

CIRCULAR DATED 7 APRIL 2016

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY

This Circular is issued by Magnus Energy Group Ltd. (the “Company”). If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Circular to the purchaser or transferee as arrangements will be made by CDP for a separate Circular to be sent to the purchaser or transferee. If you have sold or transferred all your shares represented by physical share certificate(s), you should immediately forward this Circular and the attached Proxy Form to the purchaser or transferee or to the bank, stockbroker or agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

This Circular 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”) Listing Manual Section B: Rules of Catalyst. The Sponsor has not independently verified the contents of this Circular. This Circular has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this Circular including the correctness of any of the statements made, opinions expressed or reports contained in this Circular. The contact person for the Sponsor is Mr. Bernard Lui, Tel: (65) 6389 3000, Email: bernard.lui@morganlewis.com.



MAGNUS ENERGY GROUP LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198301375M)

CIRCULAR TO SHAREHOLDERS

in relation to

THE REQUISITION FOR A MEETING OF THE SHAREHOLDERS PURSUANT TO SECTION 176 OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE, FOR:

- (1) THE PROPOSED REMOVAL OF MR. KUSHAIRI BIN ZAIDEL AS DIRECTOR OF THE COMPANY;**
- (2) THE PROPOSED REMOVAL OF MR. ONG CHIN CHUAN AS DIRECTOR OF THE COMPANY;**
- (3) THE PROPOSED REMOVAL OF MS. SEET CHOR HOON AS DIRECTOR OF THE COMPANY;**
- (4) THE PROPOSED REMOVAL OF MR. ONG SING HUAT AS DIRECTOR OF THE COMPANY;**
- (5) THE PROPOSED APPOINTMENT OF MR. LIM CHEE SAN AS DIRECTOR OF THE COMPANY;**
- (6) THE PROPOSED APPOINTMENT OF MR. LIU YONGQIANG AS DIRECTOR OF THE COMPANY; AND**
- (7) THE PROPOSED APPOINTMENT OF MR. PAUL GO KIAN LEE AS DIRECTOR OF THE COMPANY.**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	27 April 2016 at 10:00 a.m.
Date and time of Extraordinary General Meeting	:	29 April 2016 at 10:00 a.m.
Place of Extraordinary General Meeting	:	Rose Room I, II & Marie I, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516

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DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

“13 October 2014 Circular”	:	The circular to Shareholders dated 13 October 2014
“14 October 2015 Circular”	:	The circular to Shareholders dated 14 October 2015
“Act”	:	The Companies Act, Chapter 50 of Singapore, as may be amended or modified from time to time
“Board” or “Board of Directors”	:	The board of directors of the Company as at the Latest Practicable Date
“Catalist Rules”	:	The Listing Manual, Section B: Rules of Catalist issued by the SGX-ST, as may be amended, supplemented or revised from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 7 April 2016
“Code of Corporate Governance”	:	The Singapore Code of Corporate Governance 2012
“Company”	:	Magnus Energy Group Ltd.
“Constitution”	:	The constitution of the Company
“Correspondence”	:	Has the meaning ascribed to it in Section 2.8 of this Circular
“Directors”	:	The directors of the Company as at the Latest Practicable Date
“Diversification”	:	Has the meaning ascribed to it in Section 3.3(b) of this Circular
“EGM”	:	The extraordinary general meeting of the Company to be held on 29 April 2016 at 10:00 a.m. at Rose Room I, II & Marie I, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516, notice of which is set out on pages N-1 to N-2 of this Circular
“Inter-conditional Resolutions”	:	Collectively, the Ordinary Resolutions 1, 2, 3 and 4 in respect of the Proposed Removal of the Board
“Latest Practicable Date”	:	31 March 2016, being the latest practicable date prior to the printing of this Circular

DEFINITIONS

“Nominating Committee”	:	The nominating committee of the Company as at the Latest Practicable Date
“Notes Issue”	:	The proposed issuance of the redeemable convertible notes as stated in the 13 October 2014 Circular and as approved by Shareholders at the extraordinary general meeting held on 29 October 2014
“Notice of EGM”	:	The notice of EGM dated 7 April 2016, which is set out on pages N-1 to N-2 of this Circular
“Ordinary Resolutions”	:	Means the ordinary resolutions set out in the Notice of EGM
“Proposed New Directors”	:	Collectively, Messrs Lim Chee San, Liu Yongqiang and Paul Go Kian Lee
“Proposed Removal of the Board”	:	Has the meaning ascribed to it in Section 3.1 of this Circular
“Register of Members”	:	Register of members of the Company
“Requisition”	:	The request put forth by the Requisitioning Members to the Company for the holding of an extraordinary general meeting to consider the proposals set out in the Requisition Notice pursuant to Section 176 of the Act
“Requisition Notice”	:	The notice of requisition dated 1 March 2016 received by the Company from the Requisitioning Members, a copy of which is attached as Appendix I to this Circular
“Requisitioning Members”	:	Collectively, Messrs Paul Go Kian Lee, Sanjeev Gupta, Chen Le, Liu Yongqiang, Tan Mee Choo, Ng Chwee Lye, Lin Jiawu, Quek Siew Suah, Yang Eng Whee, Khu Beng Yu and General Steelworks Pte. Ltd., who at the date of the Requisition Notice together hold more than 10% of the issued and paid-up capital of the Company and carrying the right to vote at general meetings of the Company
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Shareholders”	:	Registered holders of Shares in the register of members of the Company, except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the persons named as Depositors in the depository register maintained by CDP and whose securities accounts maintained with CDP are credited with the Shares
“Shares”	:	Ordinary shares in the capital of the Company

DEFINITIONS

- “Sponsor”** : Stamford Corporate Services Pte. Ltd.
- “Subscription Agreement”** : The subscription agreement dated 3 September 2014 entered into between the Company, Premier Equity Fund and Value Capital Asset Management Private Limited which sets out the terms and conditions of the Notes Issue
- “%” or “per cent.”** : Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act, the Catalist Rules or any modification thereof and not otherwise defined in this Circular shall have the meaning assigned to it under the Act, the Catalist Rules or any modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day in this Circular shall be a reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding. Accordingly, figures shown as totals may not be an aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS

MAGNUS ENERGY GROUP LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198301375M)

Directors:

Mr. Kushairi Bin Zaidel (*Chairman and Independent Non-Executive Director*)
Mr. Ong Chin Chuan (*Independent Non-Executive Director*)
Ms. Seet Chor Hoon (*Independent Non-Executive Director*)
Mr. Ong Sing Huat (*Non-Independent Non-Executive Director*)

Registered Office:

400 Orchard Road
#19-06
Orchard Towers
Singapore 238875

7 April 2016

To: The Shareholders of Magnus Energy Group Ltd.

Dear Sir/Madam,

THE REQUISITION FOR A MEETING OF THE SHAREHOLDERS PURSUANT TO SECTION 176 OF THE COMPANIES ACT, CHAPTER 50 OF SINGAPORE, FOR:

- (1) THE PROPOSED REMOVAL OF MR. KUSHAIRI BIN ZAIDEL AS DIRECTOR OF THE COMPANY;
- (2) THE PROPOSED REMOVAL OF MR. ONG CHIN CHUAN AS DIRECTOR OF THE COMPANY;
- (3) THE PROPOSED REMOVAL OF MS. SEET CHOR HOON AS DIRECTOR OF THE COMPANY;
- (4) THE PROPOSED REMOVAL OF MR. ONG SING HUAT AS DIRECTOR OF THE COMPANY;
- (5) THE PROPOSED APPOINTMENT OF MR. LIM CHEE SAN AS DIRECTOR OF THE COMPANY;
- (6) THE PROPOSED APPOINTMENT OF MR. LIU YONGQIANG AS DIRECTOR OF THE COMPANY; AND
- (7) THE PROPOSED APPOINTMENT OF MR. PAUL GO KIAN LEE AS DIRECTOR OF THE COMPANY.

1. INTRODUCTION

1.1 Background

On 2 March 2016, the Company announced that it had on 1 March 2016 received a Requisition Notice from the Requisitioning Members, representing to be a special notice pursuant to Section 152 of the Act, seeking to serve as a requisition for the Directors to convene an EGM pursuant to Section 176 of the Act. The Requisitioning Members collectively held approximately 11.16% of the Shares of the Company as at 1 March 2016 and approximately 10.03% of the Shares as at the Latest Practicable Date.

LETTER TO SHAREHOLDERS

1.2 Purpose of this Circular

The Directors are convening the EGM to be held on 29 April 2016 at 10:00 a.m. at Rose Room I, II & Marie I, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 to consider the proposals contained in the Requisition Notice from the Requisitioning Members, details of which are set out in Section 2 of this Circular and the Notice of EGM.

The purpose of this Circular is to provide Shareholders with information relating to the proposals to be tabled at the EGM. The Notice of EGM is set out on pages N-1 and N-2 of this Circular.

The Sponsor and the SGX-ST have not independently verified the contents of this Circular. Neither the Sponsor nor the SGX-ST assumes any responsibility for the contents of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.

1.3 Conditionality of the Resolutions

Pursuant to Section 145(1) of the Act, the Company shall have at least one director who is ordinarily resident in Singapore, and pursuant to Article 77 of the Constitution of the Company, until otherwise determined by a general meeting, the number of Directors shall be not less than two. In the event that the number of Directors is less than two, the Directors have the power to (i) appoint additional Directors pursuant to Article 78 of the Constitution, and (ii) continue to act as Directors for the purpose of filling up vacancies in the Board or summoning a general meeting of the Company pursuant to Article 88 of the Constitution.

In order to ensure that the Company has at all times at least two Directors on the Board, of which at least one who is ordinarily resident in Singapore, the Inter-conditional Resolutions shall, if approved by Shareholders at the EGM, take effect on:

- (a) the date of the EGM, provided that at least two of the Ordinary Resolutions 5, 6, and 7 are passed at the EGM; or
- (b) a later date on which the Company appoints the requisite number of Directors of the Company in accordance with its Constitution and the provisions of the Act, in the event that less than two of the Ordinary Resolutions 5, 6, and 7 are passed at the EGM.

The Requisition Notice, as set out in Appendix I to this Circular, specifically requests that “all current Directors of the Company are to be removed”. As such, the Ordinary Resolutions 1, 2, 3 and 4 in respect of the Proposed Removal of the Board shall be inter-conditional on the passing of each other, such that the proposal by the Requisitioning Members to remove the existing Board in its entirety is satisfied.

SHAREHOLDERS SHOULD NOTE THAT THE PASSING OF EACH OF THE ORDINARY RESOLUTIONS 1, 2, 3 AND 4 IS INTER-CONDITIONAL ON THE PASSING OF EACH OF THE OTHER INTER-CONDITIONAL RESOLUTIONS. THIS MEANS THAT IF ANY ONE OF ORDINARY RESOLUTIONS 1, 2, 3 AND 4 IS NOT PASSED, THEN THE INTER-CONDITIONAL RESOLUTIONS, COLLECTIVELY, SHALL NOT PASS.

LETTER TO SHAREHOLDERS

2. THE REQUISITION

2.1 On 1 March 2016, the Requisitioning Members had, in the Requisition Notice as set out in Appendix I to this Circular, requisitioned the Directors to convene an EGM pursuant to Section 176 of the Act to consider each of the following Ordinary Resolutions, which are set out in the Notice of EGM:

- (a) that Mr. Kushairi Bin Zaidel be removed as Director of the Company;
- (b) that Mr. Ong Chin Chuan be removed as Director of the Company;
- (c) that Ms. Seet Chor Hoon be removed as Director of the Company;
- (d) that Mr. Ong Sing Huat be removed as Director of the Company;
- (e) that Mr. Lim Chee San be appointed as Director of the Company;
- (f) that Mr. Liu Yongqiang be appointed as Director of the Company; and
- (g) that Mr. Paul Go Kian Lee be appointed as Director of the Company.

