BLUMONT GROUP LTD.
(Company Registration No.: 199302554G)
(Incorporated in the Republic of Singapore)

USD 23,500,000 LOAN FACILITY FROM WINTERCREST ADVSIORS LLC -SETTLEMENT AGREEMENT

1 INTRODUCTION

1.1 The board of directors (the "**Board**" or "**Directors**") of Blumont Group Ltd. (博诺有限公司) (the "**Company**") refers to its previous announcements dated 24 December 2013, 30 May 2014, 11 June 2014 and 13 March 2015 (the "**Previous Announcements**") in relation to the Company's entry into a facility agreement (the "**Facility Agreement**") dated 24 December 2013, a supplemental agreement dated 29 May 2014 and a second supplemental agreement dated 13 March 2015 with Wintercrest Advisors LLC ("**Wintercrest**"), in relation to a loan facility of up to USD 23,500,000 in principal amount (the "**Facility**").

1.2 Unless otherwise defined, all capitalised terms used in this announcement have the same meanings as ascribed to them in the Previous Announcements.

1.3 The Board is pleased to announce that the Company has entered into a settlement agreement dated 7 April 2016 with Wintercrest ("**Settlement Agreement**") for the full and final settlement of the Outstanding Amount (as defined below). Both the Company and Wintercrest have come to an agreement and determined that the total outstanding amount owing and payable by the Company under the Facility Agreement is a total of USD 29,374,783.58 ("**Outstanding Amount**"). The Outstanding Amount is based on the Company's calculations, as at 31 December 2015.

2 PRINCIPAL TERMS OF THE SETTLEMENT AGREEMENT

2.1 The Company and Wintercrest have agreed to effect a full and final settlement of the Outstanding Amount and have agreed that, subject to the specified conditions set out in the Settlement Agreement having been satisfied and/or complied with, of the Outstanding Amount:

2.1.1 approximately USD 14,313,647 (being approximately SGD 20,232,340 based on an exchange rate of USD 1: SGD 1.41) ("**Debt Conversion Amount**") shall be converted into the Conversion Shares (as defined below in section 4.2) (the conversion of the Debt Conversion Amount shall hereafter be called the "**Debt Conversion**");

2.1.2 approximately USD 3,729,091 (being approximately SGD 5,271,071 based on an exchange rate of AUD 1: SGD 1.03 and USD 1: SGD 1.41) (the "**Cokal Repayment Amount**") shall be settled by way of the transfer to Wintercrest or its nominee of 60,057,034 shares ("**Cokal Shares**") owned by the Company in Cokal Limited. The Cokal Shares are part of the collateral securities provided by the Company under the facility agreement entered into between the Company and

Wintercrest dated 24 December 2013 ("**Facility Agreement**"). The Cokal Shares are quoted and listed on the Australian Securities Exchange ("**ASX**"). As at 31 December 2015, the Cokal Shares have a market value of AUD 0.085 per share;

2.1.3 approximately USD 3,742,534 (being approximately SGD 5,290,072 based on an exchange rate of USD 1: SGD 1.41) shall be settled by way of an assignment to Wintercrest of a debt of USD 3,742,534 owing by Cokal Limited to the Company ("**Cokal Loan**") as at 31 December 2015 on terms acceptable to Wintercrest;

2.1.4 approximately USD 3,644,703 (being approximately SGD 5,151,788 based on an exchange rate of CAD 1: SGD 1.02 and USD 1: SGD 1.41) ("**Azarga Repayment Amount**") shall be settled by way of the transfer to Wintercrest or its nominee of 18,053,810 shares owned by Powerlite Ventures Limited, a wholly-owned subsidiary of the Company in Azarga Uranium Corp ("**Azarga Shares**"). The Azarga Shares are quoted and listed on the Toronto Stock Exchange. As at 31 December 2015, the Azarga Shares have a market value of CAD 0.28 per share. The Azarga Shares are part of the collateral securities provided by the Company under the Facility Agreement;

