BLUMONT
博诺有限公司

BLUMONT GROUP LTD.
(Company Registration Number: 199302554G)
(Incorporated in the Republic of Singapore)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

1 INTRODUCTION

1.1 The board of directors (the "**Board**" or "**Directors**") of Blumont Group Ltd. (博诺有限公司) (the "**Company**" and, together with its subsidiaries, the "**Group**") wishes to announce that based on the share capital of the Company as the date of this announcement, the Company is proposing a renounceable non-underwritten rights issue of up to 2,709,387,832 new ordinary shares ("**Rights Shares**") in the share capital of the Company at an issue price of S$0.01 ("**Issue Price**") for each Rights Share, and up to 2,709,387,832 free detachable warrants ("**Warrant**"), with each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company ("**Warrant Share**") at an exercise price of S$0.012 ("**Exercise Price**") for each Warrant Share, on the basis of one (1) Rights Share for every one (1) existing ordinary share in the share capital of the Company ("Shares") held by Entitled Shareholders (as defined below) as at a date and time to be determined by the Directors for the purpose of determining the entitlement of the Entitled Shareholders (as defined below) ("**Book Closure Date**"), and one (1) free detachable Warrant for every one (1) Rights Share subscribed, fractional entitlements to be disregarded. The proposed renounceable non-underwritten rights cum warrants issue shall hereinafter be referred to as the "**Rights cum Warrants Issue**".

1.2 The Company would like to draw Shareholders' attention to the announcement released on 17 February 2015 in relation to the Company's Takeover Bid for Genesis Resources Limited which was initially announced on 24 January 2014 (the "**Genesis Takeover Bid**") wherein it was disclosed that the Company had received from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") an in-principal approval for the listing and quotation on the SGX-ST of up to 1,209,128,707 new Shares (the "**Genesis Consideration Shares**") to be issued as consideration for the Genesis Takeover Bid. On 16 March 2015, the Company announced that approval of its shareholders for the Genesis Takeover Bid was received at the extraordinary general meeting held on 12 March 2015 and that it had waived all conditions of the Genesis Takeover Bid, and accordingly, the offer has become unconditional. Assuming that at the close of the Genesis Takeover Bid planned for 23 March 2015, all shareholders of Genesis Resources Limited accept the Company's offer, up to an additional 1,209,128,707 new Shares could be created in the Company's share capital. In that event, in connection with the Rights cum Warrant Issue, the Company will release another announcement as soon as practicable to update shareholders of the total number of Rights Shares and Warrants that it could potentially issue in accordance with the basis of provisional allotment as announced herein in paragraph 1.1 above.

The Rights cum Warrants Issue is subject to the approval of the Shareholders at an extraordinary general meeting ("**EGM**") to be convened by the Company and to receipt by the Company of applicable approvals from regulatory authorities. Please refer to the section 7 entitled "Approvals and Other Conditions" to the Rights cum Warrant Issue for further details.

2 PRINCIPAL TERMS OF THE RIGHTS CUM WARRANTS ISSUE

2.1 Basis for the provisional allotment

The Rights cum Warrants Issue will be made on a renounceable non-underwritten basis to Entitled Shareholders on the basis of one (1) Rights Share with one (1) free detachable Warrant for every one (1) existing Share held by Entitled Shareholders (as defined below) as at the Book Closure Date. Fractional entitlements to any Rights Shares will be disregarded, and will, together with the provisional allotments which are not taken up or allotted for any reason, be aggregated and allocated to satisfy excess applications (if any) or disposed of or otherwise dealt with in such manner as the Board, in its absolute discretion, deems fit in the interests of the Company.

2.2 Issue and Exercise Price

2.2.1 The Issue Price is approximately on par with the volume weighted average price of one Share traded on the SGX-ST for the market day preceding the date of this announcement, being 17 March 2015, and is also approximately on par with the theoretical ex-rights price of S$0.010[(1)].

2.2.2 The Exercise Price represents a premium of approximately twenty per cent. (20%), to the volume weighted average price of one Share traded on the SGX-ST for the market day preceding the date of this announcement, being 17 March 2015.

