Dated 23 April 2014

Deed of Amendment - Takeover Bid Implementation Deed

Blumont Group Ltd.
Bidder

Merlin Diamonds Limited (ACN 009 153 119)
Target

This Deed of Amendment is dated 23 April 2014

Parties:

Bidder

Blumont Group Ltd.
a company incorporated in Singapore (Company Registration No. 199302554G) of 298 Tiong Bahru Road, #20-02/03 Central Plaza, Singapore 168730

Target

Merlin Diamonds Limited (ACN 009 153 119)
of Level 8, 500 St Kilda Road, Melbourne, Victoria, 3004

Introduction:

A Bidder and Target are party to a Takeover Bid Implementation Deed dated 28 February 2014 under which the Bidder agreed to make an off-market takeover bid for the ordinary shares in the capital of the Target (**Implementation Deed**).

B The parties wish to vary the Implementation Deed as set out in this Deed of Amendment.

It is agreed:

1. DEFINITIONS AND OTHER PROVISIONS

1.1 Definitions

In this Deed of Amendment, unless the context indicates otherwise, terms defined in the Implementation Deed have the same meaning when used in this Deed of Amendment.

1.2 Other provisions

Clauses 1.2, 1.3 and 11 of the Implementation Deed apply as if they were set out in this Deed of Amendment.

2. AMENDMENTS

(a) The Implementation Deed is amended by:

(i) deleting clause 10.4(c) and replacing it with the following:

"the Bidder's VWAP for a period of 5 consecutive trading days has fallen below S$0.03; or"; and

(ii) in Schedule 1:

(A) under the paragraph headed "Offer Consideration": deleting the words "5.7 Bidder Shares for every 2 Target Shares" and replacing with the words "5 Bidder Shares for every 1 Target Share"; and

(B) under the paragraph headed "Offer Period": deleting the words "2 months" and replacing with the words "3 months".

3. ACKNOWLEDGEMENTS

(a) Target unconditionally and irrevocably waives any and all rights that it has to terminate the Implementation Deed prior to the date of this Deed of Amendment.

(b) Bidder agrees that it will publicly announce, through ASX, that it will:

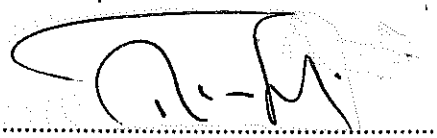
(i) not exercise its rights in respect of the non-satisfaction of the Offer Condition set out in item 13 of Schedule 2 of the Implementation Deed except where there is a fall in the Bidder's Share price of 20% or more below S$0.034 and that the relevant Bidder's Share price at which this Offer Condition is triggered is S$0.0272; and

(ii) waive the Offer Condition set out in item 15(a) of Schedule 2.

Execution page

Executed as a deed

The common seal of **Blumont Group Ltd.** was affixed in the presence of:



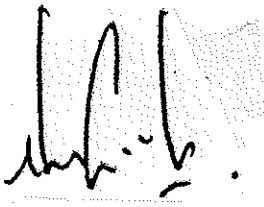
.....

Signature of Director

NEO KIM HOCK

.....

Name of Director



.....

Signature of Director/~~Company Secretary~~

JAMES HONG GEE HO

.....

Name of Director/~~Company Secretary~~

Executed by **Merlin Diamonds Ltd** (ACN 009 153 119) in accordance with section 127 of the Corporations Act:

.....

Signature of Director

.....

Name of Director

.....

Signature of Director/Secretary

.....

Name of Director/Secretary

Execution page

Executed as a deed

The common seal of **Blumont Group Ltd.** was affixed in the presence of:

.....
Signature of Director

.....
Signature of Director/Company Secretary

.....
Name of Director

.....
Name of Director/Company Secretary

Executed by **Merlin Diamonds Ltd** (ACN 009 153 119) in accordance with section 127 of the Corporations Act:

J. I. Gutnick
.....
Signature of Director

JOSEPH ISAAC GUTNICK
.....
Name of Director

.....
Signature of Director/~~Secretary~~

PETER JAMES LEE
.....
Name of Director/~~Secretary~~