2.1.5 approximately USD 2,169,753 (being approximately SGD 3,066,946 based on an exchange rate of AUD 1: SGD 1.03 and USD 1: SGD 1.41) ("**Genesis Repayment Amount**") shall be settled by way of the transfer to Wintercrest or its nominee of 33,002,561 shares owned by the Company in Genesis Resources Limited ("**Genesis Shares**"). The Genesis Shares are quoted and listed on the ASX. The Company and Wintercrest have mutually agreed that the Genesis Shares have a value of AUD 0.09 per share as at 31 December 2015;

2.1.6 approximately USD 709,900 (being approximately SGD 1,003,444 based on an exchange rate of AUD 1: SGD 1.03 and USD 1: SGD 1.41) ("**Kidman Repayment Amount**") shall be settled by way of the transfer to Wintercrest or its nominee of 11,300,000 shares owned by the Company in Kidman Resources Limited ("**Kidman Shares**"). The Kidman Shares are quoted and listed on the ASX. The Company and Wintercrest have mutually agreed that the Kidman Shares have a value of AUD 0.086 per share as at 31 December 2015;

2.1.7 approximately USD 623,622 (being approximately SGD 881,490 based on an exchange rate of AUD 1: SGD 1.03 and USD 1: SGD 1.41) ("**Merlin Repayment Amount**") shall be settled by way of the transfer to Wintercrest or its nominee of 27,538,461 shares owned by the Company in Merlin Diamonds Limited ("**Merlin Shares**"). The Merlin Shares are quoted and listed on the ASX. The Company and Wintercrest have mutually agreed that the Merlin Shares have a value of AUD 0.031 per share as at 31 December 2015;

2.1.8 approximately USD 146,100 (being approximately SGD 206,512 based on an exchange rate of AUD 1: SGD 1.03 and USD 1: SGD 1.41) ("**Elysium Repayment Amount**") shall be settled by way of the transfer to Wintercrest or its nominee of 100,000,000 shares owned by the Company in Elysium Resources Limited ("**Elysium Shares**"). The Elysium Shares are quoted and listed on the ASX. The Company and Wintercrest have mutually agreed that the Elysium Shares have a value of AUD 0.002 per share as at 31 December 2015; and

2.1.9 approximately USD 295,432 (being approximately SGD 417,593 based on an exchange rate of AUD 1: SGD 1.03 and USD 1: SGD 1.41) ("**Celsius Repayment Amount**") shall be settled by way of the transfer to Wintercrest or its nominee of

404,424,253 shares owned by the Company in Celsius Coal Limited ("**Celsius Shares**"). The Celsius Shares are quoted and listed on the ASX. The Company and Wintercrest have mutually agreed that the Celsius Shares have a value of AUD 0.001 per share as at 31 December 2015;

(collectively, the "**Debt Restructuring**").

2.2 In pursuance of section 2.1.1, the Company shall allot and issue to Wintercrest the Conversion Shares, and Wintercrest agrees to subscribe for the Conversion Shares, the payment of which shall be effected by Wintercrest forgiving and releasing the Debt Conversion Amount in partial settlement of the Outstanding Amount. Each Conversion Share when allotted and issued by the Company shall be deemed fully paid up, free from Encumbrance, and shall rank pari passu in all respects with, and carry all rights and entitlements similar to the ordinary shares in the capital of the Company ("**Shares**"), except that the Conversion Shares will not rank for any dividend, rights, allotments or other distribution the record date for which falls on or before the date of the issue of the Conversion Shares.

2.3 In pursuance of section 2.1.2, the Company shall transfer or cause to be transferred the Cokal Shares to Wintercrest or its nominee, in accordance with the sponsorship agreement dated 24 December 2013 entered into by and between Wintercrest, the Company and Baillieu Holst Ltd. Upon receipt of the Cokal Shares in Wintercrest's securities account, Wintercrest shall release and forgive from the Outstanding Amount, the Cokal Repayment Amount.

