



BLACKGOLD INTERNATIONAL HOLDINGS LIMITED

ACN 145 095 478
(ASX CODE: BGG)

23 September 2011

The Manager
Company Announcements Office
Australian Securities Exchange Limited

BLACKGOLD ANNOUNCES QIJIANG CHANGHONG COAL MINE ACQUISITION

On 23 August 2011, Blackgold International Holdings Limited (ASX: **BGG**) ("**Blackgold**", the "**Company**") announced that it had entered into a Share Transfer Agreement to acquire a 100% interest in Qijiang Changhong Coal Industry Co., Ltd. ("**Changhong Coal Industry**") which is the holder of the mining rights to the QiJiang ChangHong Coal Mine situated in Qijiang County, Chongqing, People's Republic of China ("**PRC**") for consideration of RMB 98 million (approximately A\$14.9 million). The acquisition was conditional upon the Company obtaining a new business license from the Qijiang Industry & Commerce Administration Bureau.

Blackgold is pleased to announce that it has received the required new business license from the Qijiang Industry & Commerce Administration Bureau and as such has completed the above-mentioned acquisition.

The QiJiang ChangHong Coal Mine is located within 50km of the Company's existing office in Chongqing. The Mine is located in the area bordering Xishui County of Guizhou and Qijiang County of Chongqing (see attached map). The mine contains 2 existing adits (horizontal entrances to underground mines) together with ventilation and access shafts and ancillary infrastructure including power, piped water, access roads and buildings.

The QiJiang ChangHong Coal Mine has been the subject of extensive local exploration and development in the past. However, pursuant to the ASX Listing Rules and ASX guidance, the results of these previous geological evaluations have not been disclosed in this announcement as they were undertaken under the geological standards and practices of the PRC and not in accordance with the Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves ("**JORC Code**").

The Company has commissioned Al Maynard & Associates Pty Ltd as independent and duly qualified geologists to undertake the geological exploration and evaluation works required in order to convert existing PRC geological data into JORC defined resources at QiJiang ChangHong Mine.

On behalf of the Board

Yu Guo Peng

Executive Director and
Group Chief Executive Officer

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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. 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.

Blackgold currently operates four existing underground thermal coal mines, the Caotang Mine and the Heiwan Mine in Fengjie Country, Chongqing in the PRC, the Wushan MaoJia Wang Coal Mine in Wushan County, Chongqing in the PRC and the QiJiang ChangHong Mine in the area bordering Xishui County of Guizhou and QiJiang County of Chongqing

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