not early adopted:

- FRS 16 *Property plant and equipment* and FRS 38 *Intangible assets* (effective for annual periods beginning on or after 1 January 2016)

  This amendment clarifies that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. This has also clarified that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. The presumption may only be rebutted in certain limited circumstances. These are where the intangible asset is expressed as a measure of revenue; or where it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

  This amendment is not expected to have any significant impact on the financial statements of the Group.

- FRS 111 *Joint Arrangements* (effective for annual periods beginning on or after 1 January 2016)

  This amendment provides new guidance on how to account for the acquisition of an interest in a joint venture operation that constitutes a business. The amendments require an investor to apply the principles of business combination accounting when it acquires an interest in a joint operation that constitutes a 'business'. The amendments are applicable to both the acquisition of the initial interest in a joint operation and the acquisition of additional interest in the same joint operation. However, a previously held interest is not re-measured when the acquisition of an additional interest in the same joint operation results in retaining joint control.

  This amendment is not expected to have any significant impact on the financial statements of the Group.

- FRS 110 *Consolidated financial statements* and FRS 28 *Investments in associates and joint ventures* (effective for annual periods beginning on or after 1 January 2016)

  These amendments address an inconsistency between FRS 110 and FRS 28 in the sale or contribution of assets between an investor and its associate or joint venture. A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.

  This amendment is not expected to have any significant impact on the financial statements of the Group.

- FRS 1 *Presentation of financial statements* (effective for annual periods beginning on or after 1 January 2016)

  The amendment clarifies guidance in FRS 1 on materiality and aggregation, the presentation of subtotals, the structure of financial statements and the disclosure of accounting policies.

  This amendment is not expected to have any significant impact on the financial statements of the Group.

Notes to the Financial Statements

For the financial year ended 31 December 2015

31. New or revised accounting standards and interpretations (continued)

- FRS 115 *Revenue from contracts with customers* (effective for annual periods beginning on or after 1 January 2017)

  This is the converged standard on revenue recognition. It replaces FRS 11 Construction contracts, FRS 18 Revenue, and related interpretations. Revenue is recognised when a customer obtains control of a good or service. A customer obtains control when it has the ability to direct the use of and obtain the benefits from the good or service. The core principle of FRS 115 is that an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity recognises revenue in accordance with that core principle by applying the following steps:

  - Step 1: Identify the contract(s) with a customer
  - Step 2: Identify the performance obligations in the contract
  - Step 3: Determine the transaction price
  - Step 4: Allocate the transaction price to the performance obligations in the contract
  - Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

  FRS 115 also includes a cohesive set of disclosure requirements that will result in an entity providing users of financial statements with comprehensive information about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

  This amendment is not expected to have any significant impact on the financial statements of the Group.

- FRS 109 *Financial instruments* (effective for annual periods beginning on or after 1 January 2018)

  The complete version of FRS 109 replaces most of the guidance in FRS 39. FRS 109 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through Other Comprehensive Income (OCI) and fair value through Profit or Loss. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI. There is now a new expected credit losses model that replaces the incurred loss impairment model used in FRS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value, through profit or loss. FRS 109 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually uses for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under FRS 39.

  This amendment is not expected to have any significant impact on the financial statements of the Group.

32. Authorisation of financial statements

These financial statements were authorised for issue in accordance with a resolution of the Board of Directors of BlackGold Natural Resources Limited on 8 August 2016.

Statistics of Shareholdings

As at 29 July 2016

Number of Issued Shares	:	788,708,783
Number of treasury shares	:	NIL
Class of shares	:	Ordinary
Voting rights	:	One vote per ordinary share

Shareholdings Held in Hands of Public

As at 29 July 2016, approximately 20.88% of the issued ordinary shares of the Company is held by the public and therefore, Rule 723 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited has been complied with.

ANALYSIS OF SHAREHOLDINGS

Range of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	3	0.41	32	0.00
100 – 1,000	343	46.54	112,979	0.01
1,001 – 10,000	178	24.15	910,000	0.12
10,001 – 1,000,000	193	26.19	18,778,169	2.38
1,000,001 and above	20	2.71	768,907,603	97.49
	737	100.00	788,708,783	100.00

The Company does not have any Treasury Shares.