2.4 In pursuance of section 2.1.3, the Company shall sell, transfer and assign to Wintercrest all its rights and benefits in and to the Cokal Loan. Upon the Cokal Loan having been duly and properly assigned in accordance with the laws governing the Cokal Loan, Wintercrest shall release and forgive from the Outstanding Amount, the Cokal Repayment Amount.

2.5 In pursuance of section 2.1.4, the Company shall transfer or cause to be transferred the Azarga Shares to Wintercrest or its nominee. Upon receipt of the Azarga Shares in Wintercrest's securities account, Wintercrest shall release and forgive from the Oustanding Amount, the Azarga Repayment Amount.

2.6 In pursuance of section 2.1.5, the Company shall transfer or cause to be transferred the Genesis Shares to Wintercrest or its nominee. Upon receipt of the Genesis Shares in Wintercrest's securities account, Wintercrest shall release and forgive from the Outstanding Amount, the Genesis Repayment Amount.

2.7 In pursuance of Clause 2.1.6, the Company shall transfer or cause to be transferred the Kidman Shares to Wintercrest or its nominee. Upon receipt of the Kidman Shares in Wintercrest's securities account, Wintercrest shall release and forgive from the Outstanding Amount, the Kidman Repayment Amount.

2.8 In pursuance of Clause 2.1.7, the Company shall transfer or cause to be transferred the Merlin Shares to Wintercrest or its nominee. Upon receipt of the Merlin Shares in Wintercrest's securities account, Wintercrest shall release and forgive from the Outstanding Amount, the Merlin Repayment Amount.

2.9 In pursuance of Clause 2.1.8, the Company shall transfer or cause to be transferred the Elysium Shares to Wintercrest or its nominee. Upon receipt of the Elysium Shares in Wintercrest's securities account, Wintercrest shall release and forgive from the Outstanding Amount, the Elysium Repayment Amount.

2.10 In pursuance of Clause 2.1.9, the Company shall transfer or cause to be transferred the Celsius Shares to Wintercrest or its nominee. Upon receipt of the Celsius Shares in Wintercrest's securities account, Wintercrest shall release and forgive from the Outstanding Amount, the Celsius Repayment Amount.

3 CONDITIONS

3.1 Completion of the Debt Restructuring is conditional, *inter alia*, upon the following having been obtained, performed or satisfied by the date of completion of the Settlement Agreement ("**Completion Date**"):

3.1.1 the approval of the Shareholders (as defined below) at a general meeting for (a) the allotment and issuance of the Conversion Shares to Wintercrest (b) a whitewash resolution ("**Whitewash Resolution**"), waiving the Shareholders' (as defined below) right to receive an offer by Wintercrest to acquire all of their Shares, and (c) all other transactions under the Debt Restructuring;

3.1.2 the approval in-principle of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the listing and quotation of the Conversion Shares on the Official List of the mainboard of the SGX-ST having been obtained from the SGX-ST and not having been revoked or amended, and where such approval is subject to conditions, to the extent that any such conditions are required to be fulfilled on or before Completion Date, they are so fulfilled;

3.1.3 the issue of the Conversion Shares not being prohibited by any statute, order, rule or regulation promulgated after the date of this Agreement by any legislative, executive or regulatory body or authority of Singapore or elsewhere;

3.1.4 a waiver in writing being obtained from the Securities Industry Council of Singapore ("**SIC**") waiving the requirement of Wintercrest to make a mandatory takeover offer under Rule 14 of the Code of Takeovers and Mergers of Singapore arising from the issuance of the Conversion Shares ("**Whitewash Waiver**");

3.1.5 a written legal opinion issued by the Company's Australian legal advisers that a mandatory takeover offer bid for all other shares not owned or agreed to be owned (under the Settlement Agreement) by Wintercrest in Cokal Limited will not be required by Australian Securities and Investments Commission; and

3.1.6 all other approval and consent necessary or desirable having been received by the Company and/or Wintercrest under all applicable laws and regulations in respect of the Debt Restructuring.