Note (1):Assuming the Company issues a maximum of 2,709,387,832 Rights Shares, the theoretical ex-rights price per Share is equal to (i) the sum of (a) the market capitalisation of the Company based on the VWAP of the Shares of the Company on 17 March 2015 (i.e., $0.010 X 2,709,387,832 = $27,093,878) and (b) the gross proceeds of the Rights cum Warrants Issue (i.e., $0.010 X 2,709,387,832 = $27,093,878) divided by the total number of Shares in issue following the completion of the Rights cum Warrants Issue (i.e., 2,709,387,832 + 2,709,387,832 = 5,418,775,664)

2.3 Form and Subscription Rights of the Warrants

Subject to paragraph 1.2 above, based on the share capital of the Company as at the date of this announcement, up to 2,709,387,832 Warrants could be issued in registered form, subject to the terms and conditions to be set forth in an instrument of deed poll constituting the Warrants ("**Deed Poll**"). Each Warrant will carry the right to subscribe for one (1) Warrant Share at the Exercise Price of S$0.012 at any time during the period commencing on and including the date of the issue and expiring at 5.00 pm on the day immediately prior to a date

falling thirty-six months from the date of the issue of the Warrants ("**Exercise Period**"), unless such date is a day on which the register of members of the Company ("**Register of Members**") is closed or is not a day the SGX-ST is opened for securities trading ("**Market Day**"), in which case the Exercise Period shall end on the day prior to the closure of the Register of Members of the Company or the immediate Market Day thereafter, as the case may be, but excluding such period(s)during which the register of holder of Warrants may be closed pursuant to the terms and conditions of the Warrants as set forth in the Deed Poll. Warrants which have not been exercised after the Expiry Period shall lapse and cease to be valid.

2.4 Adjustments

The Exercise Price and/or the number of Warrants to be held by each warrantholder will, after their issue, be subject to adjustments under certain circumstances. The circumstances which will result in adjustments will be set forth in the Deed Poll. These circumstances will include, without limitation, consolidation or subdivision of Shares, capitalisation issues, rights issue and certain capital distributions. All adjustments made will be announced by the Company.

2.5 Detachability and Trading of the Warrants

The Warrants are immediately detachable from the Rights Shares upon issue, and will be issued in registered form and will be listed and traded separately on the SGX-ST under the book-entry (scripless) settlement system, subject to, among others, there being an adequate spreading of holdings of the Warrants to provide for an orderly market for their trading.

2.6 Eligibility of Shareholders to participate in the Rights cum Warrants Issue

2.6.1 The Company proposes, provisionally, to allot the Rights Shares cum Warrants to all Shareholders who are eligible to participate in the Rights cum Warrants Issue ("**Entitled Shareholders**"). Entitled Shareholders mean all Entitled Depositors and Entitled Scripholders (as both terms are defined below).

2.6.2 **Entitled Depositors** are Shareholders with Shares standing to the credit of their securities accounts and whose registered addresses with The Central Depository (Pte) Limited ("**CDP**") are in Singapore as at the Books Closure Date, or who have, at least five (5) Market Days prior to the Book Closure Date provided CDP with addresses in Singapore for the service of notices and documents ("**Entitled Depositors**").

2.6.3 **Entitled Scripholders** are*:*

(a) Shareholders whose share certificates are not deposited with CDP and whose registered addresses with the Company are in Singapore; or

(b) persons who have tendered to the share registrar of the Company in Singapore, namely, Intertrust Singapore Corporate Services Pte. Ltd. of 3 Anson Road, #27-01, Springleaf Tower, Singapore 079909 ("**Share Registrar**") valid transfers of their Shares and the certificates covering those

Shares for registration by the Share Registrar by 5.00 pm (Singapore time) on the Books Closure Date and whose registered addresses with the Company are in Singapore ("**Entitled Scripholders**").

To be Entitled Scripholders, Scripholders must have registered addresses in Singapore as at the Book Closure Date or have at least five (5) Market Days prior to the Book Closure Date provided the Share Registrar with addresses in Singapore for the service of notices and documents.