TOP 20 SHAREHOLDERS

No.	Name of shareholders	No. of Shares	%
1	UOB KAY HIAN PTE LTD	652,996,220	82.79
2	YAO HSIAO TUNG	21,800,000	2.77
3	SOH SAI KIANG	20,200,000	2.56
4	DBS NOMINEES PTE LTD	15,566,400	1.97
5	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	12,000,000	1.52
6	NCL HOUSING PTE LTD	8,500,000	1.08
7	NG TIAN CHIONG	6,440,000	0.82
8	RAFFLES NOMINEES (PTE) LTD	5,815,100	0.74
9	DEMIERRE PASCAL GUY CHUNG WEI	5,400,000	0.69
10	GOH MOH CHYE RICKY PAUL	3,000,038	0.38
11	CHIA HONG LIANG VENANTIUS	2,006,000	0.25
12	MARTINA HO NGIET MEE	2,000,232	0.25
13	NH INVESTMENTS PTE LTD	2,000,000	0.25
14	NG KIA JIN	1,995,100	0.25
15	TAY KIAM PENG	1,905,633	0.24
16	LIM EARN SIAN	1,886,200	0.24
17	MAYBANK KIM ENG SECURITIES PTE LTD	1,572,099	0.20
18	TAY HUI HIA	1,354,381	0.17
19	LIN GUAN YU @ JERRY LUM	1,335,800	0.17
20	YAP SENG TECK	1,134,400	0.15
		768,907,603	97.49

Statistics of Shareholdings

As at 29 July 2016

SUBSTANTIAL SHAREHOLDERS

(as shown in the register of substantial shareholders)

		Direct Interest		Deemed Interest	
	Name of Substantial Shareholders	No. of Shares	%	No. of Shares	%
1.	Twin Gold Ventures S.A.	294,170,960	37.30	–	–
2.	Stefanus Rijanto Kotjo[1]	–	–	294,170,960	37.30
3.	Sujono Hadi Sudarno[1]	–	–	294,170,960	37.30
4.	Rockfield Lake Limited	150,386,197	19.07	–	-
5.	Lerman Ambarita[2]	–	–	150,386,197	19.07
6.	Novel Creation Holdings Limited	82,162,556	10.42	–	–
7.	Sudiarso Prasetio[3]	–	–	82,162,556	10.42
8.	UOB Kay Hian Private Limited	46,328,358	5.87	–	–
9.	UOB-Kay Hian Holdings Limited[4]	–	–	46,328,358	5.87
10.	United Overseas Bank Limited[5]	–	–	46,328,358	5.87

Notes:

1. Twin Gold Ventures is jointly held by Stefanus Rijanto Kotjo (50.0%) and Sujono Hadi Sudamo (50.0%). Stefanus Rijanto Kotjo and Sujono Hadi Sudarno are both deemed interested in 294,170,960 Shares held by Twin Gold Ventures
2. Lerman Ambarita is deemed interested in 150,386,197 Shares held by Rockfield Lake
3. Sudiarso Prasetio is deemed interested in 82,162,556 Shares held by Novel Creation
4. UOB Kay Hian Private Limited is a wholly-owned subsidiary of UOB-Kay Hian Holdings Limited. Accordingly, UOB-Kay Hian Holdings Limited is deemed interested in the 46,328,358 shares held by UOB Kay Hian Private Limited
5. UOB-Kay Hian Holdings Limited is a 40% owned associate company of United Overseas Bank Limited. Accordingly, United Overseas Bank Limited is deemed interested in the 46,328,358 shares held by UOB Kay Hian Private Limited

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of BLACKGOLD NATURAL RESOURCES LIMITED (the "**Company**") will be held at NUSS Kent Ridge Guild House, 9 Kent Ridge Drive, Singapore 119241, on Monday, 29 August 2016 at 9.00 a.m., for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2015, the Directors' Statement and the Independent Auditors Report thereon. **(Resolution 1)**

2. To re-elect the following Directors of the Company retiring pursuant to the Constitution of the Company and who, being eligible, offer themselves for re-election, as a Director of the Company:

(a)	Mr Bala Chandran	(Retiring under Article 94)	**(Resolution 2)**
(b)	Mr James Rijanto	(Retiring under Article 94)	**(Resolution 3)**
(c)	Mr Bangun Madong Parulian Samosir	(Retiring under Article 94)	**(Resolution 4)**

[See Explanatory Note I]

3. To approve Directors' fees of up to S$368,140 for the financial year ended 31 December 2015 ("**FY2015**") **(Resolution 5)**