3.2 Under the Settlement Agreement, the Facility Agreement shall continue to be in full force and effect until all transactions contemplated under the Debt Restructuring have been approved and completed.

4 THE PROPOSED ISSUE OF THE CONVERSION SHARES

4.1 As referred to in section 2.1.1 of this Announcement, the Company intends to allot and issue to the Wintercrest new ordinary shares in partial settlement of the Outstanding Amount.

4.2 Under the Settlement Agreement, the number of new ordinary shares to be issued upon the relevant conditions of section 3.1 being satisfied shall be:

(a) such number of new ordinary shares in the Company ("**Conversion Shares**"), provided that:

(i) if the number would result in Wintercrest holding more than 83.6 per cent. of the enlarged share capital of the Company after the issue of the Conversion Shares ("**Enlarged Share Capital**"), such lower number of new ordinary shares in the Company ("**Shares**") shall be issued that would result in Wintercrest holding (as close as possible to, but not exceeding) 83.6 per cent. of the Enlarged Share Capital; or

(ii) if the number would result in Wintercrest holding less than 83.6 per cent. of the Enlarged Share Capital, such higher number of new Shares that would result in Wintercrest holding (as close as possible to, but not below) 83.6 per cent. of the Enlarged Share Capital.

4.3 Upon allotment and issue, the Conversion Shares will rank *pari passu* in all respects with existing Shares.

5 THE ISSUE PRICE

5.1 The total number of shares in issue in the share capital of the Company is at the date of this announcement 4,514,224,998. Assuming that the total number of Conversion Shares should represent approximately 83.6%, the total number of Conversion Shares to be issued would be approximately 23,011,537,185, Based on 23,011,537,185 Conversion Shares, the issue price of each Conversion Share will be approximately SGD 0.00088 and will represent a discount of approximately 12% to the volume weighted average price of SGD 0.001 for trades done on the Shares on 6 April 2016, being the full market day immediately prior to which the Settlement Agreement was entered into.

5.2 As the Conversion Shares will be issued at a discount exceeding 10 per cent., and further, the issue of the Conversion Shares will amount to an issue of securities transferring a controlling interest in the Company, under Rule 811(1) and Rule 803 of the Listing Manual of the SGX-ST (the "**Listing Manual**"), the proposed issue of the Conversion Shares is subject to approval of the shareholders of the Company ("**Shareholders**") in an extraordinary general meeting to be convened ("**EGM**"). In addition to Shareholders' approval for the proposed issue of the Conversion Shares, Shareholders will also be asked to approve the Debt Restructuring and the Whitewash Resolution.

6 INFORMATION ON THE SUBSCRIBER AND RATIONALE FOR THE PROPOSED ISSUE AND THE DEBT RESTRUCTURING

6.1 Wintercrest is the lender to the Company under a loan facility governed by the Facility Agreement. Wintercrest is a wholly owned subsidiary of Platinum Partners Value Arbitrage Fund L.P., a multi-strategy hedge fund established and registered in the Cayman Islands with assets under management in excess of US$700 million.

6.2 As at the date of the Settlement Agreement, the Company owes Wintercrest a total of USD 31,251,555.86. In the short to medium term, the Company is and will not be in a position to retire the Outstanding Amount or any meaningful part of it. As the Company has been put on the watchlist by the SGX-ST on 29 February 2016, it will need to explore all ways and take advantage of business opportunities to enable it to re-build its financial position and businesses. Without entering into the Debt Restructuring, the Company will not be able to

raise any fresh funds from the capital markets, obtain any further facilities from its bankers to re-establish itself.

6.3 Under the Settlement Agreement, there is no requirement for the board of the Company to be altered. Further, any proposed change in the scope or nature of the Company's business in the future is subject to approval by Shareholders in a separate general meeting, in accordance with Rules of the Listing Manual.

