



BLACKGOLD INTERNATIONAL HOLDINGS LIMITED (BGG)
145 095 478

Appendix 4E

Results for the 12 months ended 31 October 2014

1. Details of reporting periods

Current reporting period : Twelve(12) months to 31 October 2014

Previous corresponding period : Twelve(12) months to 31 October 2013

2. Results for announcement to the market

	12 Months 31 Oct 2014 A\$ '000	12 Months 31 Oct 2013 A\$ '000	% Change	6 Months 30 Apr 2014 A\$ '000	% Change
Revenues from ordinary activities	336,082	270,340	24.3%	224,680	49.6%
Profit from ordinary activities after tax attributable to members	26,529	59,544	(55.4%)	21,707	22.2%
Net profit for the period attributable to members	25,515	50,064	(49.0%)	20,964	21.7%



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Brief explanation of any of the figures reported above necessary to enable the figures to be understood

Operating Results

Revenues from ordinary activities increased by approximately A\$65.7 million or 24.3%, for the year ended 31 October 2013 ("FY2013") to approximately A\$336.1 million for the year ended 31 October 2014 ("FY2014"), mainly attributable to an increase in revenue from our trading division.

The general weakening of coal prices, coupled by a reduction in production in FY2014 resulted in a lower profit this year. Profit from ordinary activities after tax attributable to members decreased by approximately 55.4% to A\$26.5 million..

As announced in May 2013, the Group has discontinued its dual primary listing exercise on Hong Kong Stock Exchange. As such, approximately AUD6.0m relating to the Hong Kong listing expenses was written off in FY2013. In FY2014, the Group stopped its secondary listing exercise on the Singapore Stock Exchange ("SGX"), writing off another A\$1.0 million.

Changes in fair value of profit guarantee provided by Chongqing Guoping Industrial (Group) Ltd ("CGI") pursuant to the acquisition of GPST had resulted in a A\$3.5 million loss in FY2013 (FY2014: Nil) as GPST was able to achieve the profit guaranteed by CGI

Net profit for the period attributable to members was A\$25.5 million, after taking in the above matters.

Amount per security and franked amount per security of final and interim dividend	No dividends have been paid or provided for during the period.
Record date for determining entitlements to the dividend and payment date	Not applicable



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3. Statement of profit and loss and other comprehensive income

FOR THE YEAR ENDED	31-Oct-14	31-Oct-13
	<u>A\$'000</u>	<u>A\$'000</u>
Revenue	336,082	270,340
Cost of Sales	(293,205)	(193,616)
Gross Profit	42,877	76,724
Other Income	6,858	7,587
	49,735	84,311
Changes in fair value of financial assets	0	(3,518)
Distribution and Marketing Expenses	(4,449)	(4,066)
Administrative and Other Expenses	(10,037)	(16,824)
Share of results in an associate	(18)	0
Finance Costs	(7,916)	(7,308)
Profit before Income Tax	27,315	52,595
Income Tax Expense	(1,800)	(2,531)
Profit after Income Tax	25,515	50,064
Other Comprehensive Income (net of tax)		
- Foreign currency translation exchange differences	13,443	13,657
Total Comprehensive Income for the Financial Year	38,958	63,721
Profit after Income Tax attributable to		
Owners of the Company	25,515	50,064
Total Comprehensive Income for the Financial Year		
attributable to:		
Owners of the Company	38,958	63,721
Earnings per share		
Basic earnings per share (cents)	2.87	5.64
Diluted earnings per share (cents)	2.61	5.64



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4. Statement of financial position

FOR THE YEAR ENDED	31-Oct-14	31-Oct-13
Assets	A\$'000	A\$'000
Current assets		
Cash and cash equivalents	15,103	24,202
Held-to-maturity investment	17,553	32,054
Trade and other receivable	86,753	98,234
Inventories	1,259	2,220
Total current assets	120,668	156,710
Non-current assets		
Investments in an associate	392	410
Other investment	3,706	3,440
Property, plant and equipment	99,363	83,133
Land use rights	86	82
Mine development	169,247	136,063
Goodwill	2,081	1,724
Intangible assets	2,489	2,887
Total non-current assets	277,364	227,739
TOTAL ASSETS	398,032	384,449