2.6.4 Status of the Rights and Warrant Shares

The Rights Shares and Warrant Shares will, upon their allotment and issue, rank *pari passu* in all respects with all existing Shares, save for any dividends, rights, allotments or other distributions, the record date for which precedes the date of issue of the Rights Shares and Warrant Shares. For this purpose, "record date" means, in relation to any dividends, rights, allotments or other distributions, the date as at the close of business (or such other time as may have been notified by the Company) on which Shareholders must be registered with the Share Registrar or with CDP, as the case may be, in order to participate in such dividends, rights, allotments or other distributions.

2.6.5 Foreign Shareholders

For practical reasons and in order to avoid any violation of applicable securities legislation in countries other than Singapore, the Rights cum Warrants Issue WILL NOT be offered to Shareholders with registered addresses outside Singapore as at the Books Closure Date, unless these Shareholders have, at least five (5) Market Days prior to the Books Closure Date, provided CDP or the Company c/o the Share Registrar (as the case may be) with addresses in Singapore for the service of notices and documents ("**Foreign Shareholders**").

All documents in respect of the Rights cum Warrants Issue, comprising an offering document in prescribed form ("**Offer Information Statement**") and the accompanying application forms to be issued by the Company will, therefore, not be mailed to any address outside of Singapore. Accordingly, no provisional allotments of the Rights Shares and Warrants will be made to Foreign Shareholders and no purported acceptances or application will be valid.

If it is practicable to do so, the Company may, at its absolute discretion, arrange for the provisional allotments of Rights Shares and Warrants which would otherwise have been provisionally allotted to Foreign Shareholders to be sold "nil-paid" on the SGX-ST as soon as practicable, after dealings in the provisional allotments of Rights Shares and Warrants commence. The net proceeds arising from such sales, after deducting all expenses, will be pooled and thereafter distributed to Foreign Shareholders in proportion to their respective shareholdings as at the Books Closure Date, save that no payment will be made of amounts of less than S$10.00 to a single Foreign Shareholder. Such amount shall be dealt with as the Directors in their absolute discretion deem fit in the interests of the Company and no Foreign

Shareholders shall have any claim against the Company or CDP in connection with such amounts. Further details on provisional allotments of Rights Shares and Warrants, which would otherwise be provisionally allotted to Foreign Shareholders, will be set out in the Offer Information Statement.

2.6.6 Acceptance, excess application and payment procedures

Entitled Shareholders may, at their sole discretion, accept (in part or in full), decline, renounce or transfer their provisional allotments of Rights Shares and Warrants. Entitled Shareholders are also eligible to apply for additional Rights Shares and Warrants in excess of their provisional allotments.

In the allotment of excess Rights Shares and Warrants, preference will be given to the rounding of odd lots. Directors and substantial shareholders of the Company who have control or influence over the Company in connection with the day-to-day affairs of the Company or the terms of the Rights cum Warrants Issue or have representation (direct or indirect through a nominee) on the Board will rank last in priority for the allotment of excess Rights Shares and Warrants.

The procedures for acceptance, excess application and payment by Entitled Shareholders will be set out in the Offer Information Statement.

Depending on the level of subscription for the Rights Shares and Warrants, the Company will, if necessary, scale down the subscription for the Rights Shares and Warrants and/or applications for excess Rights Shares and Warrants by any Shareholder to avoid placing the relevant Shareholder in the position of incurring a mandatory general offer obligation under the Code as a result of other Shareholders not taking up their Rights Shares entitlement fully.

3 ISSUE SIZE

Subject to paragraph 1.2, based on the existing issued share capital of the Company of 2,709,387,832 Shares as at the date of this announcement and assuming that the Rights cum Warrants Issue is fully subscribed, up to 2,709,387,832 Rights Shares and 2,864,768,785 Warrants will be issued. Upon the allotment and issuance of the Rights Shares, the Company will have an issued share capital comprising 5,418,775,664 Shares. If all Warrants issued are exercised into Warrant Shares, the Company will have an issued share capital comprising 8,128,163,496 Shares.

