



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 announce that it has been notified of China Minsheng Banking Corporation Limited (Chongqing branch)’s (the “**Applicant**”) successful application to the Chongqing No.1 Intermediate People’s Court against eleven (11) parties (collectively, the “**Respondents**”), out of which eight (8) are the Company’s subsidiaries (held through the Company’s wholly owned subsidiary, Blackgold International Holdings Pty Ltd (together with its subsidiaries, the “**Blackgold Group**”), for an order to freeze, seize or detain bank deposits and other assets of the Respondents amounting to an aggregate value of RMB 39,650,000 (the “**Freezing Order**”).

The eight (8) relevant members of the Blackgold Group which are Respondents are as follows: (i) Chongqing Heijin Industrial Co., Ltd; (ii) Chongqing Caotang Coal Mine Resources Development Co., Ltd (“**Chongqing Caotang**”); (iii) Qijiang Changhong Coal Industry Co., Ltd (“**Qijiang Changhong**”); (iv) Chongqing Guoping Heiwan Coal Mine Resources Development Co., Ltd (“**Chongqing Guoping Heiwan**”); (v) Chongqing Baolong Mining Co., Ltd (“**Chongqing Baolong**”); (vi) Chongqing Guoping Shipping Transportation Co., Ltd; (vii) Chongqing Blackgold Mining Co., Ltd (“**Chongqing Blackgold**”); and (viii) Chongqing Guoping Shangmao Trading Co., Ltd (“**Chongqing Guoping Shangmao**”) (collectively, the “**Blackgold Respondents**”).

Based on the information available to the Board, the Board understands that the remaining three (3) Respondents (collectively, the “**Non-Blackgold Respondents**”) include Yuguo Peng, being the chairman of the Blackgold Group who has been placed on leave pending the outcome of the Special Audit (as referred to in the Company’s earlier announcement on 18 July 2018) and two (2) of his associates.

According to the terms of the Freezing Order, the Freezing Order is made in connection with a law suit filed by the Applicant in the Court regarding an alleged contractual dispute of a loan agreement (the “**Law Suit**”). The Board understands that none of the Blackgold Respondents have yet to be served with the relevant court papers in relation to the Law Suit and it is unclear which loan agreement entered into with the Applicant is the subject of the Law Suit.

The Blackgold Respondents, in consultation with the Company, are currently seeking legal advice from their PRC lawyers. In addition, the Company has been advised by its PRC counsel that this Law Suit appears to be distinct from the two other legal proceedings brought about by the Applicant as announced by the Company on 8 August 2018 and 10 September 2018 respectively. The Blackgold Respondents will be making an application to the Court to inspect the documents submitted by the Applicant in connection with the Freezing Order to ascertain this point. The Blackgold Respondents will also take all necessary action to defend their interests in the Law Suit.

In connection with the Freezing Order, the following assets of two (2) Blackgold Respondents have already been frozen for a period of three (3) years:

- (a) 100% of the issued shares of each of Chongqing Blackgold, Chongqing Caotang and Chongqing Heiwan, all of which are wholly owned subsidiaries of Chongqing Guoping Shangmao, for the period from 6 September 2018 to 5 September 2021; and
- (b) 100% of the issued shares of each of (i) Chongqing Baolong for the period from 6 September 2018 to 5 September 2021 and (ii) Qijiang Changhong for the period from 7 September 2018 to 6 September 2021, both of which are wholly owned subsidiaries of Chongqing Blackgold.

For the avoidance of doubt, the Group (excluding members of the Blackgold Group) has not provided any guarantee or security in respect of the bank loans granted to the Blackgold Respondents by the Applicant.

The Board will make further announcements when the relevant court papers in relation to the Law Suit are served on the Blackgold Respondents or when there is any other material developments in relation to the above.

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
14 September 2018