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Liabilities	31-Oct-14	31-Oct-13
Current Liabilities	A\$'000	A\$'000
Trade and other payables	98,116	121,653
Amount owing to related parties	8,071	5,997
Amount owing to an associate	227	413
Borrowings	59,563	46,588
Deferred consideration	433	18,060
Provision for taxation	3,553	2,837
Total current liabilities	169,963	195,548
Non-current Liabilities		
Provision for restoration cost	2,355	2,131
Deferred tax liabilities	2,438	2,541
Total non-current liabilities	4,793	4,672
TOTAL LIABILITIES	174,756	200,220
NET ASSETS	223,276	184,229
	31-Oct-14	31-Oct-13
Equity	A\$'000	A\$'000
Share capital	65,363	65,363
Retained earnings	156,798	132,119
Merger deficit reserve	(28,186)	(28,186)
Statutory reserve	3,332	2,496
Foreign currency translation reserve	25,880	12,437
Option reserve	89	-
TOTAL EQUITY	223,276	184,229



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5. Statement of cash flow

FOR THE YEAR ENDED	31-Oct-14	31-Oct-13
	AUD'000	AUD'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	27,315	52,595
Adjustment for:-		
Allowance for impairment loss on receivables	83	77
Changes in fair value of financial assets	0	3,518
Depreciation of property, plant and equipment	10,035	6,606
Amortisation of land use rights	3	3
Amortisation of mine development	3,445	4,292
Amortisation of intangible assets	600	551
Share of loss in an associate	18	0
Loss on disposal of property, plant and equipment	114	0
Unrealised gain on foreign exchange	(3)	0
Writeback of impairment loss on receivables	(60)	0
Interest expense	6,413	6,751
Interest income	(794)	(1,006)
Operating profit before working capital changes	47,169	73,387
Decrease in inventories	961	1,737
Decrease/(Increase) in receivables	11,464	(72,047)
(Decrease)/Increase in payables	(23,537)	108,387
Cash from operations	36,057	111,464
Interest paid	(5,494)	(5,809)
Income tax paid	(1,611)	(2,484)
NET CASH FROM OPERATING ACTIVITIES	28,952	103,171
CASH FLOWS FOR INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(19,671)	(37,663)
Mine development expenditure	(25,349)	(37,110)
Purchase of held-to-maturity investments	(35,970)	(109,290)
Disposal of held-to-maturity investments	52,383	94,091
Purchase of investment in an associate	0	(410)
Purchase of other investment	0	(3,440)
Sales proceed from disposal of property, plant and equipment	48	4
Interest received	794	1,006
NET CASH FOR INVESTING ACTIVITIES	(27,765)	(92,812)
BALANCE CARRIED FORWARD	1,187	10,359



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	31-Oct-14	31-Oct-13
	A\$'000	A\$'000
BALANCE BROUGHT FORWARD	1,187	10,359
CASH FLOWS FOR FINANCING ACTIVITIES		
Proceeds from issuance of options	89	-
Advances from an associate	0	413
Repayment to an associate	(186)	0
Net advances from related parties	1,730	5,803
Drawdown of short-term borrowings	58,465	131,073
Repayment of deferred consideration	(18,905)	0
Repayment of short-term borrowings	(49,407)	(150,281)
NET CASH FOR FINANCING ACTIVITIES	(8,214)	(12,992)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,027)	(2,633)
EFFECT OF FOREIGN EXCHANGE TRANSLATION	(2,072)	272
CASH AND CASH EQUIVALENT AT BEGINNING OF THE FINANCIAL YEAR	24,202	26,563
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	15,103	24,202

6. Dividend payments

No dividends were declared during the period.

7. Dividend reinvestment plans

Not applicable.



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8. Statement of changes in equity

	Share Capital	Retained Earnings	Merger Deficit Reserve	Statutory Reserve	Foreign Currency Translation Reserve	Option Reserve	Total Equity
	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000	A\$'000
Balance at 1.11.2012	65,363	82,419	(28,186)	2,132	(1,220)	-	120,508
Total comprehensive income for the financial year	-	50,064	-	-	13,657	-	63,721
Transfer to statutory reserve	-	(364)	-	364	-	-	-
Balance at 31.10.2013	65,363	132,119	(28,186)	2,496	12,437	-	184,229
Total comprehensive income for the financial year	-	25,515	-	-	13,443	-	38,958
Issue of new options during the year	-	-	-	-	-	89	89
Transfer to statutory reserve	-	(836)	-	836	-	-	-
Balance at 31.10.2014	65,363	156,798	(28,186)	3,332	25,880	89	223,276

* - arising from merger accounting

9. Net tangible assets per security

	31 Oct 2014 Cents	31 Oct 2013 Cents
Net tangible assets per ordinary security	20.28	16.18

10. Gain or loss of control over entities

NIL.