Please refer to Section 1.3 of this Circular for more details on the inter-conditionality and/or conditionality of the above Ordinary Resolutions.

2.2 On 3 March 2016, the Company had sent letters to each of the Requisitioning Members, requesting them to confirm their participation in the Requisition.

2.3 On 8 March 2016, the Company had sent letters to each of the Proposed New Directors, requesting them to provide their resumes and particulars for their proposed appointment to the Board.

2.4 On 9 March 2016, the Company had requested from the Proposed New Directors:

- (a) the reasons for the Requisition of the EGM;
- (b) the reasons for the appointment of the Proposed New Directors; and
- (c) the plans and strategies of the Proposed New Directors for the Company going forward (if any).

2.5 Rationale for the Requisitioning of the EGM

On 11 March 2016, Mr. Liu Yongqiang, one of the Proposed New Directors, had on behalf of the Requisitioning Members provided the following response thereto:

“Regarding item (a) of your email, my reply is as follows:

We are requisitioning an EGM to remove the current board of directors and appoint a new board because we are unhappy with what is happening to the company so far. For example, the company’s share price has dropped from about 40 cents in October 2014 (before the start of the conversion of the convertible notes to shares) to as low as 0.2 cent recently. We

LETTER TO SHAREHOLDERS

believe that one of the main reasons for this total collapse in the share price is the relentless issuance of convertible notes by the company and the subsequent conversion of those notes into shares.

Regarding item (b) of your email, my reply is as follows:

We also believe that the current board is oblivious to this total collapse in share price because, inter alia, none of the current directors of the company own any significant quantity of shares in the company. On the contrary, I, together with the other nominees for the new board own substantial number of shares in the company.

Regarding item (c) of your email, my reply is as follows:

Until we take over the board of the company, we do not have sufficient information yet for us to properly devise a comprehensive and detailed plan for the future of the company. However, one thing for sure is that we will not cause the company to issue more convertible notes and we will also try to redeem the convertible notes which have already been issued by the company but not converted to shares yet.

As agreed, the company will incorporate my abovementioned reply in the circular to shareholders to be sent together with the notice of EGM.”

A similar email was resent to the Company on 17 March 2016 by Mr. Liu Yongqiang on behalf of the Requisitioning Members.

- 2.6 On 16 March 2016, Mr. Liu Yongqiang had on behalf of the Requisitioning Members issued a letter to the Company requesting for a status update on the progress of the Company's compliance with the Requisition. He also expressed that:

“[the Requisitioning Members] are deeply disappointed that despite [their] request to [the Company] not to issue further convertible notes as stated in [their] said requisition letter [dated 1 March 2016], [the Company] deliberately issued another S\$500,000 of convertible notes on 3 March 2016.”

- 2.7 On 16 March 2016, the Company had provided the following response to Mr. Liu Yongqiang:

“In response to your below email of 16 March 2016, the Company is currently in the process of preparing the circular. Pursuant to Section 176 of the Companies Act, Chapter 50 of Singapore, we intend to hold the Requisition EGM to consider the resolutions proposed in the Requisition Notice in the last week of April 2016 subject to clearance by the Exchange/Sponsor. A circular will be despatched in due course to shareholders of the Company. Any further queries will be addressed at the Requisition EGM as the Company does not wish to be in breach of disclosure rules by providing selective disclosure of information. Thank you.”

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- 2.8 The Proposed New Directors have consented to the inclusion of the correspondence summarised above between the Company and the Proposed New Directors (“**Correspondence**”) as set out in Appendix II to this Circular and have not withdrawn their consent prior to the publication of this Circular.
- 2.9 Shareholders are advised to read (i) the Requisition Notice set out in Appendix I and (ii) the Correspondence containing, *inter alia*, the rationale for the Requisition and the intentions of the Proposed New Directors for the Company going forward, as set out in Appendix II to this Circular, carefully and in their entirety before deciding whether to vote for or against the proposals of the Requisitioning Members as set out above and in the Ordinary Resolutions set out in the Notice of EGM.

3. PROPOSED REMOVAL OF THE BOARD AND THE PROPOSED NEW DIRECTORS

3.1 Proposed Removal of the Board

The Directors proposed to be removed by the Requisitioning Members are Messrs Kushairi Bin Zaidel, Ong Chin Chuan, Seet Chor Hoon and Ong Sing Huat, being all the Directors of the Company as at the date of the Requisition Notice (the “**Proposed Removal of the Board**”). The Company had, upon receipt of the Requisition Notice, informed Messrs Kushairi Bin Zaidel, Ong Chin Chuan, Seet Chor Hoon and Ong Sing Huat on the proposals put forth by the Requisitioning Members to remove each of them as a Director of the Company, subject to approval by the Shareholders at the EGM. The rationale for the Proposed Removal of the Board has been provided by Mr. Liu Yongqiang on behalf of the Requisitioning Members, which is set out in Section 2.5 and Appendix II to this Circular.

Each of the Directors is highly credentialed and has extensive experience a wide range of industries, allowing them to complement each other and contribute their various expertise in the commercial, legal and finance aspects of the Group. They have had significant involvement with the Group’s business, including being on the boards of directors of the Company’s subsidiaries, and have demonstrated a thorough and critical understanding of the Group’s business model and commercial objectives. A brief overview on the experience and capabilities of each of the Directors, being the subjects of Ordinary Resolutions 1, 2, 3 and 4, are included below:

Mr. Kushairi Bin Zaidel

Mr. Kushairi Bin Zaidel was first appointed to the Board on 5 November 2012 as an Independent Non-Executive Director and was appointed as Chairman in July 2014. He is also the Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee. Mr. Zaidel is also a current board member of MEG Global Resources Limited and Flagship Ecosystems Pte. Ltd., and was a former director of Mid-Continent Equipment Group Pte. Ltd., all of which are subsidiaries of the Company. Presently, Mr. Zaidel is the founder and executive director of several private companies in Malaysia with extensive business coverage in a range of industries, including commercial property developments, telecommunications, civil engineering services and venture capital. He also sits on the board of a company listed on Bursa Malaysia.

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Mr. Zaidel graduated with a Bachelor of Business (Accountancy) from University of South Australia. He is a Certified Public Accountant registered with Certified Practicing Accountants Australia. Mr. Zaidel is a Chartered Secretary with the Institute of Chartered Secretaries & Administrators, United Kingdom and is also a member of the Malaysian Institute Chartered Secretaries & Administrators.

Mr. Ong Chin Chuan

Mr. Ong Chin Chuan joined the Board as an Independent Non-Executive Director in June 2015. He is also the Chairman of the Audit Committee and member of the Nominating Committee and Remuneration Committee. Mr. Ong is currently the head of corporate services involving corporate exercise, finance and treasury functions in Singer (Malaysia) Sdn Bhd, a consumer durables marketing company, and its group of companies. He has more than 16 years of financial and accounting experience in both professional and commercial firms.

Mr. Ong is a fellow member of Association of Chartered Certified Accountants and also a Chartered Accountants of Malaysian Institute of Accountants.

Ms. Seet Chor Hoon

Ms. Seet Chor Hoon was appointed to the Board as an Independent Non-Executive Director in August 2014. She is also the Chairman of the Remuneration Committee and member of the Audit Committee and Nominating Committee. Ms. Seet is also a board member of Mid-Continent Equipment Group Pte Ltd., a subsidiary of the Company. Ms. Seet is currently a director and owner of an education business and has previous extensive experience in human resources, business development, retail distribution and marketing within the Asia Pacific region.

Ms. Seet graduated with a Masters Degree in Business Administration from University of Dubuque, Iowa, United States of America and holds a Diploma in Marketing from The Chartered Institute of Marketing, United Kingdom.

Mr. Ong Sing Huat

Mr. Ong Sing Huat joined the Board as a Non-Independent Non-Executive Director in November 2015. He is the Company Secretary of Magnus. He is also a member of the Audit Committee, Nominating Committee and Remuneration Committee. He is currently a Partner and co-head of the Business Practice Group at Robert Wang & Woo LLP and has an extensive legal career in a wide variety of corporate and commercial practice areas.

Mr. Ong graduated with a Bachelor of Laws (Honours) from the University of Leicester in 1996. He was called to the Bar at the Middle Temple, United Kingdom in 1999 and was admitted to the Roll of Advocates & Solicitor, Supreme Court of Singapore in 2001. Mr. Ong is also a member of Singapore Academy of Law.

LETTER TO SHAREHOLDERS

3.2 Proposed New Directors

The information relating to the Requisitioning Members, the Proposed New Directors, and their views and opinions (collectively and individually), was provided to the Company by the Requisitioning Members and/or the Proposed New Directors (as the case may be). The Board of Directors, the Company, the Sponsor and the SGX-ST have not conducted an independent review or verification of the accuracy of the opinions, statements and information relating to the Requisitioning Members and the Proposed New Directors as contained in this Circular.

The Proposed New Directors are Messrs Lim Chee San, Liu Yongqiang and Paul Go Kian Lee. The following brief overview of their experience and expertise has been extracted from the information which has been provided to the Company and during the course of the Sponsor's interview with the Proposed New Directors, the minutes of which are attached at Appendix IV of this Circular. The rationale for the appointment of the Proposed New Directors has been provided by Mr. Liu Yongqiang on behalf of the Requisitioning Members, which is set out in Section 2.5 above and Appendix II to this Circular.

Mr. Lim Chee San

Mr. Lim Chee San has been a lawyer, accountant and banker over the last 30 years. Currently, Mr. Lim runs his own law firm, TanLim Partnership, and is currently an Independent Non-Executive director of Hupsteel Limited, a company listed on the Main Board of the SGX-ST.

Mr. Liu Yongqiang

Mr. Liu Yongqiang is an associate director of PropNex Realty Pte. Ltd., a real estate agency. He has no prior or current experience as a director of a listed company in Singapore or elsewhere. He is currently a director of several private companies in Singapore and has undertaken to the Sponsor to attend training courses conducted by the Singapore Institute of Directors on the roles and responsibilities of a director of a listed company in Singapore.

Mr. Paul Go Kian Lee

Mr. Paul Go Kian Lee is an accountant and an Executive Director of Paul Go & Co. He has no prior or current experience as a director of a listed company in Singapore or elsewhere. He is currently a director of several private companies in Singapore and has undertaken to the Sponsor to attend training courses conducted by the Singapore Institute of Directors on the roles and responsibilities of a director of a listed company in Singapore.

In the event that any of Ordinary Resolutions 5, 6 and 7 are passed, each of the newly appointed Proposed New Directors will hold office only until the next following annual general meeting of the Company, thereafter he will be subject to retirement by rotation and re-election in accordance with the Company's Constitution.

LETTER TO SHAREHOLDERS

Of the Proposed New Directors, Messrs Liu Yongqiang and Paul Go Kian Lee are also Requisitioning Members. Information on the business and working experience of each of the Proposed New Directors is set out in the resumes attached at Appendix III to this Circular and the minutes of the interviews with the Sponsor attached at Appendix IV to this Circular, and the respective shareholdings of each of the Proposed New Directors as at the Latest Practicable Date is set out in Section 3.4 of this Circular. Please refer to Section 3.5 of this Circular for the Sponsor's assessment of the Proposed New Directors.

3.3 Response by the Company and the Board of Directors

In response to the rationale for the Requisition provided by the Proposed New Directors on behalf of the Requisitioning Members, the Board and the Directors would like to make the following representations:

(a) Value and Share price of the Company

The Board and the management had, during the material time, considered the potential effects of the issuance of redeemable convertible notes on the value and Share price of the Company. The main factors considered by the Board were, *inter alia*, the potential risks of the Company's inability to operate as a going concern, the preservation of the Company's status as a listed company on the SGX-ST, the current liabilities, debts and bank borrowings of the Company, other fund-raising options (such as a private placement to investors, rights issue and/or disposal of assets), and the long term growth of the Company. If the Company had instead raised funds through a disposal of its assets and major subsidiaries, the Company would likely have ceased to have any major operating business and risk a mandatory delisting scenario after the stipulated time frame. The Directors had, at the material time, put forth their decision to raise funds through the issuance of redeemable convertible notes, which was subsequently approved by Shareholders in a general meeting.

