

NEW SILKROUTES GROUP LIMITED
(Company Registration No. 199400571K)
(Incorporated in Singapore)

UPDATE IN RELATION TO THE PROPOSED INVESTMENT IN THAI GENERAL NICE COAL AND COKE CO., LTD. – SUPPLEMENTAL AGREEMENT

The Board of Directors (the “**Board**”) of New Silkroutes Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the Company’s announcements dated 13 May 2011, 18 June 2013, 21 June 2013, 5 July 2013, 2 August 2013, 16 December 2014, 25 August 2015, 30 December 2015 and 14 July 2016 relating to the proposed investment in Thai General Nice Coal and Coke Co., Ltd. (“**Thai GNCC**”) (the “**Proposed Investment**”).

Unless specified herein or where the context otherwise requires, all capitalised terms shall have the same meanings as defined in the Company’s announcement dated 13 May 2011 relating to the Proposed Investment.

The Board wishes to announce that the Company has entered into a supplemental agreement dated 17 February 2017 (the “**2nd Supplemental SPA**”) to the sale and purchase agreement dated 13 May 2011 (as amended and supplemented as at the date hereof, the “**SPA**”) relating to the Proposed Investment. Pursuant to the Supplemental Agreement, the key amendments to the SPA include the following:

- (i) instead of acquiring a 6% stake in Thai GNCC, the Company shall acquire 2.82% stake, comprising 1,410,000 shares (the “**Sale Shares**”) in Thai GNCC;
- (ii) accordingly, the purchase consideration for the Sale Shares shall be US\$14,090,000.00 (equivalent to approximately S\$20,002,164 based on the exchange rate of US\$1 to S\$1.4196), which has been fully satisfied by the payment of the deposit and additional deposit, amounting to US\$13,757,384.48 in aggregate, by the Company to the Vendor in 2011 and 2013 respectively, and by part of the interest of US\$4,002,611.80 due from the Vendor to the Purchaser having accrued from 18 June 2013 to 31 December 2016;
- (iii) no further interest shall be payable in respect of the deposit and additional deposit with effect from 1 January 2017; and
- (iv) the SPA previously provided for the grant of an option to purchase 7,000,000 shares in Thai GNCC to the Company. This option has been terminated.

Relative Figures

Following the amendments to the SPA above, in particular, the amendment set out in paragraphs (i) and (ii) above, the relative figures of the transaction computed on the relevant bases set out in Rule 1006 of the listing manual of the SGX-ST have become as follows:

Rule 1006	Basis	Relative figure computed in accordance with the basis set out in Rule 1006
(a)	net asset value of the assets to be disposed of, compared with the Group’s net asset value. This basis is not applicable to an acquisition of assets.	Not applicable, as the Proposed Investment is an acquisition of assets.

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| (b) | net profits (/losses) attributable to the assets acquired or disposed of, compared with the Group's net profits (/losses) | Not applicable, as the Project has not yet commenced commercial operations |
| (c) | aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares | 18% ⁽¹⁾ |
| (d) | number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue | Not applicable, as no equity securities will be issued by the Company in consideration for the Proposed Investment. |
| (e) | aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets | Not applicable, as the Proposed Investment is a |

Note:

- (1) The purchase consideration of US\$14,090,000.00 (equivalent to approximately S\$20,002,164 based on the exchange rate of US\$1.00: S\$1.4196 for the month of February 2017) is compared to the market capitalisation of the Company of approximately S\$111,151,937 based on the 132,609,344 issued shares, and weighted average price of the Company's shares transacted on 16 February 2017 of S\$0.8382

As the relative figures computed on the bases set out in Rule 1006(c) exceeds 5% but does not exceed 20%, the Proposed Investment constitutes a discloseable transaction as defined under Chapter 10 of the Listing Manual. Accordingly, the approval of shareholders of the Company is not required for the Proposed Investment.

Shareholders are advised that completion of the Proposed Investment is subject to conditions precedents being fulfilled and there is no certainty or assurance that the Proposed Investment will be completed or that no further changes will be made to the terms of the SPA. Accordingly, Shareholders are advised to exercise caution in dealings with the Shares, to read this announcement and any further update announcement(s) released by the Company carefully and should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

BY ORDER OF THE BOARD

Lim Koon Hock
Joint Company Secretary
3 March 2017