4. To approve Directors' fees of up to S$487,500 for the financial year ending 31 December 2016 ("**FY2016**") to be payable quarterly in arrears. **(Resolution 6)**

5. To re-appoint Messrs PricewaterhouseCoopers LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

6. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

7. Authority to allot and issue shares and convertible securities.

That, pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

(A) (i) issue shares in the capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

(ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares; and/or

(iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalization issues, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

Notice of Annual General Meeting

(B) (notwithstanding the authority conferred by this Resolution may have ceased to be in force at the time the Shares are to be issued) issue Shares in pursuance of any Instruments made or granted by the Directors while this Resolution was in force, provided that:

(i) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 100% of the total number of issued Shares excluding treasury shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), and provided further that where shareholders of the Company ("**Shareholders**") are not given the opportunity to participate in the same on a pro-rata basis, then the aggregate number of Shares to be issued under such circumstances (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares excluding treasury shares in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);

(ii) (subject to such manner of calculation and adjustment as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares and Instruments that may be issued under sub-paragraph (i) above, the percentage of the aggregate number of Shares and Instruments shall be based on the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, after adjusting for:

(a) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;

(b) (where applicable) new Shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the provisions of the Listing Manual Section B: Rules of Catalist of the SGX-ST; and

(c) any subsequent bonus issue, consolidation or subdivision of Shares;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the rules, guidelines and measures issued by the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and

(iv) (unless revoked or varied by the Company in general meeting), the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note II] **(Resolution 8)**

8. Authority to grant share options and issue Shares under the BlackGold Employee Share Option Scheme.

That, pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, authority be and is hereby given to the Directors of the Company to grant share options in accordance with the provisions of the BlackGold Employee Share Option Scheme ("**BGG ESOS**") and to issue from time to time such number of Shares in the capital of the Company as may be required to be issued pursuant to the exercise of the share options granted under the BGG ESOS, provided always that the aggregate number of Shares to be issued pursuant to the BGG ESOS, when aggregated together with the Shares issued and/or issuable in respect of all share options granted under the BGG ESOS, and all Shares issued and/or issuable in respect of all share options or share awards granted under any other share schemes or share plans adopted by the Company for the time being, shall not

Notice of Annual General Meeting

exceed 15% of the total number of issued Shares (excluding treasury shares) in the capital of the Company from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

[See Explanatory Note III] **(Resolution 9)**

BY ORDER OF THE BOARD

Prakash P Mulani
Company Secretary

SINGAPORE
12 August 2016

Explanatory Notes:

I. Mr Bala Chandran will, upon re-election as a Director of the Company, remain as Independent Director of the Company and a member of the Remuneration and Nominating Committees. There are no relationships (including immediate family relationships) between Mr Bala Chandran and the other Directors, the Company, its related corporations, and its 10% Shareholders or its officers. The Board considers Mr Bala Chandran to be independent for the purpose of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

Mr James Rijanto will, upon re-election as a Director of the Company, remain as the Executive Director and Chief Investment Officer of the Company. He is the son of Stefanus Rijanto Kotjo, who is a controlling shareholder of the Group. Mr Rijanto also has a deemed interest of 1.77% in the Company. Save for the aforementioned, there are no other relationships (including immediate family relationships) between Mr Rijanto and the other Directors, the Company, its related corporations, and its 10% Shareholders or its officers.

Mr Bangun Madong Parulian Samosir will, upon re-election as a Director of the Company, remain as Independent Director of the Company. There are no relationships (including immediate family relationships) between Mr Bangun Madong Parulian Samosir and the other Directors, the Company, its related corporations, and its 10% Shareholders or its officers. The Board considers Mr Bangun Madong Parulian Samosir to be independent for the purpose of Rule 704(7) of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

Further detailed information on the abovementioned Directors who are proposed to be re-appointed at the Annual General Meeting of the Company can be found under the sections entitled "**Board of Directors**", "**Corporate Governance**" and "**Directors' Statement**" of the Company's Annual Report 2015.

II. Resolution 8, if passed, will authorise and empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to issue Shares and to make or grant convertible securities convertible into Shares, and to issue Shares in pursuance of such instruments, up to an amount not exceeding in aggregate 100% of the total number of issued Shares (excluding treasury shares) in the capital of the Company of which the total number of Shares and convertible securities issued other than on a pro-rata basis to existing Shareholders shall not exceed 50% of the total number of issued Shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed, for such purposes as they consider would be in the interests of the Company.