Any fluctuations in the Share price are a result of market forces and conditions beyond the control of the Board and the Company, and the fall in Share price is, in part, due to the existing supply of and demand for the Shares. Under the terms of the Subscription Agreement, once the Company has served, at its discretion, an exercise notice on the Subscriber (as defined in the 13 October 2014 Circular) for any tranche of the Notes Issue, the Subscriber has the discretion to subscribe for subsequent sub-tranches and thereafter the Company is obligated to issue the redeemable convertible notes upon any subscription for the subsequent sub-tranches by the Subscriber. However, the Share price of the Company becomes irrelevant if the Company ceases to be listed on the SGX-ST, in the event it is unable to operate as a going concern. Please refer to the 13 October 2014 Circular for more details on the rationale for the Notes Issue, as well as the key terms of and use of proceeds from the Subscription Agreement.

The Board had, in consideration of the concerns of and the enhancement of value to Shareholders, decided to raise funds through the issuance of the redeemable convertible notes to support the long term growth and preservation of the Company, for the long term benefit of the Shareholders.

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(b) **Rationale for the issuance of the redeemable convertible notes**

With reference to the 13 October 2014 Circular, the resolution for the issue of up to S\$35,000,000 in aggregate principal amount of redeemable convertible notes had been duly approved and passed by Shareholders at the extraordinary general meeting of the Company on 29 October 2014. The rationale for the issuance of the redeemable convertible notes under the Subscription Agreement is set out in the 13 October 2014 Circular and is reproduced herein for ease of reference:

“The Company decided to enter into the Subscription Agreement so as to strengthen its balance sheet as well as to broaden the shareholder base and to enhance the financial flexibility of the Company to capitalise on potential growth and investment opportunities. The net proceeds from the Notes Issue shall be applied towards making investments to support the Diversification (as defined in the 13 October 2014 Circular) and for the Group’s general working capital, with the goal of enhancing shareholder value.”

The proceeds from the Notes Issue have been for, *inter alia*, the general working capital of the Group as well as investments and transactions relating to the diversification of the Group’s business scope into investing and participating in the energy sector and investing in quoted securities, which is in accordance with the intended use of proceeds as set out in Section 3.7 of the 13 October 2014 Circular, and subsequently into the property business and the minerals and natural resources business as set out in the 14 October 2015 Circular (“**Diversification**”), so that the Group and its business operations will not be so heavily dependent on and affected by the general weak performance of the oil and gas industry.

LETTER TO SHAREHOLDERS

(c) Use of proceeds from the Notes Issue

The Board and the Company have, through its various continuous announcements, provided Shareholders with information on the use of proceeds from the Notes Issue. As at the Latest Practicable Date, the use of proceeds from the Notes Issue is as follows:

Notes Issue	S\$'000	Utilisation of Proceeds as at the Latest Practicable Date		S\$'000
Convertible Notes	35,000	Investments and general corporate purposes		
Notes Issued	<u>(15,000)</u>	–	Increase in stake in Mid-Continent Equipment Group Pte. Ltd. ⁽¹⁾	393
Notes Unissued	<u>20,000</u>	–	Amount disbursed in relation to the Redeemable Convertible Loan of up to S\$5,000,000 ⁽²⁾	5,000
		–	Physical trading of renewable energy and natural resources ⁽³⁾	2,407
		–	Deposit paid for investment in quoted equities ⁽⁴⁾	1,408
		–	Investment in infrastructure development ⁽⁵⁾	1,000
		–	Acquisition of subsidiary ⁽⁶⁾	700
		–	Fixed income investment	200
			General working capital	
		–	Repayment of convertible loan	798
		–	General working capital	<u>2,715</u>
				<u>14,621</u>

Note(s):

- (1) Please refer to the announcement "Completion of Acquisition in Mid-Continent Equipment Group Pte. Ltd." dated 26 January 2015 for further information.
- (2) Please refer to the announcement "Redeemable Convertible Loan of up to S\$5,000,000" dated 22 May 2015 for further information.
- (3) This includes trading of crude palm oil, coal and raw materials for construction of infrastructure.
- (4) Please refer to the announcement "Joint Investment with Yangtze Investment Partners Limited" dated 20 August 2015 and 9 November 2015 for further information.
- (5) Please refer to the announcement "Road Project in Central Java Indonesia" dated 16 November 2015 for further information.
- (6) Please refer to the announcement "Completion of subscription of 2,700,000 shares in Flagship Ecosystems Pte. Ltd." dated 1 December 2015 for further information.

A total amount of S\$15,000,000 has been raised from the Notes Issue and these have been used for the general working capital of the Group's various investments and transactions as mentioned in the notes to the table above, including a 2% arranger fee

LETTER TO SHAREHOLDERS

as set out in the 13 October 2014 Circular. These investments are based on the strategies from the Board and the management of the Company for the long-term growth of the Company.

(d) Independence of the Board

Guideline 2.1 of the Code of Corporate Governance recommends that “there should be a strong and independent element on the Board, with independent directors making up at least one-third of the Board” and Guideline 2.3 of the Code of Corporate Governance sets out certain criteria which determine when directors will be deemed to be non-independent including, *inter alia*, if they are a 10% shareholder (directly or indirectly). The Company and the Board is of the view that the current Board comprises a strong independent element, and that while some of the Directors may hold certain interests in the Company which is sufficient to align their interests with that of Shareholders, none of the Directors, particularly the Independent Directors, hold substantial shareholdings in the Company in order to avoid a situation where their independence may be compromised. The interests of the existing Directors are set out in Section 5 of this Circular.

(e) Clear strategy for the Group

The Board and the Company have, through its various continuous announcements and circulars to Shareholders, provided Shareholders with a clear indication of the current strategic direction of the Company. The Diversification of its business scope and the raising of funds (in order to fund new ventures and pipeline projects) through the issuance of redeemable convertible notes due to the fact that other financing and banking options were not available or practicable to the Group at the material time, and the various risks associated with the abovementioned fund-raising, have all been highlighted extensively to Shareholders in the 13 October 2014 Circular. The existing Board and the Company have set out a strategy for the Group to be less dependent on the oil and gas industry, while looking for the necessary capital to fund such new ventures, without the benefit of hindsight. The Proposed New Directors, however, have not provided or proposed any concrete plans or strategies for the Company going forward.

(f) Inconvenience and unnecessary expense to the Company

The Company and the Board see little reason why there is a need for a complete change in the Board composition and are of the view that the Requisition is an unnecessary cost and inconvenience to the business and operations of the Company at this juncture, with no real or material benefit to all Shareholders. The estimated costs and expenses in relation to the Requisition by the Requisitioning Members is approximately S\$70,000.

(g) Potential risks associated with the Proposed Removal of the Board

The Company and the Board would like to highlight the potential risks that the Company may face as a result of the Proposed Removal of the Board. Please refer to Section 4 of this Circular for an overview of these risk factors.

LETTER TO SHAREHOLDERS

3.4 Interests of the Proposed New Directors

For illustrative purposes only, as at the Latest Practicable Date, the interests of the Proposed New Directors, based on the Register of Members, are set out below:

	Direct Interest		Deemed Interest		Total	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Proposed New Directors						
Lim Chee San	66,900,000	4.46	–	–	66,900,000	4.46
Paul Go Kian Lee	44,050,600	2.94	–	–	44,050,600	2.94
Liu Yongqiang ⁽²⁾	8,320,000	0.55	6,000,000	0.40	14,320,000	0.95
Total	119,270,600	7.95	6,000,000	0.40	125,270,600	8.35

Note(s):

- (1) Based on 1,499,435,772 ordinary Shares in issue (excluding treasury shares) as at the Latest Practicable Date.
- (2) Mr. Liu Yongqiang is deemed interested in 6,000,000 Shares held by his spouse, Ms. Chen Le, as at the Latest Practicable Date.

3.5 Sponsor's Assessment and Consent

The Sponsor has interviewed the Proposed New Directors as part of its standard procedures for any proposed appointment of new Directors of the Company and the minutes of such interviews are attached at Appendix IV to this Circular. The Sponsor is of the opinion that whilst nothing has come to the attention of the Sponsor that would prevent the appointment of the Proposed New Directors, the Sponsor would like to highlight to Shareholders that the Proposed New Directors were unable to provide any details of their future business plans and strategies for the Company when so questioned.

As at the Latest Practicable Date, Mr. Lim Chee San holds the third largest amount of Shares in the Company, Mr. Paul Go Kian Lee holds the sixth largest amount of Shares in the Company and all the Requisitioning Members are within the top seventy Shareholders holding the largest number of Shares in the Company. **In light of this, the Sponsor would like to express its reservations as to the independence of the Proposed New Directors. Consequently this may affect the constitution and formation of the Audit Committee, Nominating Committee and Remuneration Committee in the event that all the existing Directors, the majority of whom are Independent Directors of the Company, are removed.**

The Sponsor has consented in writing to the inclusion of their name and opinion in this Circular in the form and context in which they appear and have not withdrawn their consents prior to the publication of this Circular.

LETTER TO SHAREHOLDERS

4. RISK FACTORS

4.1 Disruption to business operations

Given the limited details provided by the Proposed New Directors as to their future business plans and strategies for the Company, a complete removal and replacement of the entire Board of Directors may result in a loss of continuity in the strategic direction of the Company. In addition, it appears that the Proposed New Directors are also presently unsure as to the various roles that they would undertake as part of the board of the Company. This may lead to the instability of the management team, which may disrupt the business operations of the Company in the long and short term. In addition, the Company's dealings and relations with its subsidiaries may be affected. As a result, the Group may face the risk of financial instability, disruption or delays to its business operations, and this may have a material adverse effect on its prospects, business, operations and financial results.

4.2 Going concern issues in the event that the Company stops issuing redeemable convertible notes

The proceeds from the issuance of redeemable convertible notes under the Subscription Agreement are used for, inter alia, funding the general working capital of the Company. In the event that the Company stops issuing the redeemable convertible notes under the Subscription Agreement, this may result in a sudden limitation in the source of funds available to the Group, which may in turn result in the Company facing going concern issues in the event that the Company is unable to meet its financial obligations.

4.3 Legal liabilities relating to default under the Subscription Agreement

The Proposed New Directors have represented that they not only plan to stop the Company from issuing further redeemable convertible notes under the Subscription Agreement, but that they intend to redeem the redeemable convertible notes which have already been issued by the Company but which have not yet been converted into Shares. The Company had on 5 August 2015 served an exercise notice on the Subscriber in respect of the Tranche 2 Notes (as defined in the 13 October 2014 Circular). Pursuant to the terms of the Subscription Agreement, upon the receipt of such exercise notice by the Subscriber, the Subscriber shall be obliged to subscribe for, and the Company shall be obliged to issue such redeemable convertible notes as stipulated for each sub-tranche, in accordance with the terms and conditions of the Subscription Agreement. Any failure to adhere to the terms of the Subscription Agreement may result in the Company being in breach of the Subscription Agreement and expose the Company to legal liabilities.

4.4 Insufficient knowledge and technical capability of the Proposed New Board

The success of the strategy of the Company is driven by the knowledge and technical capability of the Board and the management team, which has a proven track record within the Group. The Company's current Directors and management team comprises a small, experienced group with sound technical, corporate and financial skills. The Board has the required mix of experience and skills necessary to contribute in the Group's portfolio of businesses which include oil and gas equipment distribution, renewable energy and natural resources trading, property and infrastructure development and industrial waste water treatment, manage existing assets and ultimately increase shareholder value. To depart from the current strategy of the Board and the Company is to lose the potential value that may be created from current opportunities. While the Company's operations may be currently

LETTER TO SHAREHOLDERS

affected by, amongst others, the overall downturn in the oil and gas industry, the Proposed New Directors may not bring relevant expertise to manage the Company's portfolio. To change the Company's strategy is to risk a known plan set by the existing Board and current management team for an unknown strategy with a potentially high risk of failure.

