



**BLACKGOLD INTERNATIONAL HOLDINGS LIMITED**

**ACN 145 095 478**

**(ASX CODE: BGG)**

29 April 2011

The Manager  
Company Announcements Office  
Australian Securities Exchange Limited

**WITHDRAWAL AND CLARIFICATION OF STATEMENTS MADE IN 19 APRIL 2011  
ANNOUNCEMENT REGARDING PRODUCTION TARGETS**

Following from discussions with the ASX, the Directors of Blackgold International Holdings Limited (**BGG** or **the Company**) wish to hereby withdraw the statements made regarding WuShan Production Targets made in its announcement titled "*BGG Announces Acquisition of the Maojiawang Thermal Coal Mine In Wushan County*" released on 19 April 2011.

In particular, the company would like to withdraw the comment made with regards to estimations that WuShan should commence production during the second half of year 2011 and comments regarding planned annual production capacity of 1.3 million tonnes per annum by 2013 from the WuShan mine, with 200,000 tonnes and 400,000 tonnes being produced during 2011 and 2012, respectively.

The Company has not presently defined a JORC compliant Ore Reserve or Mineral Resource with respect to the WuShan mine, and as such, in accordance with regulatory guidelines, there remains insufficient certainty with respect to whether economically mineable mineralisation exists to reliably estimate future production and accordingly, the Company is unable to provide a production target for this mine. The anticipated production comments made in the announcement were not intended to be a forecast based on current exploration works conducted to date, rather a statement concerning the Company's objectives and goals over the next three years. The previously announced production targets should not be relied on or used as a basis for investment decisions about shares in the Company.

The Company also withdraws the comment regarding WuShan's conceptual target mineralisation estimate of approximately 46 million tonnes made in the abovementioned announcement. Pursuant to the JORC Code, the WuShan Mine has an exploration target of 44 to 46 million tonnes with a range in CV from 4500-5500kcal/kg and 25-35% ash. This has been based on a previous non-JORC estimate of resources by the Chongqing 136th Geologist Brigade of the state undertaken in 2005.

The target mineralisation estimates are conceptual in nature as there has been insufficient exploration to define a mineral resource under JORC guidelines and it is uncertain whether further exploration will result in the determination of a mineral resource. This conceptual target may or may not be outlined with future work, either in whole or part. It remains uncertain whether the target mineralisation will be economically mineable.

Excluding the acquisition of the WuShan Mine the revised production targets for the Group are as follows:

| Mine         | Calendar Year (million tonnes Mt) |            |            |
|--------------|-----------------------------------|------------|------------|
|              | 2011                              | 2012       | 2013       |
| Caotang Mine | 0.8                               | 1.0        | 1.5        |
| Heiwan Mine  | 0.2                               | 0.3        | 0.5        |
| <b>TOTAL</b> | <b>1.0</b>                        | <b>1.3</b> | <b>2.0</b> |

Yours faithfully

For and on behalf of

**BLACKGOLD INTERNATIONAL HOLDINGS LIMITED**

**Yu Guo PENG**

Executive Director / Chief Executive Officer

**Competent Person's Statement**

The information in this report which relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Brian Varndell, who is a Fellow member of the Australasian Institute of Mining and Metallurgy and independent consultant to the Company. Mr Varndell is an associate of Al Maynard & Associates and has over 35 years of exploration and mining experience in a variety of mineral deposit styles including coal mineralisation. Mr Varndell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Varndell consents to inclusion in the report of the matters based on his information in the form and context in which it appears.

**About Blackgold**

Blackgold International Holdings Limited (ASX Code : BGG) is a Chongqing, China based producer of high value thermal coal predominantly sold for industrial power generation to power plant customers in Shanghai. Blackgold listed on ASX on 22 February 2011 after closing its Initial Private Offering oversubscribed. Blackgold intends to continue to increase its coal production through internal growth and via acquisition to become a significant producer of high value thermal coal.