VIBRANT GROUP LIMITED
Company Registration Number: 198600061G

UPDATE ANNOUNCEMENT ON BLACKGOLD INTERNATIONAL HOLDINGS PTY LTD

The Board of Directors (the "**Board**") of Vibrant Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to inform shareholders that the Company has been notified that Chongqing Heijin Industrial Co., Ltd ("**Chongqing Heijin**"), being one of the Company's subsidiaries (held through the Company's wholly owned subsidiary, Blackgold International Holdings Pty Ltd) had received two court notices ("**Court Notices**") from the Jiangsu People's High Court (the "**High Court**").

The Court Notices are in response to applications (the "**Applications**") made by Chongqing Heijin for waivers of the court filing fees for two separate appeals (the "**Appeals**"). According to the Court Notices, the High Court has rejected the Applications and hence, Chongqing Heijin is required to make payment of the court filing fees in order to file the Appeals.

As highlighted in the Court Notices, the Appeals are in connection with law suits regarding alleged contractual disputes of loan agreements involving Chongqing Heijin and China Minsheng Banking Corporation Limited (Nanjing branch) ("**Minsheng Nanjing**") (the "**Disputes**"). Prior to the receipt of the Court Notices, the Company had no knowledge of the Disputes.

Upon receipt of the Court Notice, the Company promptly conducted internal investigations on the Disputes, and subsequently managed to obtain the following court papers in respect of each Dispute from an ex-employee of Chongqing Heijin:

(a) the statement of claim issued by Minsheng Nanjing dated 10 July 2017 (the "**Statement of Claim**"); and

(b) the court judgment issued by the Nanjing People's Intermediary Court (the "**Intermediary Court**") dated 8 April 2018 (the "**Court Judgment**").

According to the Court Judgments, Jiangsu Huayu Energy Group Co., Ltd ("**Jiangsu Huayu**") entered into loan agreements with Minsheng Nanjing dated 18 July 2014 and 30 September 2014 (the "**Loan Agreements**"). Chongqing Heijin, together with certain other companies and shareholders of Jiangsu Huayu, had agreed to act as guarantors for Jiangsu Huayu (the "**Guarantors**") in relation to the loans granted by Minsheng Nanjing under each Loan Agreement (the "**Jiangsu Loans**"). Jiangsu Huayu is a customer of Chongqing Heijin and also a defendant in respect of the law suit filed by China Minsheng Banking Corporation Limited (Chongqing branch) in the Chongqing People's High Court against eight subsidiaries of Blackgold International Holdings Pty Ltd and certain other defendants as announced by the Company on 10 September 2018.

According to the Statements of Claim, the Disputes arose after Jiangsu Huayu defaulted on its obligation to repay the principal and interest of the Jiangsu Loans. Based on the Court Judgments, the Intermediary Court had ordered Jiangsu Huayu to make principal repayment in the aggregate of RMB 197,808,077, plus outstanding interest and penalty interest (the "**Debt**"). The Intermediary Court had further ordered for the Guarantors, including Chongqing Heijin, to be held jointly and severally liable for the Debt.

After considering the merits of proceeding with the Appeals, the Company has decided against making payment of the relevant court filing fees and will hence not be proceeding with the Appeals.

For the avoidance of doubt, the Group (excluding members of the Blackgold Group) has not provided any guarantee or security in respect of any bank borrowings, loans, debts or other liabilities of the Blackgold Group and there is no recourse from Minsheng Nanjing to the Group (excluding members of the Blackgold Group) in relation to the Disputes.

Shareholders are advised to exercise caution when dealing in the shares of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests. Where in doubt as to the action they should take, Shareholders should consult their financial, tax, legal or other professional advisors.

By Order of the Board

Vibrant Group Limited

Eric Khua
Executive Director & CEO
24 October 2018