

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

ISSUE OF UP TO 27,950,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY TO PHILLIP SECURITIES PTE LTD PURSUANT TO THE REPAYMENT OF OUTSTANDING LOAN AND RECEIPT OF REVISED LISTING AND QUOTATION NOTICE

Capitalised terms used herein shall have the definitions ascribed to them in the Company's announcement dated 23 July 2014 (the "Previous Announcement"), unless otherwise stated or the context otherwise requires.

The Board of Directors (the "**Board**") of Magnus Energy Group Ltd. ("the **Company**") refers to the Previous Announcement and wishes to announce that on 5 August 2014, the Company allotted and issued 27,950,000 new ordinary shares at an issue price of S\$0.0161 per share to Phillip Securities Pte Ltd (the "**Lender**") in repayment of the Lender's demand for repayment of S\$450,000 of the Loan.

The Board would also like to clarify that the Company has received a revised listing and quotation notice from the SGX-ST for the listing and quotation of up to 110,950,617 Repayment Shares at an issue price equal to 90% of the volume weighted average price of the Shares for the full market day preceding the date of a repayment demand from the Lender. The revised listing and quotation notice supercedes the notice described in the Previous Announcement.

None of the Directors and substantial Shareholders has any interests, direct or indirect, in the above issue, other than through each of their respective shareholding interests, direct and/or indirect, in the Company.

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 Repayment Shares, the Company and its subsidiaries, 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 this announcement in its proper form and context.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Lim Kuan Yew
Managing Director
5 August 2014

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's Continuing 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.*

This 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.

Tel: 6389 3000 Email: bernard.lui@stamfordlaw.com.sg