7 FINANCIAL EFFECTS OF THE PROPOSED ISSUE AND THE DEBT RESTRUCTURING

7.1 For illustration purposes only and based on the unaudited consolidated financial statements of the Company and its subsidiaries (the "**Group**") for the financial year ended 31 December 2015 ("**FY2015**"), the financial effects of the Debt Restructuring (including the proposed issue of the Conversion Shares) are set out below. The analysis below has been prepared solely for illustrative purposes and does not purport to be indicative or a projection of the results and financial position of the Group immediately after the completion of the Debt Restructuring (including proposed issue of the Conversion Shares). The analysis below makes the following assumptions:

(a) for the purpose of computing the loss per Share ("**LPS**") of the Group after the completion of the Debt Restructuring, it is assumed that the Debt Restructuring (including proposed issue of the Conversion Shares) was completed on 1 January 2015;

(b) for the purpose of computing the net tangible assets ("**NTA**") per Share, it is assumed that the Debt Restructuring (including proposed issue of the Conversion Shares) was completed on 31 December 2015; and

(c) the allotment and issue of the Conversion Shares.

7.2 **Share Capital**

	Number of Shares	**Share Capital (S$)**
Issued and paid-up share capital before allotment of Conversion Shares	4,514,224,998	107,095,362
Issued and paid-up share capital after allotment of Conversion Shares	27,525,762,183	127,327,702

7.3 **NTA**

	Before the Debt Restructuring	**After the Debt Restructuring**
Consolidated NTA attributable to Shareholders	(S$13,184,000)	S$7,048,340
NTA per Share	(0.292 cents)	0.026 cents

7.4 **Loss Per Share**

	Before the Debt Restructuring	**After the Debt Restructuring**
Consolidated loss after taxation	(S$28,430,000)	(S$28,430,000)
Weighted average number of Shares for the year ended 31 December 2015	3,619,936,142	26,631,473,327
LPS	(0.785 cents)	(0.107 cents)

8 APPLICATIONS

8.1 The Company will be making an application to the SGX-ST for the listing and quotation of the Conversion Shares to the Official List of the mainboard of the SGX-ST. The Company will make the necessary announcement(s) once the approval-in-principle for the listing and quotation of the Conversion Shares has been obtained from the SGX-ST.

8.2 Under the Settlement Agreement, it is a condition that the Whitewash Waiver be granted by the SIC and the approval for the Whitewash Resolution, waiving the Shareholders' right to receive an offer by Wintercrest to acquire all of their Shares be obtained prior to the issue of the Conversion Shares.

8.3 An application will be made to the SIC for the Whitewash Waiver and an independent financial advisor will be appointed by the Company to advise the independent Shareholders in respect of the Whitewash Resolution. An appropriate announcement on the outcome of the application for the Whitewash Waiver will be made in due course.

9 INTERESTS OF THE DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors (other than in their capacity as Directors or Shareholders) or substantial Shareholders (other than through their respective shareholdings in the Company) has any interest, direct or indirect in the Settlement Agreement or the Facility Agreement.

10 EGM AND CIRCULAR TO SHAREHOLDERS

10.1 The Directors will be convening an EGM to seek the approval of Shareholders for (a) the allotment and issuance of the Conversion Shares to Wintercrest (b) the Whitewash Resolution, and (c) all other transactions under the Debt Restructuring.

10.2 A circular addressed to Shareholders containing details of the proposed issue of the Conversion Shares as well as all other transactions contemplated under the Debt Restructuring and a notice of the EGM will be despatched to them in due course.

11 TRADING CAUTION

11.1 Shareholders are advised to exercise caution in trading their Shares. There is no certainty or assurance as at the date of this announcement that the Debt Restructuring will be completed or that no changes will be made to the terms thereof. The Company will make the necessary

announcements when there are further developments. Shareholders are advised to read this announcement and any further announcements by the Company carefully.

11.2 Shareholders should consult their stock brokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD
Blumont Group Ltd.

Ng Kim Huatt
Executive Director
8 April 2016