4.5 No clear strategy for the Company

In contrast to the current Board's stated strategy for the Company, neither the Requisitioning Members nor the Proposed New Directors have articulated to the Board, the Company, the Sponsor or the market any plan or direction for the Group, or made limited suggestions as to how the Group's operations and asset may be conducted and managed more efficiently and/or beneficially for Shareholders. The Directors presume that the Requisitioning Members and/or the Proposed New Directors have a plan in respect of the strategy of the Group and its assets, but no such plan has been outlined or disclosed in detail to the Directors or the Sponsor. Therefore, neither the existing Directors, the Company nor the Sponsor are able to ascertain if any of the plans which the Requisitioning Members may have for the Group are in the best interests of all the Shareholders.

4.6 Proposed Removal of the Board may cause loss of key commercial relationships

The Proposed Removal of the Board may cause a loss of substantial industry experience and corporate knowledge of the Group and its assets, and important business relationships which have been established over time with key stakeholders, contractors, authorities, potential financiers and strategic partners over the years. The Directors consider that the loss of such knowledge, experience, and key industry relationships and business networks at the Board level will hinder the ability of the Company to successfully pursue its strategic goals. Given that the Requisitioning Members are seeking to remove all of the Company's existing Directors, the Directors are of the opinion that the Proposed New Directors will have neither the time nor sufficient technical expertise in the oil and gas equipment distribution industries, renewable energy and natural resources trading business, property and infrastructure development business and industrial waste water treatment business to effectively manage the Group from the day they are appointed. This may create a substantial risk for Shareholders in the short and long term, particularly during critical times and in difficult market conditions. The outcome of the EGM may result in a disconnect between the strategy set by the existing Directors at the management level, and the proposed new strategy of the Proposed New Directors, which could prevent the Company from rebuilding Shareholder value through the maintenance and development of the Company's assets in line with its current strategy. The Directors believe that Shareholder value will be best increased by having a stable Board and management team with the requisite experience necessary to cultivate the opportunities available to the Group in Singapore and abroad.

LETTER TO SHAREHOLDERS

4.7 The Proposed New Board composition may not be compliant with the Code of Corporate Governance and the Catalist Rules

The current Board compositions of the Audit Committee, the Remuneration Committee and the Nominating Committee are as follows:

- (a) the Audit Committee comprises Mr. Ong Chin Chuan (the chairman of the Audit Committee), Mr. Kushairi Bin Zaidel, Ms. Seet Chor Hoon, and Mr. Ong Sing Huat;
- (b) the Remuneration Committee comprises Ms. Seet Chor Hoon (the chairman of the Remuneration Committee), Mr. Kushairi Bin Zaidel, Mr. Ong Chin Chuan, and Mr. Ong Sing Huat; and
- (c) the Nominating Committee comprises Mr. Kushairi Bin Zaidel (the chairman of the Nominating Committee), Ms. Seet Chor Hoon, Mr. Ong Chin Chuan, and Mr. Ong Sing Huat.

Pursuant to Rule 406(3)(c) of the Catalist Rules, the Board must have at least two non-executive directors who are independent and free of any material business or financial connection with the Company. The Company is required to comply with this provision on a continuing basis by virtue of Rule 720 of the Catalist Rules, and to consult the Sponsor prior to making any changes to its Board. Please refer to Section 3.5 of this Circular for the Sponsor's assessment of the Proposed New Directors.

Pursuant to Rule 704(7) of the Catalist Rules, in the event that any retirement or resignation of Directors which renders the Audit Committee unable to meet the minimum number (being not less than three), the Company should endeavour to fill the vacancy within two months, but in any case not later than three months. There is a risk that the Company will be unable to fill the vacancy in respect of the Audit Committee, particularly in respect of any independent element as required under the Code of Corporate Governance and/or the Catalist Rules, as a direct result of the Proposed Removal of the Board.

LETTER TO SHAREHOLDERS

5. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

As at the Latest Practicable Date, the interests of the Directors and substantial Shareholders of the Company, based on the register of Directors' shareholdings and register of substantial Shareholders of the Company maintained pursuant to Sections 164 and 88 of the Act, are set out below:

	Direct Interest		Deemed Interest		Total	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
Directors						
Kushairi Bin Zaidel	153,420	0.01	–	–	153,420	0.01
Ong Chin Chuan	–	–	–	–	–	–
Seet Chor Hoon	112,500	0.01	–	–	112,500	0.01
Ong Sing Huat	–	–	–	–	–	–
Substantial Shareholders (other than Directors)						
	–	–	–	–	–	–

Note(s):

(1) Based on 1,499,435,772 ordinary Shares in issue (excluding treasury shares) as at the Latest Practicable Date.

6. EXTRAORDINARY GENERAL MEETING

The EGM will be held on 29 April 2016 at 10:00 a.m. at Rose Room I, II & Marie I, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 for the purpose of considering and, if thought fit, passing with or without any modifications, the ordinary resolutions set out in the Notice of EGM.

7. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the EGM and wish to appoint a proxy to attend and vote at the EGM on their behalf, may complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and in any event so as to reach the registered office of the Company at 400 Orchard Road, #19-06 Orchard Towers, Singapore 238875, not less than 48 hours before the time fixed for the EGM. The completion and return of the Proxy Form by a Shareholder does not preclude him from attending and voting at the EGM should he subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the EGM.

A Depositor shall not be regarded as a Shareholder entitled to attend the EGM and to speak and vote thereat unless he is shown to have Shares entered against his name in the Depository Register at least 72 hours before the time fixed for the EGM.

LETTER TO SHAREHOLDERS

8. DIRECTORS' RECOMMENDATION

8.1 No recommendation

The Directors are convening the EGM pursuant to the Requisition Notice and in accordance with Section 176 of the Act and the Constitution of the Company.

The Directors have abstained from making any recommendation to Shareholders in respect of the proposed Ordinary Resolutions for their own removal as Directors of the Company. Due to the potential conflicts of interest, the Nominating Committee has neither conducted interviews nor reviewed the qualifications of the Proposed New Directors, and consequently, the Nominating Committee hereby abstains from making any recommendation to Shareholders in respect of the Ordinary Resolutions proposing the appointment of the Proposed New Directors.

8.2 Abstention from voting

As Mr. Kushairi Bin Zaidel and Ms. Seet Chor Hoon are the subjects of the proposed Ordinary Resolutions 1 and 3, respectively, they will in good faith abstain from voting on the respective Ordinary Resolutions pertaining to their removal as Directors of the Company as set out in the Notice of EGM, whether by representative or proxy, and shall not accept nominations as proxies unless specific instructions have been given in the Proxy Form by the Shareholder(s) appointing them as to the manner in which his/her votes are to be cast for the respective Ordinary Resolutions.

9. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular (save for the information and documents provided to the Company by the Requisitioning Members and/or the Proposed New Directors) and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Requisition, the Company and/or its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular (save for the information and documents provided to the Company by the Requisitioning Members and/or the Proposed New Directors) misleading.

Where information in this Circular 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 Circular in its proper form and context.

LETTER TO SHAREHOLDERS

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of the Company at 400 Orchard Road, #19-06 Orchard Towers, Singapore 238875, during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Requisition Notice;
- (b) a copy of the Correspondence;
- (c) the Subscription Agreement;
- (d) the Constitution of the Company; and
- (e) the annual report of the Company for the financial year ended 30 June 2015.

Yours faithfully,

For and on behalf of the Board of Directors of
MAGNUS ENERGY GROUP LTD.

Luke Ho Khee Yong
Chief Executive Officer
7 April 2016

APPENDIX I – THE REQUISITION NOTICE

Date : 1st March, 2016

Magnus Energy Group Ltd (“the Company”)
400 Orchard Road
#19-06 Orchard Towers
Singapore 238875

Dear Sirs

REQUISITION OF EXTRAORDINARY GENERAL MEETING

We, whose name and signature appear on the attached pages, together hold not less than 10% of the total number of paid-up shares of the Company, hereby submit our requisition for an extraordinary general meeting of the Company to be held as soon as practicable, pursuant to Section 176 of the Companies Act.

The objects of the extraordinary general meeting are to deliberate on and vote on the following resolutions :

- a) All the current directors of the Company are to be removed; and
- b) The following persons shall be appointed as directors of the Company :
 - (i) Lim Chee San
 - (ii) Liu Yongqiang
 - (iii) Paul Go Kian Lee

We also hereby request that you do not issue any new convertible notes henceforth.

Yours faithfully,


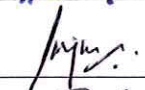


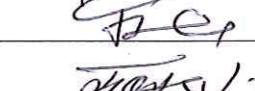


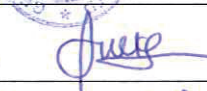
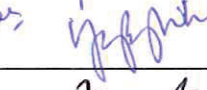


Please see the subsequent pages for the list of signatories for this requisition.

cc : SGX

APPENDIX I – THE REQUISITION NOTICE

- MAGNUS ENERGY - CONTD...

List of Shareholders Requisitioning for An Extraordinary General Meeting of the Company

<u>Name of Shareholder</u>	<u>No. of shares held</u>	<u>Signature of Shareholder</u>
Paul Go Kian Lee	16,500,000	
SANJEEV GUPTA	6,057,262	
Chen Le	6,000,000	
Liu Yong Qiang	4,320,000	
Tan mee chao	3,000,000	
ng Chwee Lye	12,000,000	
LIN JIAWU	8220,000	
General Steelworks P.L.	9,000,000	
Quek Siew Suah	11,051,560 <i>share</i>	
Yang Eng Whee	9,717,000 <i>shares</i>	
Khu Beng Yu	12,300,000	

APPENDIX II – CORRESPONDENCE

MEG/CS/2016-12



3 March 2016

FOR THE ATTENTION OF MR LIU YONGQIANG

BY COURIER

—By Registered Mail—

Dear Mr Liu,

REQUISITION OF EXTRAORDINARY GENERAL MEETING PURSUANT TO SECTION 176 OF THE COMPANIES ACT (CHAPTER 50)

We refer to your notice of requisition dated 1 March 2016 (the "Requisition Notice"), a copy of which is enclosed herewith, to convene an extraordinary general meeting (the "EGM") of the Company pursuant to Section 176 of the Companies Act, Chapter 50 of Singapore (the "Act").

The Company is now in the process of convening this meeting, which includes the preparation of a circular for distribution to shareholders. Please let us know whether you require any information, concerning the resolutions that you have proposed to be passed at the EGM, to be included into this circular.

In order for us to adhere to the timeline set out under, *inter alia*, Section 176 of the Act, Section 152 of the Act and Article 99 of the Company's Articles of Association, please let us have such information, if any, including your contact details, by no later than 9 March 2016.

Further, please verify your signature on the said Requisition Notice and confirm your participation in the requisition of the EGM by signing below and return a scan copy of this letter. You may provide your response and the verification via mail or email to angie.chow no later than 9 March 2016.

Thank you.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Angie'.

ANGELINE CHOW
Deputy Company Secretary

Enc.

To: Magnus Energy Group Ltd. (the "Company")

I, Liu Yong Qiang (Name), of NRIC No. _____, hereby confirm that I have signed the Requisition Notice dated 1 March 2016 and confirm my participation in the requisition of the extraordinary general meeting of the Company.

A handwritten signature in black ink, appearing to read 'Liu Yong Qiang'.

Signature

Name:

Liu Yong Qiang

MAGNUS ENERGY GROUP LTD.

