

## **BLACKGOLD NATURAL RESOURCES LIMITED**

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

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### **RESPONSES TO SGX-ST QUERIES**

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The Board of Directors (the “**Board**” or “**Directors**”) of BlackGold Natural Resources Limited (the “**Company**” or “**BlackGold**” and, together with its subsidiaries, the “**Group**”) refers to its announcements dated 16 October 2019 in relation to the cessation of the Executive Chairman and CEO, the appointment of CEO-Designate and the reconstitution of the Board of Directors and changes to the composition of the Board Committees (the “**Announcements**”).

Further to the Announcements, the Company wishes to announce the queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), and the Company’s responses to the said queries. The queries from the SGX-ST and the Company’s responses are as follows:

#### **SGX Query 1:**

**The cessation announcement of Mr Rickard states that he is stepping down following changes to the Group’s business strategy and direction subsequent to the expiry of the Heads of Agreement for the coal-fired power plant project. What are the ‘changes to the Group’s business strategy and direction?’**

#### **Company’s Response to Query 1:**

Subsequent to the expiry of the heads of agreement (“**HOA**”) in relation to the development and management of a coal-fired power plant in Riau province, Sumatra, Indonesia (the “**Project**”), which was announced by the Company on 16 September 2018, the Company is now focusing solely on its principal coal mining business and is pursuing new coal contracts with new customers both offshore and onshore. It is a priority for the Board and Management to ensure that the Group returns to profitability. In this regard, the Company is also looking at ways to streamline its operations to reduce the expenses incurred for coal production activities in order to maximise profitability of the Group.

#### **SGX Query 2:**

**There have been several changes to the Board members since July 2019. With Mr Rickard retiring as Executive Chairman and CEO now, how does the Company ensure continuity and proper handing over to the new Board members?**

#### **Company’s Response to Query 2:**

- (i) Following Mr Philip Cecil Rickard’s (“**Mr Rickard**”) cessation at the completion of the upcoming annual general meeting (“**AGM**”), Mr Rickard shall assume the

role of consultant to assist Mr Andreas Rinaldi (“**Mr Rinaldi**”), the CEO-designate in familiarising with the roles and responsibilities of a Chief Executive Officer (“**CEO**”) and an Executive Director of the Board. Mr Rickard will also be available to the other board members and the key executive officers where required, to ensure continuity and proper handing over.

(ii) Having been an Executive Director of the Company’s Indonesian subsidiaries, PT Samantaka Batubara, PT Ausindo Prima Andalas and PT Ausindo Andalas Mandiri from 2005 to present, Mr Rinaldi is familiar with the day-to-day of the Group’s Indonesian operations. Mr Rinaldi’s roles and responsibilities as an Executive Director of the Company’s Indonesian subsidiaries, includes amongst others:

- Responsible for effective management of the company’s business and overseeing and implementing growth plans
- Ensure that the company’s coal mine will be in operation to the highest industry standards
- Responsible for prospect generation, new business, and operations which includes sourcing new customers and buyers
- Counsel and monitor the performance of executive officers and key management of the company

In addition, Mr Rickard has commenced the handover of his duties to Mr Rinaldi to allow him sufficient time to familiarise himself with the roles and responsibilities of a CEO and Executive Director.

(iii) A member of the Board, Mr Bangun Madong Parulian Samosir (“**Mr Samosir**”) has been an Independent Director of the Company from March 2015 to present. Mr Samosir’s familiarity with the Group’s operations will also help in ensuring continuity.

### **SGX Query 3:**

**What are the plans and directions of the Company going forward?**

### **Company’s Response to Query 3:**

Please see response to Query 1 above.

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

Philip Cecil Rickard  
Executive Chairman and Chief Executive Officer

21 October 2019

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*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.*

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