
JOINT INVESTMENT WITH YANGTZE INVESTMENT PARTNERS LIMITED - FINAL EXTENSION

Capitalised terms used herein shall have the definitions ascribed to them in the Company's Circular to shareholders dated 13 October 2014 and the announcements dated 3 September 2014 and 11 October 2014 in respect of the Notes Issue as well as the announcement dated 20 August 2015, 9 November 2015 and 19 February 2016 (the "Previous Announcements"), unless otherwise stated or the context otherwise requires.

1. EXTENSION OF AGREEMENT

The Board of Directors (the "**Board**" or the "**Directors**") of Magnus Energy Group Ltd. (the "**Company**") refers to the Previous Announcements. The Company had on 20 August 2015 entered into a joint investment agreement (the "**Agreement**") with Yangtze Investment Partners Limited ("**Yangtze**") to invest US\$1,000,000.00 (approximately S\$1,400,000.00 based on the exchange rate of US\$1:S\$1.40) (the "**Investment Amount**"). With regard to the Investment, the renewable energy company will be undergoing either a potential initial public offering or a reverse takeover.

The Board wishes to announce that the Company has on 14 June 2016 received a final request from Yangtze to extend the date of the potential initial public offering or reverse takeover of the Target Company from the date of this announcement to 30 November 2016. Yangtze has guaranteed repayment of the full Investment Amount in the event no investment has been made in relation to Investment.

2. UPDATE OF THE STATUS OF THE INVESTMENT

The Company was informed that the potential initial public offering or reverse takeover of the Target Company has been terminated. Yangtze has informed us that the Target Company is currently exploring the option of an initial public offering on another platform.

3. RESPONSIBILITY STATEMENT FOR DIRECTORS

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Investment, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

4. CAUTIONARY STATEMENT

The shareholders of the Company and potential investors should exercise caution in dealing with the securities of the Company, and where in doubt as to the action they should take, they should consult their stock brokers, bank managers, solicitors and other professional advisors.

The Company will make further announcements in relation to the Rule 704 and Rule 1006 figures once the potential initial public offering or reverse takeover of the Target Company is completed.

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

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BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Luke Ho Khee Yong
Chief Executive Officer
14 June 2016

About Magnus Energy Group Ltd. (www.magnusenergy.com.sg)

Listed since 04 August 1999

Incorporated in 1983, SGX Catalist Board-listed Magnus Energy Group Ltd. ("**Magnus**") is an investment holding company with a diversified portfolio comprising oil, coal and gas assets, oil and gas equipment distribution, renewable energy and natural resources trading, property and infrastructure development, and industrial waste water treatment.

Magnus aims to maximise shareholder value through strategic investments in profitable projects and acquisitions globally with the goal of broadening the Group's earnings base and shareholder value.

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, Stamford Corporate Services Pte. Ltd. (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

The announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Bernard Lui.

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