(Registration No. 198901375M)

— 10 Anson Road #33-13 International Plaza Singapore 079903 Telephone: +65 6325 1850 Facsimile: +65 6325 1851
400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 Tel: +65 6325 1850 Fax: +65 6325 1851

APPENDIX II – CORRESPONDENCE

MEG/CS/2016-3



M A G N U S
E N E R G Y

3 March 2016

FOR THE ATTENTION OF MR PAUL GO KIAN LEE

BY COURIER

~~By Registered Mail~~

Dear Mr Go,

REQUISITION OF EXTRAORDINARY GENERAL MEETING PURSUANT TO SECTION 176 OF THE COMPANIES ACT (CHAPTER 50)

We refer to your notice of requisition dated 1 March 2016 (the "Requisition Notice"), a copy of which is enclosed herewith, to convene an extraordinary general meeting (the "EGM") of the Company pursuant to Section 176 of the Companies Act, Chapter 50 of Singapore (the "Act").

The Company is now in the process of convening this meeting, which includes the preparation of a circular for distribution to shareholders. Please let us know whether you require any information, concerning the resolutions that you have proposed to be passed at the EGM, to be included into this circular.

In order for us to adhere to the timeline set out under, *inter alia*, Section 176 of the Act, Section 152 of the Act and Article 99 of the Company's Articles of Association, please let us have such information, if any, including your contact details, by no later than 9 March 2016.

Further, please verify your signature on the said Requisition Notice and confirm your participation in the requisition of the EGM by signing below and return a scan copy of this letter. You may provide your response and the verification via mail or email to angie.chow no later than 9 March 2016.

Thank you.

Yours faithfully,

ANGELINE CHOW
Deputy Company Secretary

Enc.

To: Magnus Energy Group Ltd. (the "Company")

I, Paul Go Kian Lee (Name), of NRIC No. _____, hereby confirm that I have signed the Requisition Notice dated 1 March 2016 and confirm my participation in the requisition of the extraordinary general meeting of the Company.

Signature

Name: Paul Go Kian Lee

MAGNUS ENERGY GROUP LTD.

(Registration No. 198301375M)

10 Anson Road #33-13 International Plaza Singapore 079903 Telephone: +65 6325 1850 Facsimile: +65 6325 1851
400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 Tel : +65 6325 1850 Fax : +65 6325 1851

APPENDIX II – CORRESPONDENCE

MEG/CS/2016-16



M A G N U S
E N E R G Y

8 March 2016

FOR THE ATTENTION OF MR LIM CHEE SAN

BY COURIER

Dear Mr Lim,

REQUISITION OF EXTRAORDINARY GENERAL MEETING PURSUANT TO SECTION 176 OF THE COMPANIES ACT (CHAPTER 50)

We refer to the notice of Requisition dated 1 March 2016 (the "Requisition Notice") as put forth by the Requisitioning Members, a copy of which is enclosed herewith, to convene an extraordinary general meeting (the "EGM") of the Company pursuant to Section 176 of the Companies Act, Chapter 50 of Singapore (the "Act").

You are nominated as a director pursuant to the Requisition Notice. In order for us to prepare the circular concerning the resolutions set out in the said Requisition Notice, we require you to complete and furnish the following original documents to the undersigned at 400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 by no later than 1:00 pm on 11 March 2016:

1. Declaration Form; and
2. Appendix 7H undertaking.

Please also provide your resume as well as clear copy of your NRIC and/or passport and contact details. In addition, the Company's continuing sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor") will be conducting an interview with you in relation to ascertaining the suitability as a director. In this regard, kindly let us know on your availability for an interview with the Sponsor.

You may be required to re-submit the documents, if it is incomplete, improperly completed, illegible or in the absence of any required documents, which may inadvertently cause the delay of convening the EGM.

Your attention is also drawn to Rule 704(7) and Appendix 7.4.1 of the Listing Manual Section B: Rules of Catalyst of the Singapore Exchange securities trading Limited that requires, *inter alia*, disclosure applicable to the appointment of director. Please be informed that if you do not have experience as director in a listed company, you would have to enroll in courses organised by the Singapore Institute of Directors to familiarise yourself with the responsibilities of a director of a listed company in Singapore upon appointment.

Thank you.

Yours faithfully,

ANGELINE CHOW
Deputy Company Secretary

Enc.

Copy to: The Sponsor MAGNUS ENERGY GROUP LTD.

(Registration No. 198391373M)

10 Anson Road #33-13 International Plaza Singapore 079903 Telephone: +65 6325 1850 Facsimile: +65 6325 1851
400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 Tel: +65 6325 1850 Fax: +65 6325 1851

APPENDIX II – CORRESPONDENCE

MEG/CS/2016-15



8 March 2016

FOR THE ATTENTION OF MR LIU YONGQIANG

BY COURIER

Dear Mr Liu,

REQUISITION OF EXTRAORDINARY GENERAL MEETING PURSUANT TO SECTION 176 OF THE COMPANIES ACT (CHAPTER 50)

Further to our letter dated 3 March 2016 with respect to the requisition to convene an extraordinary general meeting (the "EGM") of the Company pursuant to Section 176 of the Companies Act, Chapter 50 of Singapore (the "Act"), in order for us to prepare the circular concerning the resolutions set out in the Requisition Notice dated 1 March 2016, we require you to complete and furnish the following original documents to the undersigned at 400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 by no later than 1:00 pm on 11 March 2016:

1. Declaration Form; and
2. Appendix 7H undertaking.

Please also provide your resume as well as clear copy of your NRIC and/or passport and contact details. In addition, the Company's continuing sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor") will be conducting an interview with you in relation to ascertaining the suitability as a director. In this regard, kindly let us know on your availability for an interview with the Sponsor.

You may be required to re-submit the documents, if it is incomplete, improperly completed, illegible or in the absence of any required documents, which may inadvertently cause the delay of convening the EGM.

Your attention is also drawn to Rule 704(7) and Appendix 7.4.1 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange securities trading Limited that requires, *inter alia*, disclosure applicable to the appointment of director. Please be informed that if you do not have experience as director in a listed company, you would have to enroll in courses organised by the Singapore Institute of Directors to familiarise yourself with the responsibilities of a director of a listed company in Singapore upon appointment.

Thank you.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Angelina'.

ANGELINE CHOW
Deputy Company Secretary

Enc.

Copy to: The Sponsor

MAGNUS ENERGY GROUP LTD.

(Registration No. 198301375M)

10 Anson Road #33-13 International Plaza Singapore 079903 Telephone: +65 6325 1850 Facsimile: +65 6325 1851
400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 Tel : +65 6325 1850 Fax : +65 6325 1851

APPENDIX II – CORRESPONDENCE

MEG/CS/2016-14



8 March 2016

FOR THE ATTENTION OF MR PAUL GO KIAN LEE

BY COURIER

Dear Mr Go,

REQUISITION OF EXTRAORDINARY GENERAL MEETING PURSUANT TO SECTION 176 OF THE COMPANIES ACT (CHAPTER 50)

Further to our letter dated 3 March 2016 with respect to the requisition to convene an extraordinary general meeting (the "EGM") of the Company pursuant to Section 176 of the Companies Act, Chapter 50 of Singapore (the "Act"), in order for us to prepare the circular concerning the resolutions set out in the Requisition Notice dated 1 March 2016, we require you to complete and furnish the following original documents to the undersigned at 400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 by no later than 1:00 pm on 11 March 2016:

1. Declaration Form; and
2. Appendix 7H undertaking.

Please also provide your resume as well as clear copy of your NRIC and/or passport and contact details. In addition, the Company's continuing sponsor, Stamford Corporate Services Pte. Ltd. (the "Sponsor") will be conducting an interview with you in relation to ascertaining the suitability as a director. In this regard, kindly let us know on your availability for an interview with the Sponsor.

You may be required to re-submit the documents, if it is incomplete, improperly completed, illegible or in the absence of any required documents, which may inadvertently cause the delay of convening the EGM.

Your attention is also drawn to Rule 704(7) and Appendix 7.4.1 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange securities trading Limited that requires, *inter alia*, disclosure applicable to the appointment of director. Please be informed that if you do not have experience as director in a listed company, you would have to enroll in courses organised by the Singapore Institute of Directors to familiarise yourself with the responsibilities of a director of a listed company in Singapore upon appointment.

Thank you.

Yours faithfully,



ANGELINE CHOW
Deputy Company Secretary

Enc.

Copy to: The Sponsor

MAGNUS ENERGY GROUP LTD.

(Registration No. 198301375M)

~~10 Anson Road #33-13 International Plaza Singapore 079903 Telephone: +65 6325 1850 Facsimile: +65 6325 1851~~
400 Orchard Road, #19-06 Orchard Towers, Singapore 238875 Tel : +65 6325 1850 Fax : +65 6325 1851

APPENDIX II – CORRESPONDENCE

From: Angie Chow
Sent: Wednesday, 9 March, 2016 2:34 PM
To: 'liu yongqiang'
Subject: Magnus Energy Group Ltd.- Requisition for EGM of the Company

Dear Mr Liu,

I refer to the above captioned subject matter.

Further to my letters dated 3 March 2016 and 8 March 2016, please also provide the followings:

- (a) the reasons why you are requisitioning an extraordinary general meeting;
- (b) the reasons why you would like to be appointed as director to the Company; and
- (c) your plans or strategies for the Company going forward.

Please address your responses to me no later by 1:00 pm on 11 March 2016. Thank you.

Best Rgds
Angie Chow
Magnus Energy Group Ltd.
Company Registration No. 198301375M
400 Orchard Road, #19-06 Orchard Towers, Singapore 238875
Tel : Fax :
DID :
Email :
Web : www.magnusenergy.com.sg

Fri 3/4/2016 11:01 PM
liu yongqiang

Dear Ms Angeline ,

As attached . My contact no is

Liu yongqiang

APPENDIX II – CORRESPONDENCE

From: Steven Liu
Sent: Wednesday, 9 March, 2016 7:02 PM
To: angie.chow
Cc: 'LIM CHEE SAN'; paulgold
Subject: Reply- Magnus Energy Group Ltd.- Requisition for EGM of the Company

Dear Ms Angie Chow,

Thanks for your email, is this request from the company's sponsor?

Please let us know, If we answer your question for the item a) b) and c) in your email, will you be circulating our answers to all shareholders when you give notice of EGM to all shareholders.

Thanks and best regards,

Liu Yonaaiana

“Creating Value for People and Business”

Note:

This Email is intended only for the use of the individual addressee or organization to whom it is addressed and contains information that is confidential. If you, the reader of this Email are not the intended recipient, you must not disseminate, distribute or copy this Email. If you have received this Email in error, please notify us immediately by return this Email to the sender. Communication of any information in this Email to any unauthorised person is an offence under the Official Secrets Act (Cap213). Thanks and best regards.

APPENDIX II – CORRESPONDENCE

From: Angie Chow
Sent: Wednesday, 9 March, 2016 7:56 PM
To: 'Steven Liu'
Cc: 'LIM CHEE SAN'; paulgold
Subject: RE: Reply- Magnus Energy Group Ltd.- Requisition for EGM of the Company

Dear Steven,

Yes, the request is from the company's sponsor.

And yes, your answers to below items (a), (b) and (c) would be incorporated into our circular to all shareholders of the company after interviews have been conducted by the company's sponsor with the proposed directors namely, Mr Lim, Mr Paul and your goodself.

Should you have further queries, I am pleased to clarify.

Thank you.

Best Rgds
Angie Chow
Magnus Energy Group Ltd.
Company Registration No. 198301375M
400 Orchard Road, #19-06 Orchard Towers, Singapore 238875
Tel : Fax :
DID :
Email :
Web : www.magnusenergy.com.sg

APPENDIX II – CORRESPONDENCE

From: Steven Liu
Sent: Thursday, 10 March, 2016 12:46 PM
To: angie.chow
Cc: cheelim ; paulgold ; asksgx@sgx.com
Subject: Request for Clarification
Attachments: EGM-requisition-page1.jpg; EGM-requisition-page2.jpg; EGM-requisition-sgx.jpg

Dear Ms Angie Chow,

We noticed that on the date 19th Feb., 2016 announcement that there was \$4,500,000 convertible note issued and on the date 3rd March,2016 announcement that there was \$5,000,000/- convertible note issued.

