

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

**PROPOSED DISPOSAL OF PROPERTY LOCATED AT 32 LOYANG CRESCENT SINGAPORE 508992
- EXERCISE OF OPTION TO PURCHASE**

Unless otherwise specified, all capitalised terms shall have the same meaning ascribed to them in the Previous Announcement (as defined below).

The Board of Directors of Magnus Energy Group Ltd (the “**Company**” and, together with its subsidiaries, the “**Group**”) refers to the announcement in relation to the grant of an option (the “**Option**”) by Mid-Continent Equipment Group Pte. Ltd. (the “**Seller**”) to Allmaster Pte. Ltd. (the “**Purchaser**”) for the sale of the Seller’s entire interest in the property located at 32 Loyang Crescent 508992 (the “**Property**”) (the “**Proposed Disposal**”) dated 21 August 2020 (“**Previous Announcement**”).

Further to the Previous Announcement, the Company wishes to announce that the Purchaser had on 22 September 2020 exercised the Option to purchase the Property. As at the date of this announcement, a deposit of S\$253,155.52, being 5% of the Sale Price less the Option Fee (the “**Deposit**”), has been paid by the Purchaser and shall be held by the Seller’s solicitors as stakeholders pending completion, in accordance with the terms of the Option. Accordingly, the exercising of the Option by the Purchaser shall constitute a binding contract for the sale and purchase of the Property and no further contracts or agreements shall be signed.

After the deduction of the Option Fee and the Deposit, the balance of the Sale Price (together with the GST thereon) shall be paid by the Purchaser to the Seller (or such other parties as the Seller may direct) by way of cashier’s order on a date that is:

- (a) six (6) months from the date of the Option; or
- (b) eight (8) weeks from the date of the Seller’s written notice to the Purchaser confirming (i) fulfilment of all conditions contained in the JTC In-principle Approval and (ii) the receipt of the JTC Confirmation; or
- (c) (where the Environmental Baseline Study required by JTC (the “**Study**”) shows the presence of contaminants at the Property and decontamination works are required by JTC to be carried out by the Seller), four (4) weeks from the date where JTC confirms that the decontamination works carried out by the Seller are satisfactory to JTC or the relevant authorities; or
- (d) (where the Study shows the presence of contaminants at the Property but no decontamination works are required to be carried out by the Seller), four (4) weeks from the date when notification in writing is received from JTC or the relevant

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authorities confirming that no decontamination works are required to be carried out by the Seller,

whichever is the latest (the "**Completion Date**"). Upon payment of the balance of the Sale Price (together with the GST thereon) and all other sums payable under this Option by the Purchaser in the manner prescribed by the Seller, the Seller shall deliver to the Purchaser a duly executed Instrument of Transfer in respect of the Property. Such Instrument of Transfer is to be prepared by and at the expense of the Purchaser, the draft of which is to be submitted to the Seller's Solicitors within three (3) weeks from the date of the exercise of the Option, and the engrossment thereof not less than two (2) weeks prior to the Completion Date.

The Company will make further announcements on the Proposed Disposal as and when there are material developments.

Shareholders and potential investors should exercise caution when trading in the shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser immediately.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Charles Madhavan

Executive Director and Chief Executive Officer

22 September 2020

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Novus Corporate Finance Pte. Ltd. (the "**Sponsor**"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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 Pong Chen Yih, Chief Operating Officer, at 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.