

BLACKGOLD NATURAL RESOURCES LIMITED

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

LETTER OF INTENT RECEIVED IN RELATION TO A PROPOSED STRATEGIC COLLABORATION AND ACQUISITION OF THE COMPANY

1. INTRODUCTION

The Board of Directors (the “**Board**” or “**Directors**”) of BlackGold Natural Resources Limited (the “**Company**” or “**BlackGold**” and, together with its subsidiaries, the “**Group**”) wishes to announce it has received a letter of intent dated 27 June 2020 (“**LOI**”) from S Lad Group (the “**S Lad Group**”) for a proposed strategic collaboration on the Group’s mining assets and an acquisition of the Company (“**Possible Transaction**”).

The LOI is intended to be a basis for further negotiations between the Company and S Lad Group (collectively, the “**Parties**”) and does not constitute any legally binding obligations on the Parties.

2. INFORMATION ON THE S LAD GROUP

The information on the S Lad Group in this paragraph 2 was provided by the S Lad Group, which has been extracted and reproduced herein. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company’s responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

The S Lad Group, led by Shri. Santosh S Lad (Former Minister of Government of Karnataka) is a corporate house in South Indian State of Karnataka. Headquartered in Bangalore, the S Lad group is one of the oldest and largest suppliers of iron ore from the South Indian State of Karnataka. With more than five decades of experience in the mining business, it has diversified the mining business into several units such as the manufacturing of pig iron and various other activities.

The S Lad Group has substantial interest in over 16 diversified companies which are into information technology, real estate, entertainment industry and aviation. The S Lad Group businesses include IT firms, air cargo company, real estate development firms, movie and TV production companies, as well as online entertainment portals.

3. SALIENT TERMS OF THE LOI

The LOI sets out preliminary intention of the S Lad Group with regard to the Possible Transaction and is subject to certain conditions precedent, including but not limited to mutually satisfactory due-diligence to be conducted by the Parties.

Shareholders should note that the Board is still considering the merit and formulating a response with respect to the Possible Transaction, subject to, amongst other, (i) further negotiation on the terms of the Possible Transaction and (ii) mutually satisfactory due diligence to be done by the Parties.

4. FURTHER ANNOUNCEMENTS

The Company shall make such further announcements in relation to the Possible Transaction as and when appropriate. No definitive agreements have been entered into as at the date of this announcement. In view of the non-binding nature of the LOI and that there are certain conditions precedent to be fulfilled, the Company wishes to highlight that there is no certainty or assurance that the Possible Transaction will be proceeded with. As such, shareholders and potential investors are advised to consult their professional advisors if they have any doubt about the actions they should take.

5. INTERESTS OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and their respective associates, and to the best of the Directors' knowledge, none of the controlling shareholders of the Company, as well as their respective associates, has any interest, direct or indirect, in the Possible Transaction other than through their respective shareholdings (if any) in the Company.

6. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution when dealing with the shares of the Company in relation to this announcement.

By Order of the Board

Soh Sai Kiang
Independent Non-Executive Chairman
1 July 2020

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.

The contact person for the Sponsor is Mr David Yeong (Telephone number: +65 6232 3210), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.