As we submitted our EGM requisition on the date of 1st March 2016 and we have requested the company not to issue additional note, please clarify why and when the additional \$500,000/- note was issued .

We hereby also request for SGX's attention to look into this matter .

Thanks and best regards,

Liu Yongqiang

APPENDIX II – CORRESPONDENCE

From: Steven Liu
Sent: Friday, 11 March, 2016 10:17 AM
To: 'Angie Chow'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com
Subject: Reply- Magnus Energy Group Ltd.- Requisition for EGM of the Company

Dear Ms Angie Chow,

Reply to your email dated 9th March, 2016.

Regarding item (a) of your email, my reply is as follows :

We are requisitioning an EGM to remove the current board of directors and appoint a new board because we are unhappy with what is happening to the company so far. For example, the company's share price has dropped from about 40 cents in October 2014 (before the start of the conversion of the convertible notes to shares) to as low as 0.2 cent recently. We believe that one of the main reasons for this total collapse in the share price is the relentless issuance of convertible notes by the company and the subsequent conversion of those notes into shares.

Regarding item (b) of your email, my reply is as follows :

We also believe that the current board is oblivious to this total collapse in share price because, inter alia, none of the current directors of the company own any significant quantity of shares in the company. On the contrary, I, together with the other nominees for the new board own substantial number of shares in the company.

Regarding item (c) of your email, my reply is as follows :

Until we take over the board of the company, we do not have sufficient information yet for us to properly devise a comprehensive and detailed plan for the future of the company. However, one thing for sure is that we will not cause the company to issue more convertible notes and we will also try to redeem the convertible notes which have already been issued by the company but not converted to shares yet.

As agreed, the company will incorporate my abovementioned reply in the circular to shareholders to be sent together with the notice of EGM.

Also, I will be grateful to receive the company and/or the company's sponsor's comments on my abovementioned reply well before they are also included in the said circular."

Thanks & Best Regards

Liu Yongqiang

APPENDIX II – CORRESPONDENCE

From: Steven Liu
Sent: Friday, 11 March, 2016 10:54 AM
To: 'Angie Chow'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com
Subject: Request for Clarification
Attachments: EGM-requisition-page1.jpg; EGM-requisition-page2.jpg; EGM-requisition-sgx.jpg; requisition an egm-1stmarch2016-signed.pdf

Dear Ms Chow,

We have yet received the reply regarding the request for clarification below.

Liu yongqiang

From: Steven Liu
Sent: 10 March 2016 12:46
To: [angie.chow](#)
Cc: [cheelim](#) ; [paulgold](#) ; [asksgx@sgx.com](#)
Subject: Request for Clarification

Dear Ms Angie Chow,

We noticed that on the date 19th Feb., 2016 announcement that there was \$4,500,000 convertible note issued and on the date 3rd March, 2016 announcement that there was \$5,000,000/- convertible note issued.

As we submitted our EGM requisition on the date of 1st March 2016 and we have requested the company not to issue additional note, please clarify why and when the additional \$500,000/- note was issued .

We hereby also request for SGX's attention to look into this matter .

Thanks and best regards,

Liu Yongqiang

APPENDIX II – CORRESPONDENCE

From: Angie Chow
Sent: Monday, 14 March, 2016 9:25 PM
To: 'Steven Liu'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com
Subject: RE: Request for Clarification
Attachments: Magnus Circular_in_relation_to_35mNotes_300914.pdf

Dear Mr Liu,

Please find below our replies to your queries. Thanks.

Best Rgds
Angie

From: Steven Liu
Sent: Friday, March 11, 2016 10:54 AM
To: 'Angie Chow'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com
Subject: Request for Clarification

Dear Ms Chow,

We have yet received the reply regarding the request for clarification below.

Liu yongqiang

From: Steven Liu
Sent: 10 March 2016 12:46
To: angie.chow
Cc: cheelim ; paulgold ; asksgx@sgx.com
Subject: Request for Clarification

Dear Ms Angie Chow,

We noticed that on the date 19th Feb., 2016 announcement that there was \$4,500,000 convertible note issued and on the date 3rd March, 2016 announcement that there was \$5,000,000/- convertible note issued.

As we submitted our EGM requisition on the date of 1st March 2016 and we have requested the company not to issue additional note, please clarify why and when the additional \$500,000/- note was issued .

Angie: Please refer to the company's circular to shareholders dated 13 October 2014 (attached herewith) in relation to the proposed issue of up to S\$35m in aggregate principal amount of redeemable convertible notes where shareholders' approval had been sought at the extraordinary general meeting of the company on 29 October 2014 for the said exercise. The additional S\$500,000 Notes was issued on 3 March 2016.

We hereby also request for SGX's attention to look into this matter .

APPENDIX II – CORRESPONDENCE

Thanks and best regards,

Liu Yongqiang

APPENDIX II – CORRESPONDENCE

From: Steven Liu
Sent: Monday, 14 March, 2016 10:38 PM
To: 'Angie Chow'
Cc: cheelim ; paulgold ; asksgx@sgx.com
Subject: RE: Request for Clarification

Dear Ms Angie Chow,

I don't agree for your attached circular as your reply to our request.

Based on the Clause 3.4.2 (b) in the circular

"Upon receipt of the exercise notice (the "Exercise Notice") from the Company in respect of Tranche 2 Notes, the Subscriber shall be obliged to subscribe for the Tranche 2 Notes in the following manner:

- (i) the first sub-tranche of Tranche 2 Notes, no later than the fifth (5th) Business Day following the date of the Exercise Notice; and
- (ii) in respect of each subsequent sub-tranche of Tranche 2 Notes:
 - (A) on the fifth (5th) Business Day after the last sub-tranche of Tranche 2 Notes are fully converted (the date of each conversion, a "Tranche 2 Conversion Date");
 - or
 - (B) on such other date as the Subscriber may, in its sole and absolute discretion, decide."

We have requested to the company in our requisition for EGM letter dated 1st March 2016 that "do not issue any new convertible notes" which means don't not send our any additional exercise notice to the subscriber. So, please explain when and why additional S\$500,000/- exercise notice has been sent to the subscriber.

We appreciate SGX to look into this matter.

Thanks and best regards,

Liu Yongqiang

From: Angie Chow
Sent: 2016 年 3 月 14 日 下午 9:25
To: 'Steven Liu'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com
Subject: RE: Request for Clarification

Dear Mr Liu,

Please find below our replies to your queries. Thanks.

Best Rgds
Angie

APPENDIX II – CORRESPONDENCE

From: Angie Chow
Sent: Wednesday, 16 March, 2016 10:35 PM
To: 'Steven Liu'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com; webmaster@mas.gov.sg;
'Luke Ho';
Subject: RE: Requisition for EGM of the Company

Dear Mr Steven Liu,

In response to your below email of 16 March 2016, the Company is currently in the process of preparing the circular. Pursuant to Section 176 of the Companies Act, Chapter 50 of Singapore, we intend to hold the Requisition EGM to consider the resolutions proposed in the Requisition Notice in the last week of April 2016 subject to clearance by the Exchange/Sponsor. A circular will be despatched in due course to shareholders of the Company. Any further queries will be addressed at the Requisition EGM as the Company does not wish to be in breach of disclosure rules by providing selective disclosure of information.

Thank you.

Best Rgds
Angie

From: Steven Liu
Sent: Wednesday, March 16, 2016 10:27 AM
To: 'Angie Chow'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com; webmaster@mas.gov.sg
Subject: Requisition for EGM of the Company

Dear Ms Angie Chow,

We refer to our abovementioned requisition dated 1 March 2016. May we know the progress of your compliance with the said requisition.

Separately, we are deeply disappointed that despite our request to you not to issue further convertible notes as stated in our said requisition letter, you deliberately issued another S\$500,000 of convertible notes on 3 March 2016.

Liu Yongqiang

APPENDIX II – CORRESPONDENCE

From: Steven Liu
Sent: Thursday, 17 March, 2016 10:13 AM
To: 'Angie Chow'
Cc: 'LIM CHEE SAN'; paulgold ; asksgx@sgx.com; webmaster@mas.gov.sg
Subject: RE: Requisition for EGM of the Company

Dear Ms Angie,

As per our previous email correspondent, the company has agreed to input our answer to your following query in the circular, all shareholders deserve the right to know what is happening. please keep your words and prepare the circular according to what you agreed.

Your Query

- (a) the reasons why you are requisitioning an extraordinary general meeting;
- (b) the reasons why you would like to be appointed as director to the Company; and
- (c) your plans or strategies for the Company going forward.

Our Reply

Regarding item (a) of your email, my reply is as follows :

We are requisitioning an EGM to remove the current board of directors and appoint a new board because we are unhappy with what is happening to the company so far. For example, the company's share price has dropped from about 40 cents in October 2014 (before the start of the conversion of the convertible notes to shares) to as low as 0.2 cent recently. We believe that one of the main reasons for this total collapse in the share price is the relentless issuance of convertible notes by the company and the subsequent conversion of those notes into shares.

Regarding item (b) of your email, my reply is as follows :

We also believe that the current board is oblivious to this total collapse in share price because, inter alia, none of the current directors of the company own any significant quantity of shares in the company. On the contrary, I, together with the other nominees for the new board own substantial number of shares in the company.

Regarding item (c) of your email, my reply is as follows :

Until we take over the board of the company, we do not have sufficient information yet for us to properly devise a comprehensive and detailed plan for the future of the company. However, one thing for sure is that we will not cause the company to issue more convertible notes and we will also try to redeem the convertible notes which have already been issued by the company but not converted to shares yet.

We hereby request SGX and MAS to monitor what is happening to the company and look into the shareholders' request.

Thanks and best regards,

Liu Yongqiang

APPENDIX III – RESUMES OF THE PROPOSED NEW DIRECTORS

RESUME OF LIM CHEE SAN

AGE : 55 years

PROFESSIONAL QUALIFICATIONS

- 1) a) Barrister-at-law, England & Wales
b) Advocate & Solicitor, Singapore
- 2) a) FCCA – Fellow of the Association of Chartered Certified Accountants, UK
b) CAS - Chartered Accountant, Singapore
- 3) MBICS/CITP -- Chartered Information Technology Professional

(Finished ACCA examinations in virtually one and a half years and also top in Singapore for the penultimate part of the examinations. Also one of the top students in the Singapore practice law course).

WORKING EXPERIENCE (19 years in large retail banks and international accounting firms and 12 years in big and small law firms)

Law Firms (Rajah & Tann and TanLim Partnership)

1. Litigation : Act for listed companies, unlisted companies, management corporations and individuals in civil disputes in the areas of employment, shareholders' dispute, construction, property, loans, commercial transactions and matrimonial matters, in Supreme Court (including the Court of Appeal), State Courts and arbitrations. Also Act for accused in defending criminal charges against them.
2. Corporate : Advise clients on mergers and acquisitions, amalgamations and capital reduction, drafting merger and acquisition, rental and other commercial agreements, and assist companies in carrying out their amalgamation and capital reduction exercises. Also, advise and represent clients on tax and stamp duty disputes with IRAS.
3. Conveyancing : Act for buyers, sellers, and mortgagee banks.

Banks (Maybank & OCBC Bank)

1. Head of computer audit (OCBC Bank)
2. Head of internal audit including computer audit (Maybank)
3. Head of banking operations including overseeing IT projects (Maybank)

International Accounting Firms (Price Waterhouse and Deloitte & Touche)

1. External audit including computer audit of small and medium sized companies, listed companies, banks and insurance companies.

APPENDIX III – RESUMES OF THE PROPOSED NEW DIRECTORS

Independent Director of 2 Listed Companies (chairman of one of them) since 2006

However, chairmanship and directorship of one of the two listed companies ceased sometime in October 2014 when the reverse take-over of the listed company was completed.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned to the right of the text.