This authority will, unless revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company.

For the purpose of this Resolution, the total number of issued Shares (excluding treasury shares) is based on the Company's total number of issued Shares (excluding treasury shares) at the time this proposed ordinary resolution is passed after adjusting for new Shares arising from the conversion or exercise of convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notice of Annual General Meeting

III. Resolution 9, if passed, will empower the Directors of the Company from the date of the above Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to grant share options under the BGG ESOS and to issue Shares pursuant to the exercise of such share options in accordance with the BGG ESOS.

Notes:

(a) A member (who is not a relevant intermediary) entitled to attend and vote at the Annual General Meeting may appoint not more than two (2) proxies to attend and vote in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholding to be represented by each proxy in the form of proxy. A proxy need not be a member of the Company.

(b) A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend and vote at the Annual General Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her. Where such member's form of proxy appoints more than one (1) proxy, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act, Chapter 50 of Singapore.

(c) If the appointor is a corporation, the instrument appointing the proxy must be executed under seal or the hand of its attorney or duly authorised officer.

(d) The instrument appointing a proxy must be deposited at the Share Registrar's office at M&C Services Pte. Ltd. at 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time appointed for the holding of the Annual General Meeting.

(e) The sending of a form of proxy by a member does not preclude him/her from attending and voting in person at the Annual General Meeting if he/she so wishes. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person and, in such event, the Company reserves the right to refuse to admit any person or persons appointed under the form of proxy to the Annual General Meeting.

(f) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the Annual General Meeting in order for the Depositor to be entitled to attend and vote for the Annual General Meeting.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting ("**AGM**") and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Advisors Private Limited (formerly known as Canaccord Genuity Singapore Pte. Ltd.) (the "Sponsor"), 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 notice.*

This notice has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made, or reports contained in this notice.

The contact person for the Sponsor is Mr Sebastian Jones, Director, SAC Advisors Private Limited at 1 Robinson Road, #21-02 AIA Tower Singapore 048542, telephone (65) 6532 3829.

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BLACKGOLD NATURAL RESOURCES LIMITED
(Company Registration No. 199704544C)
(Incorporated in the Republic of Singapore)

IMPORTANT:
1. For investors who have used their CPF monies to buy shares of BLACKGOLD NATURAL RESOURCES LIMITED, this report is forwarded to them at the request of their CPF Approved Nominees and is solely FOR INFORMATION ONLY.
2. The Proxy Form is, therefore, not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

PROXY FORM

ANNUAL GENERAL MEETING

I/We ______________________________ *(Name)* ______________________________

(NRIC/Passport No.) of ______________________________ *(Address)*
being a member/members of BLACKGOLD NATURAL RESOURCES LIMITED (the "Company") hereby appoint:

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings (%)

as *my/our *proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at NUSS Kent Ridge Guild House, 9 Kent Ridge Drive, Singapore 119241, on Monday, 29 August 2016 at 9 a.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the *proxy/proxies will vote or abstain from voting at *his/her discretion.

No.	Resolutions	For**	Against**
	Ordinary Business		
1	To receive and adopt the Audited Financial Statements of the Company and the Group for the financial year ended 31 December 2015, the Directors' Statement and the Independent Auditors Report thereon.		
2	To re-elect Mr Bala Chandran, a Director retiring under Article 94 of the Constitution of the Company.		
3	To re-elect Mr James Rijanto, a Director retiring under Article 94 of the Constitution of the Company.		
4	To re-elect Mr Bangun Madong Parulian Samosir, a Director retiring under Article 94 of the Constitution of the Company.		
5	To approve Directors' fees of up to S$368,140 for the financial year ended 31 December 2015 ("**FY2015**").		
6	To approve Directors' fees of up to S$487,500 for the financial year ending 31 December 2016 ("**FY2016**") to be payable quarterly in arrears.		
7	To re-appoint Messrs PricewaterhouseCoopers LLP as the Auditors of the Company and to authorise the Directors to fix their remuneration.		
	Special Business		
8	Authority to allot and issue Shares and convertible securities.		
9	Authority to grant share options and issue Shares under the BlackGold Employee Share Option Scheme.		

All resolutions would be put to vote by poll in accordance with the listing rules of the Singapore Exchange Securities Trading Limited.

