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## **Blumont Group looks to raise project finance for coal projects, chairman-designate says**

*[The headline and text of this report have been modified to reflect that Alexander Molyneux is the chairman-designate of Blumont Group, not the elected chairman, as initially stated.]*

**Blumont Group** (SGX: BLUM), the Singapore-based diversified company, is looking to raise project finance for its **Cokal** and **Celsius Coal** projects, Chairman-Designate Alexander Molyneux said.

Both the projects have to be brought into production in two years and need funds for development. The Indonesia-based Cokal project, would need USD 80m in project finance, while the Australia-based Celsius Coal project would need about USD 30m, he said.

The ASX-listed Cokal, where Blumont owns a 12.75% stake, has metallurgical coal projects in Indonesia and Tanzania. The project has an exploration target of 200m to 350m tons of in Indonesia. Celsius Coal has coking coal assets in Uzgen basin, Kyrgyzstan. Blumont owns an 11.5% interest in the ASX-listed Celsius and has an exploration target of 500m to 700m tons, according to the company's website.

The firm would consider both strategic investors and financial investors. Strategic investors with interest in the Blumont projects would be ideal for the firm and would need to be invested for the long haul, Molyneux said.

Approaches from financial and legal advisors would be welcome, although Blumont currently has a number of advisors pitching ideas. Blumont's main legal advisor is the Singapore-based Stamford Law, while it has received financial advice from Australia-based Canaccord Genuity and a number of other parties, Molyneux said.

Blumont Group, which had interests in investment holdings, contract sterilization and real estate, has with the acquisition of Cokal and Celsius diversified into mining and resources.

The company's long-term goal is to be a large-scale diversified resource company, he said. For its two to five year growth plan, Blumont is looking at acquiring mineral and oil assets across the world. It is currently reviewing a number of assets in Africa, North America and Asia and would look at greenfield and developed assets, he said.

According to Molyneux, the firm is seriously considering a zinc and lead metal acquisition but declined to reveal more. He said the firm is looking for an oil acquisition as well.

As reported previously, Blumont made a takeover bid last week for ASX-listed **Genesis Resources**, a precious metals miner, using its shares. Molyneux said more of such deals will be coming up as the company continues to proactively scout for good assets.

Incorporated in 1993, Blumont has a market cap of SGD 198.9m (USD 155.8m) and its revenues for the year ended 2012 were SGD 4.4m (USD 3.4m).