APPENDIX III – RESUMES OF THE PROPOSED NEW DIRECTORS

RESUME OF LIU YONGQIANG (STEVEN LIU)

Personal Particulars

Age :
Date of Birth :
Citizenship :
NRIC No :
Gender :
Marital Status :
Address: :
Handphone :
Email: :

Career History

1. Keppel O&M (Previous Keppel FELS)

July 1996- Dec 1999

Position Title (Level) : Supervisor
Industry : Marine Industry
Work Description : Manufacturing of Jack UP platform, FSPO etc.

2. PropNex Realty Pte Ltd

Dec 1999 -NOW

Position Title (Level) : Associate Director
Specialization : Commercial Properties/Project Management/Investment
Industry : Real Estate (Investment Properties)

3. NPL Investments Pte Ltd

2010-NOW

Position Title (Level) : Director
Specialization : Investment and Services
Industry : Investment Management and Services

4. HL Asset M&A Pte Ltd

2012-NOW

Position Title (Level) : Director
Specialization : Investment and Services
Industry : Investment Management and Services

5. AICIC (Singapore) International Pte Ltd

March 2016-NOW

Position Title (Level) : Chief Operation Officer
Specialization: : Modular Housing Project and Investment
Industry : General Wholesale (Import & Export), Investment Holdings, Construction
Material and Real Estate Development, Media & Event

Educational Background

Bachelor Degree of Marine Engineering

Graduation Date: Sep 1992

Major: : Marine & Offshore Engineering
Institution/College : Shanghai JiaoTong University, Shanghai ,China

APPENDIX III – RESUMES OF THE PROPOSED NEW DIRECTORS

Name : Paul Go Kian Lee
Gender :
Date of Birth :
Religion :
Marital Status :
Email :
Mobile :
Address :

Sole proprietor running audit and tax practice under Paul Go & Company. I owned more than 20 years experience in both auditing (statutorily audit and internal control audit) and accounting in private sector and government agency.

EDUCATION AND QUALIFICATIONS:

2014 Accredited Tax agent – GST (Malaysia custom)
2011 Accredited Tax Advisor – Income Tax & GST
(Singapore Institute of Accredited Tax Professionals)
2003 Certified Financial Planner (Financial Planning Association of Malaysia)
2002 Chartered Accountant (Malaysia Institute of Accountants)
2001 Chartered Accountant (Institute of Chartered Accountants of Singapore)
ACRA Approval Public Accountant / Auditor
ACRA Approval Licensed Company Liquidator
1997 – 2000 CFA Finalists (Chartered Financial Analysts)
1992 – 1996 Association of Chartered Certified Accountants (ACCA)
Professional Honor Degree
1989 – 1991 LCCI Higher Diploma in Accounting

WORKING EXPERIENCE:

Employer: Paul Go & Co., (ACRA T01PF0706E)
Public Accountants and Chartered Accountants Singapore
Department: Audit Department
Position: Internal and External Audit Principal / Tax and Account Advisor
(Manage a team of nine professional)
Employment Period: 31 March 2001 till now (15 years)

Employer: Goh Boon Kok & Co
Public Accountants and Chartered Accountants Singapore
Department: Audit Department
Position: Auditor
(Manage a team of five professional)
Employment Period: 17 January 1996 to 28 February 2001 (5 years)

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

STAMFORD CORPORATE SERVICES PTE LTD

MINUTES OF INTERVIEW conducted via teleconference on 14 March 2016 at 10.30 a.m.

COMPANY: Magnus Energy Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”)

PRESENT:

Lim Chee San : Proposed Incoming Independent Director of the Company
Bernard Lui : Registered Professional of Stamford Corporate Services Pte Ltd
Shermin Chen : Compliance Officer of Stamford Corporate Services Pte Ltd

QUESTIONS:

1. Please tell us about your background (e.g. qualifications, current and previous directorships for past 5 years, working experience for past 10 years).

I am a qualified lawyer and an accountant. I am an advocate and solicitor in Singapore and a Barrister-at-law of England and Wales. I am also a chartered accountant in Singapore and a fellow of the Association of Chartered Certified Accountants in the United Kingdom.

I practiced accountancy before in firms such as Pricewaterhouse Coopers and Deloitte & Touche and I currently have my own firm, TanLim Partnership. I have 12 years of experience in big and small law firms, including Rajah & Tann.

I was previously a banker as well too. I was the Head of Banking Operations of Maybank.

I have experience being on the board of listed companies. I am currently on the board of Hupsteel Limited (“**Hupsteel**”) as a Independent Non-Executive Director. I was previously the Chairman of the Board of Sky One Holdings Limited, before the reverse takeover.

2. How do you intend to address your lack of experience in being on the board of listed companies? (where applicable)

I have experience being a director of listed companies.

3. What will be your position or area of responsibility in the Company?

Proposed incoming independent director of the Company.

4. What is the remuneration paid to you for your services?

No discussion until the relevant point in time when appointed.

5. Are you related to any of the directors or substantial shareholders of the Group?

No.

6. Do you or your associates have any interest in the securities or assets of the Group?

Yes, I have close to 5% shareholding in the Company. None of my associates have any interest in the securities or assets of the Group.

7. Do you or your associates have any interest in the suppliers or customers of the Group?

No.

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

8. Do you have any business relationships with the Group or with any of the directors or substantial shareholders of the Group?
- No.
-
9. Do you or your associates have any interest in another company carrying on a business that is similar to that of the Group?
- Yes. Hupsteel provides various pipes and fittings to the oil and gas industry. I believe that Mid-Continent Equipment Group (“**Mid-Con**”), a subsidiary of the Company, is also involved in equipment for the oil and gas industry.
-
10. Have you been convicted of an offence or been in breach of any law or regulation?
- No.
-
11. Were there any bankruptcy application filed against you or a partnership in which you were a partner or a company in which you were a director?
- No.
-
12. Please let us know if you have any business plans or strategies for the Company if appointed.
- Until I am appointed to the Board and hence, am able to obtain the necessary information that I need, I will not be able to assist the Company in devising a good plan for the Company.
-
13. Describe the business of the Company.
- The Company’s subsidiary, Mid-Con, is in the oil and gas equipment supply industry. The Company also has oil and gas developments. I believe that the Company has gone into property and infrastructure development in Indonesia and have also been involved in renewable energy and the water treatment business.
-
14. Please let us know if you have any particular expertise or experience in relation to the business of the Company.
- My experience being a director of Hupsteel, which is also in the oil and gas industry, may be relevant. In addition, there are not many people in Singapore who is both a litigator or lawyer and an accountant.
-
15. Please let us know your plans with regard to fund raising for the Company.
- As stated above, until I am appointed to the Board and have been given the information that I require when I’m a director of the Company, I am not able to comment on any plans for the Company. I am against the issuance of the convertible notes by the Company. There are many alternatives in fund raising but I am not able to comment further as of now.
-
16. Please provide us with information/details in relation to the appointment of each of the directors and their proposed positions on the Board. In addition, please let us know if any Independent Directors are to be nominated.
- The proposed directors and I have not met up yet. This is premature as we have not been appointed to the Board yet. Also, the executive director may not necessarily be one of us either. In any case, there might be no need for an executive director either. We will immediately assess the situation once we are appointed to the Board.
-

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

17. Please provide us with information/details in relation to how you got acquainted with the other requisitionists and whether there has been any discussion amongst them.

The other shareholders called me up. We have not met up to discuss the plans for the Company as I believe that this a bit premature as we have no information and we are not appointed to the Board yet. When we are appointed, we will discuss about a plan for the Company without any delay.

The interview was called to a close at 11.00 a.m.

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

STAMFORD CORPORATE SERVICES PTE LTD

MINUTES OF INTERVIEW conducted via teleconference on 11 March 2016 at 11 a.m.

COMPANY: Magnus Energy Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”)

PRESENT:

Liu Yongqiang : Proposed Incoming Independent Director of the Company (Or Executive Director if approved and qualified at a later stage)
Bernard Lui : Registered Professional of Stamford Corporate Services Pte Ltd
Shermin Chen : Compliance Officer of Stamford Corporate Services Pte Ltd

QUESTIONS:

1. Please tell us about your background (e.g. qualifications, current and previous directorships for past 5 years, working experience for past 10 years).

I graduated with a Bachelor Degree in Marine and Offshore Engineering from Shanghai JiaoTong University in Shanghai, China in September 1992.

There are a total of 4 companies in my career history.

I was previously working for Keppel O&M (previously, Keppel FELS) from July 1996 to December 1999 as a supervisor involved in the manufacturing of “Jack Up” platform and FSPO.

I currently hold the position of Associate Director in PropNex Realty Pte Ltd since December 1999 and still hold a realtor licence.

I am currently also a director of NPL Investments Pte Ltd (“**NPL**”) and HL Asset M&A Pte Ltd (“**HL Asset**”). NPL is involved in investment management and services and invests mainly in real estate. HL Asset is a company involved in investment management and services and mainly engages in the acquisition of small businesses and brokerage of assets. Both businesses are not regulated under the Securities and Futures Act.

I am a 20% shareholder of NPL and a 100% shareholder of HL Asset. The rest of the shareholders of NPL are not related to or have an interest in the Company.

I have just joined AICIC (Singapore) International Pte Ltd started from March, 2016 as their Chief Operation Officer work on project basis to promote their Modular Housing Project as well as source for investment opportunities in South East Asia Area.

Besides my own companies, I have no directorship of other private companies. I have not been a director of a listed company before.

-
2. How do you intend to address your lack of experience in being on the board of listed companies?

I like to read annual reports of listed companies and have attended many annual general meetings to meet listed companies’ directors and gain knowledge and experience from them, I monitor and read all sorts of SGX listed companies’ announcements, which provide me with knowledge of a listed company’s duty and responsibility to shareholders. I have passed CMFAS Exam Modula 1A and Modula 6 in Jan 2009 conducted under IBF, The Institute of Banking and Finance. I will attend all necessary courses, including the courses conducted by the Singapore Institute of Directors. I have started to read the Catalist rules downloaded from SGX website.

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

3. What will be your position or area of responsibility in the Company?

Until I have been appointed to the board and have obtained more information about the Company, I am unable to answer this question. Also, this is something which I have to discuss with my fellow directors after I have been appointed to the board.

4. What is the remuneration paid to you for your services?

No discussion until that point in time.

5. Are you related to any of the directors or substantial shareholders of the Group?

No.

6. Do you or your associates have any interest in the securities or assets of the Group?

Besides me and my wife, none of my other associates have any interest in the securities or assets of the Group. My wife currently holds 6 million shares and I currently hold 4.32 million shares. I have bought another 4 million shares after 1st March 2016, so I am expected to have approximately 14.32 million shares in the Company.

7. Do you or your associates have any interest in the suppliers or customers of the Group?

No.

8. Do you have any business relationships with the Group or with any of the directors or substantial shareholders of the Group?

No.

9. Do you or your associates have any interest in another company carrying on a business that is similar to that of the Group?

Yes, I am still a real estate sale person with PropNex Realty Pte Ltd, the Company have property development projects and property investment. Meanwhile, AICIC have property development in China and Australia and also have Modular Housing Factories in China and would like to explore South East Asia Market in near future, no development in Indonesia.

10. Have you been convicted of an offence or been in breach of any law or regulation?

No.

11. Were there any bankruptcy application filed against you or a partnership in which you were a partner or a company in which you were a director?

No.

12. Please let us know if you have any business plans or strategies for the Company if appointed.

The Company will continue with its day-to-day operations. If the current staff and management are deemed suitable, they will continue to be employed by the Company.

As already mentioned in our email to the company and forwarded to you, until we take over the board of the company, we do not have sufficient information yet for us to properly devise a comprehensive and detailed plan for the future of the company. However, one thing for sure is that we will not cause the company to issue more convertible notes and we will also try to redeem the convertible notes which have already been issued by the company but not converted to shares yet.

