BLUMONT
博诺有限公司

BLUMONT GROUP LTD.

(Company Registration No. 199302554G)
(Incorporated in the Republic of Singapore)

First Supplementary Bidder's Statement

1 INTRODUCTION

This document is the first supplementary bidder's statement (**First Supplementary Bidder's Statement**) to the bidder's statement dated 24 April 2014 (**Bidder's Statement**) issued by Blumont Group Ltd. (**Blumont**) in relation to its off-market takeover bid for all the ordinary shares in Merlin Diamonds Limited (**Merlin**). This First Supplementary Bidder's Statement is dated 2 May 2014.

This First Supplementary Bidder's Statement supplements and should be read together with the Bidder's Statement.

A copy of this First Supplementary Bidder's Statement has been lodged with ASIC and the ASX on 2 May 2014. Neither ASIC, the ASX nor any of their officers, take any responsibility for the contents of this First Supplementary Bidder's Statement. A copy of this First Supplementary Bidder's Statement will also be released by Blumont on SGXNET in Singapore. The SGX assumes no responsibility for the correctness of any of the statements, reports contained/referred to or opinions expressed in this First Supplementary Bidder's Statement.

Capitalised terms in this First Supplementary Bidder's Statement have the same meaning as that in the Bidder's Statement unless the context requires otherwise.

2 ASSISTANCE WITH INVESTIGATIONS

On 2 April 2014, and as disclosed by Blumont in the Bidder's Statement, Blumont announced the Blumont Group's assistance with the investigations by the Commercial Affairs Department of the Singapore Police Force (**CAD**) into a possible offence under the *Securities and Futures Act* (Chapter 289) of Singapore (**SFA**) (**Initial Announcement**).

Further to the Initial Announcement, the Blumont Board advises that Blumont and G1 Investments Pte Ltd (**G1 Investments**) have each received a further notice dated 29 April 2014 from the CAD requiring their respective assistance with the CAD's investigations into a possible offence under the SFA.

The CAD has requested Blumont provide access to the following:

(a) all accounting records from 1 January 2011 to 31 March 2014;

(b) all minutes of meetings and resolutions for the period from 1 January 2011 to 31 March 2014;

(c) all documents relating to the following announcements made by Blumont:

(i) proposed investment and takeover bid for all the fully paid ordinary shares of Cokal Limited;
(ii) proposed acquisition of Hudson Minerals Holdings Pte. Ltd.;
(iii) proposed acquisition of Powerlite Ventures Limited;
(iv) proposed investment in Resource Generation Limited;
(v) results warning for the second quarter ended June 2013 announced on SGX-ST on 19 July 2013; and

(d) any other relevant documents.

Blumont notes that the business and operations of Blumont are not affected by the investigations and will continue as normal.

3 CHANGES IN BLUMONT DIRECTORS AND DIRECTORS' INTERESTS

Blumont advises that, at Blumont's Annual General Meeting held on 30 April 2014 (**AGM**), Mr Ng Kim Huatt and Mr Calvin Lim Huan Kim were re-elected, and Mr Goh Boon Kok was re-appointed, as directors of the Blumont Board. Blumont further advises that Mr Neo Kim Hock did not seek re-election as Chairman and director of Blumont at the AGM, and his position on the Blumont Board therefore expired on 30 April 2014 at the conclusion of the AGM.

As at the date of this First Supplementary Bidder's Statement, the Blumont Board consists of the following directors:

(a) Mr James Hong Gee Ho (Executive and Non-Independent);

(b) Mr Goh Boon Kok (Non-Executive and Lead Independent);

(c) Mr Calvin Lim Huan Kim (Non-Executive and Independent); and

(d) Mr Ng Kim Huatt (Non-Executive and Independent).

4 UPDATE ON CONDITIONS

Blumont understands that the Condition in Section 11.5(o)(i) (Placement Shares) was not satisfied by the required timeframe. As referred to in Section 11.6(d) of the Bidder's Statement, Blumont agrees to waive this Condition.

5 UPDATE ON GENESIS TAKEOVER BID

Blumont provides the following update on certain conditions under the Genesis Takeover Bid:

(a) Blumont has agreed to waive the condition referred to Section 12.12(b)(iii)(A)(q) of the Bidder's Statement in respect of aggregate drawdowns under the Existing Loan Agreements of up to A$9 million;

(b) Blumont understands that the condition referred to in Section 12.12(b)(iii)(A)(p)) of the Bidder's Statement (to the extent that it relates to the finalisation and submission of the final feasibility study in relation to the Plavica Concession No. 19-6648/1) is fulfilled.

6 ENQUIRIES

Please contact the Blumont Offer Information Line on 1800 677 648 (for callers within Australia) or +61 1800 677 648 (for callers outside of Australia) if you have any questions in relation to our Offer or this First Supplementary Bidder's Statement.

APPROVAL OF FIRST SUPPLEMENTARY BIDDER'S STATEMENT

This First Supplementary Bidder's Statement has been approved by a unanimous resolution passed at a meeting of the directors of Blumont.

Signed for and on behalf of Blumont by Mr. James Hong Gee Ho, being a director of Blumont, who is authorised to sign by a resolution passed at a meeting of the directors of Blumont.



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Mr. James Hong Gee Ho
Director

Dated: 2 May 2014