BLUMONT
博诺有限公司

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

TAKEOVER BID FOR MERLIN DIAMONDS LIMITED – WITHDRAWAL OF TAKEOVER BID

I. INTRODUCTION

The board of directors (the "**Board**") of Blumont Group Ltd. (博诺有限公司) (the "**Company**") refers to its previous announcements dated 28 February 2014, 6 March 2014, 23 April 2014, 24 April 2014, 30 April 2014, 2 May 2014, 6 June 2014, 18 July 2014, 23 July 2014, 18 August 2014, 17 September 2014, 29 October 2014, 23 December 2014 and 6 January 2015 (the "**Previous Announcements**") in relation to the Company's proposed off-market takeover bid (the "**Takeover Bid**") to acquire all the ordinary shares in Merlin Diamonds Limited ("**MED**"). Unless otherwise defined, all capitalised terms used in this announcement have the same meanings as ascribed to them in the Previous Announcements.

II. APPROVAL OF APPLICATION TO WITHDRAW TAKEOVER BID

As announced on 6 January 2015 and under the Seventh Supplementary Company's Statement, the Company had made an application to the Australian Securities and Investments Commission ("**ASIC**") to obtain ASIC's consent to enable the Company to withdraw the Takeover Bid (before the end of the Offer Period) in accordance with section 652B of the Corporations Act. The Board wishes to update Shareholders that ASIC has consented to this.

ASIC's consent is conditional on the Company preparing a notice of withdrawal and giving it to MED, ASIC and the Australian Securities Exchange ("**ASX**") before 5pm on Monday, 19 January 2015 and sending a copy of this withdrawal notice to each of the persons specified in section 650D(1)(c)(ii) of the Corporations Act (as modified by Class Order 13/521) no later than Wednesday, 21 January 2015. In accordance with this condition, the Company has lodged with ASIC and ASX on 16 January 2015 a formal notice pursuant to section 652B of the Corporations Act that it withdraws its offer effective as at 5pm (Sydney time) on 16 January 2015. The Company will also be sending a copy of this withdrawal notice to MED shareholders.

III. EFFECT OF WITHDRAWAL OF TAKEOVER BID

The effect of the withdrawal of the Takeover Bid is that no acceptances will be processed by the Company and no Blumont shares will be issued to any Merlin Shareholders in connection with the Takeover Bid. Accordingly, all MED shareholders that have accepted the offer under the Takeover Bid will be free to deal with their shares in MED as they see fit moving forward.

BY ORDER OF THE BOARD
Blumont Group Ltd.

Ng Kim Huatt
Executive Director
16 January 2015