



21 March 2017

SCHEME UPDATE

On 28 October 2016 Blackgold International Holdings Limited (“**BGG**”) (ASX Code: **BGG**) and Vibrant Group Limited (“**Vibrant**”) entered into a Scheme Implementation Deed (“**SID**”). Under the terms of the SID, BGG agreed to take steps to implement a Scheme of Arrangement (“**Scheme**”), including seeking BGG shareholder approval for the Scheme. If the Scheme is approved by BGG Shareholders, and all conditions to the Scheme as set out in the SID are satisfied or waived, then the Scheme will be implemented and BGG Shareholders (other than Vibrant) will receive 4.5 cents per Scheme Share, all Scheme Shares will be transferred to Vibrant and BGG will become a wholly-owned subsidiary of Vibrant.

On 20 March 2017 BGG released its Financial Report for the year ended 31 October 2016. That Financial Report is dated 17 March 2017 and shows that BGG has recognized an impairment of non-current assets in its Statement of Financial Position (Balance Sheet), including its mine development and its property, plant and equipment.

Vibrant has received that Statement of Financial Position (Balance Sheet) and Vibrant has today confirmed that it wishes to proceed with the Scheme and that it will not treat BGG’s recent impairment of assets as an event to terminate the SID or the Scheme. In this regard, Vibrant has entered into a formal Waiver Deed, stating that Vibrant will, for the purpose of the impairment of assets, waive the condition in the SID that there be no Material Adverse Change in the assets of BGG before the Court hearing to approve the Scheme. The result is that the impairment of assets will not be treated as a Material Adverse Change for the purposes of the SID.

Vibrant and BGG have also today executed a Variation Deed, which varies the SID, to extend the End Date in the SID for fulfilment of the conditions necessary to implement the Scheme, from 28 April 2017 to 31 July 2017. The rest of the provisions of the SID remain unchanged and continue in full force and effect as amended today.

The latest position is that BGG’s Scheme Booklet has been lodged by BGG with the Australian Securities and Investments Commission (“**ASIC**”) and ASIC has raised comments, which BGG is addressing. Once all comments have been addressed, BGG will convene a Court Hearing, seeking an order that the Scheme Meeting of BGG Shareholders be convened and that BGG’s Scheme Booklet be dispatched to BGG Shareholders.

COMPANY DIRECTORS & MANAGEMENT

Directors

Managing Director & CEO	Yuguo Peng
Non-Executive Chairman	Dr Chi Ho (James) Tong
Executive Director	Jun Ou
Non-Executive Director	ZhongHan (John) Wu
Non-Executive Director	Wei-Her (Sophia) Huang
Non-Executive Director	Prof Guangfu Yang

Management

Deputy General Manager, Enterprise Management	Yijiang Peng
Chief Financial Officer	It Phong Tin
Chief Geologist	WenMing Yao

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Contact

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About Blackgold

Blackgold International Holdings Limited (ASX Code: BGG) is a Chongqing, China-based producer of high value thermal coal. Blackgold was listed on ASX on 22 February 2011.

Blackgold currently has four existing underground thermal coal mines, the Caotang Mine and the Heiwan Mine in Fengjie County, Chongqing in the PRC, the Baolong Mine in Wushan County, Chongqing in the PRC and the Changhong Mine in the area bordering Xishui County of Guizhou and Qijiang County of Chongqing in the PRC.