

BLACKGOLD NATURAL RESOURCES LIMITED

(Company Registration Number: 199704544C)

(Incorporated in the Republic of Singapore)

EXPIRY OF HEADS OF AGREEMENT IN RELATION TO THE RIAU-1 PROJECT

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 28 December 2015, 12 June 2017 and 18 September 2017 in relation to an ongoing cooperation project for the development and management of a 2 x 300 MW coal-fired power plant in Riau province, Sumatra, Indonesia (the “**Riau-1 Project**” or the “**Project**”) and the announcement dated 18 September 2017 (the “**HOA Announcement**”), in relation to the Company and its subsidiary, PT Samantaka Batubara entering into a Heads of Agreement (“**HOA**”) with its other consortium partners for the Riau-1 Project on 15 September 2017.

Referencing paragraph 4(c) of the HOA Announcement, the Company wishes to announce that the HOA had expired on 14 September 2018 as the shareholders’ agreement for the establishment of a joint venture company was not executed within one (1) year from the date of the HOA. Consequently, the letter of intent for the Riau-1 Project awarded to the consortium on 23 January 2018 will no longer be valid.

Following the lapse of the HOA, the Company does not expect to be expending further resources (financial or otherwise) on the Riau-1 Project. Nonetheless, the Company remains keen on the project and will await PLN’s decision on whether to proceed with the Riau-1 Project.

Notwithstanding the expiration of the HOA, existing business operations of the Group will continue unaffected.

Further announcements will be made should there be material updates to the Riau-1 Project.

The expiration of the HOA is not expected to have any material adverse impact on the net tangible assets per share and earning per share of the Company for the financial year ending 31 December 2018.

Shareholders and potential investors of the Company are hereby reminded to exercise caution when dealing in the securities of the Company. In particular, shareholders and potential investors of the Company are reminded that there is no assurance that any business activities or transactions mentioned in this announcement will materialise. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

By Order of the Board

Philip Cecil Rickard
Executive Chairman and Chief Executive Officer
16 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.

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