11. Associates and joint ventures

11.1 Term sheet signed with Vibrant Group Limited

On 19 November 2014, the Company announced that it had entered into a binding term sheet with Vibrant Group Limited (SGX: VIGB) under which:

- Blackgold issues convertible bonds to Vibrant's wholly owned subsidiary, Lion Heart Holding Group Corp ("LHGC"), with a total face value of up to S\$25million; and
- Blackgold grants LHGC the right to nominate a Singapore Exchange ("SGX") Mainboard listed entity ("SGX Listco") to purchase Blackgold's Hong Kong subsidiary (which holds the group's Chinese operating assets) under a transaction that would see Blackgold's assets listed on SGX Mainboard and, subject to applicable laws and required approvals, Blackgold's shareholders holding shares traded on SGX ("RTO").



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Proceeds raised under the bond issue will be used for acquisitions and to supplement existing working capital

11.2 New options

BGG announced a non-renounceable pro-rata entitlement offer of 1 new option (exercisable at AUD\$0.08 on or before 31 July 2016) for every 10 existing shares held by eligible shareholders at an issue price of AUD\$0.001 per option (Offer).

As announced on 14 and 18 August 2014, the Company received acceptances from eligible shareholders for 75,539,923 new options representing acceptance of 85%. The remaining shortfall options were fully allotted on 11 September 2014.

11.3 Incorporation of new subsidiary

On 2 September 2014, the Company incorporated a new subsidiary, ChongQing Blackgold Mining Limited ("CQBG") with an intention to hold all the mines under a common entity in FY2015. The formation of this entity has no financial impact to the Group.

12. Notes to the financial statements for the year ended 31 October 2014

a) Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the IASB. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 November 2012 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods. However, amendments made to AASB 101 Presentation of Financial Statements effective 1 November 2012 now require the statement of comprehensive income to show the items of comprehensive



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income grouped into those that are not permitted to be classified to profit or loss in a future period and those that may have to be reclassified if certain conditions are met. These changes are included in the statement of profit or loss and other comprehensive income.

The accounting policies adopted and methods of computation have been consistently applied in this report as compared to all other periods presented unless otherwise stated. Reference should be made to previous year audited financial report.

This report is based on financial statements which are in the process of being audited.

b) Interest-bearing borrowings

	31-Oct-14	31-Oct-13
	A\$'000	A\$'000
Current (secured liabilities):-		
Short-term loans	59,563	38,700
Bills payable	-	-
Letters of credit	-	7,888
	59,563	46,588

Note: The short-term borrowings is secured by fixed deposits with a licensed bank, pledged shares of certain subsidiaries, mining rights and barges. Corporate guarantee had also been provided by subsidiaries, CGI and a third party.

c) Share Capital

	31-Oct-14	31-Oct-13
	A\$'000	A\$'000
<u>Share Capital</u>		
Beginning (888,003,622 fully paid ordinary shares)	65,363	65,363
Issued during the year	-	-
Cancelled during the year	-	-
	65,363	65,363

Options

Beginning	-	-
Issued during the year	89	-
Cancelled during the year	-	-
	89	-



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13. Other significant information

Nil

14. Foreign entities

Subsidiaries incorporated in Hong Kong and China are using International Financial Reporting Standards to prepare their report.

15. Commentary on results for the period

The company currently owns four thermal coal mines.

Revenue for FY2014 has increased by A\$65.7 million or 24.3% to A\$336.1 million as compared to FY2013. However, earnings per share dropped to 2.87cents in FY2014 due to decreasing coal prices (FY2013: 5.64cents). Total comprehensive income attributable to owners A\$25.5 million.

Signed: Chi Ho (James) Tong

Chairman

Date: 30 December 2014