

BLACKGOLD NATURAL RESOURCES LIMITED

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

RESPONSES TO SGX AND SPONSOR'S QUERIES

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 on 16 July 2018, 27 August 2018 and 16 September 2018.

The Company wishes to announce the queries raised by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 23 August 2018. The queries from SGX-ST and the Sponsor's further queries along with the Company's responses are as follows:

Query 1:

Is there an outcome to the Company's negotiations with the Consortium on the Riau-1 Project? Specifically, has the Consortium decided to suspend and/or revoke (formally or informally) the Riau-1 Project or proceed with the said Project?

Company's Response to Query 1:

There has been no outcome on the Riau-1 Project to date.

The Company is also not aware of any definitive decision by the Consortium on whether to suspend/revoke/proceed with the said Project.

Query 2:

Till to date, how much resources have the Company invested into the Riau-1 Project?

Company's Response to Query 2:

The Group has spent approximately SGD 1.6 million on the Riau-1 Project.

The SGD 1.6 million relates to licences, reports, land acquisition and professional fees and is a sunk cost.

Query 3:

If there is no resolution till to date on the Riau-1 Project, please state the Company's interim plans which may include but are not limited to, the following:

- a. Any plans to engage in further negotiations with the other members of the Consortium;***
- b. Any agreed deadline by which time each member of the Consortium must state its decision to proceed, suspend or withdraw from the Riau-1 Project;***
- c. Plans to limit the Company's exposure (financial or otherwise) arising from the delay in executing the Riau-1 Project?***

Company's Response to Query 3:

a – b. The Heads of Agreement (“HOA”) signed between the Consortium members as announced on 18 September 2017 shall expire by 14 September 2018. There are currently no negotiations to renew the HOA.

c. Following the lapse of the HOA as announced on 16 September 2018, the Company does not expect to be expending further resources (financial or otherwise) on the Riau-1 Project. The Company currently does not intend to be looking out for new consortium parties in relation to the Riau-1 Project until PLN and Ministry of Energy and Mineral Resources have come to a decision. As of now, the Company remains keen on the Project and shall be awaiting PLN's decision before formulating any plans.

Query 4:

Should any member of the Consortium withdraw from the Riau-1 Project, what are the plans of the Company and other members of the Consortium? Specifically:

a. Would the other members of the Consortium nevertheless proceed with the Riau-1 Project?

b. How may they propose to proceed with the Riau-1 Project?

c. How may the exit of a member affect the feasibility and/or workability of the Riau-1 Project?

Company's Response to Query 4:

a – b. The Company is not able to comment on behalf of the other members of the Consortium.

c. Each individual member of the Consortium has specifically defined roles. If any of the members were to exit, the remaining members in the Consortium will have to identify new members capable of fulfilling the required roles in the project to ensure its feasibility and/or workability.

Query 5:

What is the status of the criminal investigations in Indonesia?

Company's Response to Query 5:

Based on information available, the Company understands that the following persons have been named suspects in relation to the case:

(i) Ms Eni Maulani Saragih, a member of the Indonesian House of Representatives

(ii) Mr Johannes Budisutrisno Kotjo

(iii) Mr Idrus Marham, former Social Affairs Minister of Indonesia

The Company understands that the investigations in Indonesia are currently ongoing.

The Group, Board of Directors and/or executive is not aware of any relationship or prior dealings with the other two named suspects (being Ms Eni Maulani Saragih and Mr Idrus Marham) to the bribery allegations.

Query 6:

Has the Company been contacted by the authorities to assist with the investigations in Indonesia, in light of Kotjo's alleged involvement? If so, how has the Company assisted the authorities (e.g. provision of information, relevant documents and/or corporate device(s) used by Kotjo)?

Company's Response to Query 6:

Several employees of the Group have been called for interview as witnesses by Komisi Pemberantasan Korupsi ("KPK") to assist with investigations:

(i) Philip Cecil Rickard (Executive Chairman and Chief Executive Officer) on 31 July 2018, 3 September 2018 and 7 September 2018;

(ii) James Rijanto (Chief Investment Officer and Executive Director) on 7 September 2018; and

(iii) Rudy Herlambang (President Director, PT Samantaka Batubara) on 30 July 2018 and 8 August 2018.

Relevant information and documents in relation to the Riau-1 Project have been requested by KPK, which have since been provided by the Group to extend its full co-operation with KPK in their investigations.

Subsequent to the announcement dated 16 September 2018 in relation to witnesses assisting in KPK's investigation, Rudy Herlambang has been called for a further round of interview by KPK as witness to the investigation on 18 September 2018.

Query 7:

In your email dated 1 August 2018, you mentioned "our solicitor's preliminary assessment is that the contents of the specific allegations are extraneous to the BlackGold Group":

a. Was a foreign law expert (i.e. Indonesian law expert) consulted?

b. Has there been a change of legal opinion since?

Company's Response to Query 7:

a. Yes

b. No

By Order of the Board

Philip Cecil Rickard
Executive Chairman and Chief Executive Officer
18 September 2018

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor"), for compliance with the

relevant rules of the Singapore Exchange Securities Trading Limited (the "SGX-ST"). The Sponsor has not independently verified the contents of this announcement.

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

The contact person for the Sponsor is Ms. Tay Sim Yee (Telephone number: +65 6532 3829), at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.