* *Please indicate your vote "For" or "Against" with a "√" within the box provided.*
** *If you wish to exercise all your votes "For" or "Against", please indicate with a "√" within the box provided. Alternatively, please indicate the number of votes as appropriate.*

Dated this __________ day of ________________ 2016

Total no. of Shares in	No. of Shares
(a) Depository Register	
(b) Register of Members	

____
Signature(s) of Member(s)/ Common Seal of Corporate Member(s)

* Delete where inapplicable

IMPORTANT: PLEASE READ NOTES FOR PROXY FORM OVERLEAF

NOTES FOR PROXY FORM

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If the number of Shares is not inserted, the instrument appointing a proxy or proxies will be deemed to relate to the entire number of Shares in the Company registered in your name(s).

2. A member who is not a relevant intermediary may appoint not more than two (2) proxies to attend, speak and vote at the same general meeting. In any case where instrument appointing a proxy or proxies appoints more than one (1) proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument appointing a proxy or proxies.

3. Pursuant to Section 181(6) of the Companies Act, Chapter 50 of Singapore, a member who is a relevant intermediary may appoint more than two (2) proxies in relation to a meeting to exercise all or any of the member's rights to attend and to speak and vote at the Meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by the member (which number and class of Shares shall be specified). In such an event, the relevant intermediary shall submit a list of its proxies together with the information required in this proxy form to the Company.

4. A proxy need not be a member of the Company.

5. An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his/her vote(s) at the Annual General Meeting in person. CPF and SRS Investors who are unable to attend the Annual General Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Annual General Meeting.

6. Completion and return of the instrument appointing a proxy or proxies shall not preclude a member from attending and voting at the Annual General Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument appointing a proxy or proxies to the Annual General Meeting.

7. The instrument appointing a proxy or proxies must be deposited at the Share Registrar's office at M&C Services Pte. Ltd. at 112 Robinson Road #05-01, Singapore 068902, not less than 48 hours before the time appointed for the holding of the Annual General Meeting.

8. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of an attorney or duly authorised officer. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument appointing a proxy or proxies, failing which the instrument of proxy may be treated as invalid.

9. A corporation, which is a member of the Company may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting, in accordance with the Constitution of the Company and Section 179 of the Companies Act, Chapter 50 of Singapore.

10. The Company shall be entitled to reject an instrument appointing a proxy or proxies which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument appointing a proxy or proxies if the member, being the appointor, is not shown to have Shares entered against his/her name in the Depository Register as at 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

11. A Depositor shall not be regarded as a member of the Company entitled to attend the Annual General Meeting and to speak and vote thereat unless his/her name appears on the Depository Register as at 72 hours before the time set for the Annual General Meeting.

12. Personal data privacy: by submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of the Annual General Meeting dated 12 August 2016.

Corporate Information

Board Of Directors

Intekhab Khan
*Independent Non-Executive Chairman**

Philip Cecil Rickard
Chief Executive Officer and Executive Director

James Rijanto
Executive Director

Nandakumar Ponniya
Lead Independent Director

Gerald Lim Thien Su
Independent Director

Bala Chandran
Independent Director

Bangun Madong Parulian Samosir
Independent Director

Company Secretary

Prakash P Mulani

Audit Committee

Gerald Lim Thien Su *Chairman*
Nandakumar Ponniya
Intekhab Khan

Nominating Committee

Nandakumar Ponniya *Chairman*
Bala Chandran
Intekhab Khan

Remuneration Committee

Nandakumar Ponniya *Chairman*
Bala Chandran
Intekhab Khan

Registered Office

7 Temasek Boulevard #06-02A
Suntec City Tower 1
Singapore 038987
Tel: (65) 6884 4418
Fax: (65) 6884 4406
Website: http://www.blackgold-group.com

Share Registrar

M&C Services Pte Ltd
112 Robinson Road #05-01
Singapore 068902

Auditors

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
8 Cross Street
#17-00 PWC Building
Singapore 048424

Audit Partner-In-Charge

Tham Tuck Seng
(appointed since the financial year ended 31 December 2015)

Principal Bankers

DBS Bank Ltd
12 Marina Boulevard
DBS Asia Central
Marina Bay Financial Centre
Tower 3
Singapore 018982

* *Note: Mr Intekhab Khan was re-designated from Non-Executive Chairman to Independent Non-Executive Chairman with effect from 28 March 2016*

BLACKGOLD
Natural Resources Limited

Co. Reg. No. 199704544C
7 Temasek Boulevard, #06-02A
Suntec City Tower 1
Singapore 038987

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