4 RATIONALE OF THE RIGHTS CUM WARRANTS ISSUE AND PROPOSED USED OF PROCEEDS

4.1 The rationale for this capital raising exercise is as follows:-

(a) the Company wishes to strengthen its balance sheet by raising equity; and

(b) the Company wishes to raise funds to make partial repayment to its creditor, Wintercrest Advisors LLC, in respect of loans granted to the Company (the "**Wintercrest Facility**").

If all the Rights Shares are fully subscribed, the estimated net proceeds from the Rights cum Warrants Issue will amount to approximately S$27,093,878 million. An amount equal to approximately $0.1 million of the gross proceeds received will be applied towards the professional fees and related expenses.

The Company believes that the Issue Price of S$0.010 and the Exercise Price of S$0.012 are attractive and in the opinion of the Directors, there is no minimum amount that must be raised from the Rights cum Warrants Issue, taking into consideration the intended use of the proceeds as set out below.

4.2 The Company intends to use the net proceeds from the Rights cum Warrants Issue for general working capital purpose in the following manner:

(a) 70% of the net proceeds to be used to make partial repayment in respect of the Wintercrest Facility; and

(b) 30% of the net proceeds to be used for working capital purposes.

Pending deployment of the net proceeds from the Rights cum Warrants Issue for the purposes stated, the net proceeds will be held on deposit or used for other purposes on a short-term basis as the Directors may, in their absolute discretion, deem fit in the interests of the Company.

The Directors are of the reasonable opinion that, barring unforeseen circumstances, after taking into consideration the Company's present bank facilities, the working capital available to the Company and its subsidiaries is sufficient to meet their present requirements.

The Company will make periodic announcements on the utilisation of such proceeds of the Rights cum Warrants Issue as and when they are materially disbursed and provide a status report on the use of such proceeds in the Company's annual report.

5 NON-UNDERWRITTEN

The Company intends to undertake the proposed Rights cum Warrants Issue on a non–underwritten basis. However, the Company will be approaching its substantial shareholders to obtain undertakings from them to subscribe for and/or procure the subscription of their respective pro rata entitlement to the Rights Shares & Warrants. As and when the Company has secured any such undertakings, it will update Shareholders accordingly in an announcement.

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6 GENERAL

The terms and conditions of the Rights cum Warrants Issue are subject to such changes as the Board may deem fit. The final terms and conditions of the Rights cum Warrants Issue will be contained in the Offer Information Statement to be dispatched by the Company to Entitled Shareholders in due course.

SHAREHOLDERS AND/OR INVESTORS WHO WISH TO TRADE AND/OR INVEST IN THE SHARES OF THE COMPANY SHOULD EXERCISE DUE CAUTION AND NOTE THAT THERE IS NO ASSURANCE THAT THE RIGHTS CUM WARRANTS ISSUE WILL PROCEED AS THEY ARE SUBJECT TO A NUMBER OF CONDITIONS TO BE FULFILLED. THE COMPANY WILL MAKE FURTHER ANNOUNCEMENT(S) ON THE RIGHTS CUM WARRANTS ISSUE WHERE APPLICABLE.

7 APPROVALS AND OTHER CONDITIONS

The Rights cum Warrants Issue is subject to approval of Shareholders at an extraordinary general meeting to be convened and the receipt of an approval in-principle from the SGX-ST for the listing of and quotation of the Rights Shares, Warrants and the Warrant Shares upon their issue on the Official List of the SGX-ST. An application will be made by the Company to obtain the SGX-ST's approval for the listing of and quotation for the Rights Shares, Warrants and Warrant Shares upon their issue. An appropriate announcement on the outcome of the application will be made in due course.

In addition to the approval of the SGX-ST, the Rights cum Warrants Issue is subject to, inter alia, the lodgement by the Company of the Offer Information Statement, together with allother accompanying documents (if applicable) with the Monetary Authority of Singapore.

8 INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS OF THE COMPANY

Save as disclosed in this announcement, none of the Directors or substantial shareholders of the Company have any interests, direct or indirect, in the Rights cum Warrants Issue (other than through their respective shareholdings in the Company).

9 DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of the preparation of this announcement) collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Rights cum Warrants Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that

such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD
BLUMONT GROUP LTD.

NG KIM HUATT
Executive Director
18 March 2015