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

For my personal opinion, I would also like the new board of directors inclusive of myself if elected by shareholders to be more transparent for all company activities and investment and ensure that the Board is responsible to the shareholders of the Company.

Thereafter, I will look into bringing the Company to another level by bringing in the right management people and strategic investors who are willing to grow together with the company and its shareholders.

13. Describe the business of the Company.

The Company used to invest in an Indonesia coal mine. However, the investment has encountered some legal problems and shareholders have not been updated about the status of these problems for a long time. The company should take the necessary action to protect shareholders' interest and the Company's assets.

The Company has an oil and gas equipment subsidiary and has recently entered into property development, infrastructure development, water treatment, oil and gas field, and renewable energy businesses.

The main Subsidiary of the company, Mid-Continent, is an oil and gas equipment supply company. Another subsidiary of the company, Flagship Ecosystem, is in the water treatment and technology business.

14. Please let us know if you have any particular expertise or experience in relation to the business of the Company.

I consider the company to be an investment holding company. I have experience in investments for more than 15 years as shareholders in different kind of listed companies. I have also being an investor and commercial properties agent for approx. 15 years and have met many business people and built up good and reputable relationship with many business owners and investors in various industries. I believe that I could introduce and invite people with experience and integrity to manage the company for the board of directors and shareholders.

15. Please let us know your plans with regard to fund raising for the Company.

I am confident that I can get strategic investors.

16. Please provide us with information/details in relation to the appointment of each of the directors and their proposed positions on the Board. In addition, please let us know if any Independent Directors are to be nominated.

We need further discussion about it after being elected.

17. Please provide us with information/details in relation to how you got acquainted with the other requisitionists and whether there has been any discussion amongst them.

I got the mailing address from the Corporate secretary of the Company. I went to approach them by their mailing addresses individually. I did not know them previously.

We have discussed about what should be done to protect the shareholders' interests.

The interview was called to a close at 11.35 a.m.

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

STAMFORD CORPORATE SERVICES PTE LTD

MINUTES OF INTERVIEW conducted via teleconference on 11 March 2016 at 5.00 p.m.

COMPANY: Magnus Energy Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”)

PRESENT:

Paul Go Kian Lee : Proposed Incoming Non-Executive Independent Director (or Executive Director) of the Company
Bernard Lui : Registered Professional of Stamford Corporate Services Pte Ltd
Shermin Chen : Compliance Officer of Stamford Corporate Services Pte Ltd

QUESTIONS:

1. Please tell us about your background (e.g. qualifications, current and previous directorships for past 5 years, working experience for past 10 years).

I possess the Associate of Chartered Certified Accountants (ACCA) qualification in year 1997 and become fellow member of the Association since 2002.

Currently, I am a Chartered Accountant with the Institute of Chartered Accountants of Singapore and the Malaysia Institute of Accountants and I am an ACRA approved public accountant/auditor and an ACRA approved licensed company liquidator. I am also an Accredited Tax Advisor (Income tax and GST) approved by Singapore Institute of Accredited Tax Professionals and a Certified Financial Planner with Financial Planning Association of Malaysia.

I am currently a sole proprietor running an audit practice under Paul Go & Company and tax and liquidation practice under other private companies. I focus on auditing and accounting and am also the tax agent and liquidator of some companies. I also have experience doing tax planning for certain subsidiaries of listed companies.

I do not have any directorships previously or currently in any public company. However, I am director of the following private company:-

- 1) Global Tax Consultants Pte. Ltd. – specialized in corporate tax and tax planning
- 2) Global Corporate Recovery Pte. Ltd. – specialized in corporate restructure and liquidation
- 3) Global Asia Trust Pte. Ltd. – real estate investment.

-
2. How do you intend to address your lack of experience in being on the board of listed companies?

I deal with many companies every day in my work, including listed companies, so I believe I have the relevant expertise. I understand the duties and responsibilities of directors. I will also attend courses run by the Singapore Institute of Directors (“**SID**”) to familiarize myself with the roles and responsibilities of being a director of a listed company. I have attended an SID course 10 years ago, but I do not mind attending it again as I need to be updated in this area.

-
3. What will be your position or area of responsibility in the Company?

I have expressed my interest in becoming an independent director of the Company. However, I can also be an executive director of the Company if the new board consider, I can contribute to the company and shareholders.

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

The proposed directors have not decided on the particular roles that each of us will be taking up on the Board. We intend to be appointed to the Board together, and thereafter, decide on who will be executive, non-executive and/or independent director. We believe that we can contribute more to the Company than the current Board or management of the Company.

-
4. What is the remuneration paid to you for your services?

No discussion until the relevant point in time when appointed.

5. Are you related to any of the directors or substantial shareholders of the Group?

No.

6. Do you or your associates have any interest in the securities or assets of the Group?

I own about 30 million shares in the Company. None of my associates have any interest in the securities or assets of the Group.

7. Do you or your associates have any interest in the suppliers or customers of the Group?

No.

8. Do you have any business relationships with the Group or with any of the directors or substantial shareholders of the Group?

No.

9. Do you or your associates have any interest in another company carrying on a business that is similar to that of the Group?

No.

10. Have you been convicted of an offence or been in breach of any law or regulation?

No.

11. Were there any bankruptcy application filed against you or a partnership in which you were a partner or a company in which you were a director?

No.

12. Please let us know if you have any business plans or strategies for the Company if appointed.

I would be able to give you a detailed plan when the proposed directors are all appointed to the Board. Currently, I am not able to provide you with a detailed plan with regard to business plans or strategies.

However, I believe that, for one, the Directors should manage the resources of the Group more effectively and efficiently. I recommend forming a “quality management team” to manage the projects that the Group has more efficiently and effectively.

13. Describe the business of the Company.

The Company is in the business investment holding. The principal activities of the subsidiaries, associated companies and joint venture entities are in oil and gas equipment trading, coal products and mining equipment supply, rental of decanters, drill pipes and drilling accessories and maintenance servicing of the equipment, waste management

APPENDIX IV – MINUTES OF INTERVIEWS WITH THE SPONSOR

services and holding of warehouse property. The subsidiary, MEG whose owned Mid-Con, is quite dominant in the Group. Main source of revenue is from MEG.

So far, if you look at the annual report, there are many projects ongoing.

14. Please let us know if you have any particular expertise or experience in relation to the business of the Company.

I have audited dominant subsidiaries of listed companies in the past which are in the oil and gas equipment industry. I believe I know how the Company operates.

15. Please let us know your plans with regard to fund raising for the Company.

I note that the Company is always short of funds and require financing. I suggest restructuring the financing method. Currently, the method the Company is raising funds is not in favour of shareholders of the Company. I believe that there are many alternative ways to raise funds, such as doing a placement of shares to a reputable person who is familiar with the energy market or getting a loan from a bank. I have many connections who can provide support in this area.

I suggest finding a person who is an expert in this and can contribute to the Company in this area with particular expertise in this industry.

16. Please provide us with information/details in relation to the appointment of each of the directors and their proposed positions on the Board. In addition, please let us know if any Independent Directors are to be nominated.

From my perspective, I can be either an independent director or an executive director of the Company because I do not have any conflict of interest issues.

We might need to propose for more directors who have expertise in this industry for the past thirty years to be appointed to the Board. I know someone, but for now, I do not intend to disclose anything.

The other proposed directors can take up the role of executive director. Mr Lim is an expert in the legal field and Mr Liu is an expert in asset management.

For the moment, we have not decided on the Board Committee composition, but if required, I do not mind being the chairman of the Audit Committee.

17. Please provide us with information/details in relation to how you got acquainted with the other requisitionists and whether there has been any discussion amongst them.

I am acquainted with Mr Liu previously. The requisitionists all have the same intention to change the Board as we see a lot of room for improvement in the Company.

The interview was called to a close at 5.30 p.m..

NOTICE OF EXTRAORDINARY GENERAL MEETING

MAGNUS ENERGY GROUP LTD.

(Incorporated in the Republic of Singapore)
(Company Registration Number: 198301375M)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Pursuant to the Requisition Notice received on 1 March 2016 from the Requisitioning Members and in accordance with Section 176 of the Companies Act, Chapter 50 of Singapore, **NOTICE IS HEREBY GIVEN** that an Extraordinary General Meeting (the “**EGM**”) of Magnus Energy Group Ltd. (the “**Company**”) will be held on 29 April 2016 at 10:00 a.m. at Rose Room I, II & Marie I, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 for the purpose of considering and, if thought fit, passing with or without any modifications the following ordinary resolutions:

AS ORDINARY RESOLUTIONS

- (1) That Mr. Kushairi Bin Zaidel be removed as Director of the Company with effect from the date of the EGM or until any other date pursuant to Article 88 of the Constitution of the Company;
- (2) That Mr. Ong Chin Chuan be removed as Director of the Company with effect from the date of the EGM or until any other date pursuant to Article 88 of the Constitution of the Company;
- (3) That Ms. Seet Chor Hoon be removed as Director of the Company with effect from the date of the EGM or until any other date pursuant to Article 88 of the Constitution of the Company;
- (4) That Mr. Ong Sing Huat be removed as Director of the Company with effect from the date of the EGM or until any other date pursuant to Article 88 of the Constitution of the Company;
- (5) That Mr. Lim Chee San be appointed as Director of the Company with effect from the date of the EGM;
- (6) That Mr. Liu Yongqiang be appointed as Director of the Company with effect from the date of the EGM; and
- (7) That Mr. Paul Go Kian Lee be appointed as Director of the Company with effect from the date of the EGM.

SHAREHOLDERS SHOULD NOTE THAT THE PASSING OF EACH OF THE ORDINARY RESOLUTIONS 1, 2, 3 AND 4 (COLLECTIVELY, THE “INTER-CONDITIONAL RESOLUTIONS”) IS INTER-CONDITIONAL ON THE PASSING OF EACH OF THE OTHER INTER-CONDITIONAL RESOLUTIONS. THIS MEANS THAT IF ANY ONE OF ORDINARY RESOLUTIONS 1, 2, 3 AND 4 IS NOT PASSED, THEN THE INTER-CONDITIONAL RESOLUTIONS, COLLECTIVELY, SHALL NOT PASS.

BY ORDER OF THE BOARD

Luke Ho Khee Yong
Chief Executive Officer
Singapore
7 April 2016

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

- (1) Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
- (2) Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form.
- (3) A proxy need not be a Member of the Company.
- (4) If a proxy is to be appointed, the instrument appointing a proxy must be duly deposited at the registered office of the Company at 400 Orchard Road, #19-06 Orchard Towers, Singapore 238875, not later than 48 hours before the time appointed for the holding of the EGM.
- (5) The instrument appointing a proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy is executed by a corporation, it must be executed either under its common seal or under the hand of any officer or attorney duly authorised.
- (6) A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the EGM in order for the Depositor to be entitled to attend and vote at the EGM.
- (7) An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

Personal data privacy:

By attending the Extraordinary General Meeting and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This Notice 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 Notice.*

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

*The contact person for the Sponsor is Mr Bernard Lui whose details are set out below:
Tel: 6389 3000 Email: bernard.lui@morganlewis.com*

MAGNUS ENERGY GROUP LTD.

(Incorporated in the Republic of Singapore)

(Company Registration Number: 198301375M)

PROXY FORM

IMPORTANT:

1. Pursuant to Section 181(1C) of the Companies Act, Cap. 50 of Singapore (the "Act"), Relevant Intermediaries may appoint more than two (2) proxies to attend, speak and vote at the Extraordinary General Meeting.
2. For investors who have used their CPF monies ("CPF Investors") and/or SRS monies ("SRS Investors") (as may be applicable) to buy Shares in the Company, this proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF Investors and SRS Investors are requested to contact their respective Agent Banks for any queries they may have with regard to their appointment as proxies or the appointment of their Agent Banks as proxies for the Extraordinary General Meeting.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 7 April 2016.

I/We _____ (Name)

_____ (NRIC/Passport No./Company Registration No.)

of _____ (Address)

being a member/members of **Magnus Energy Group Ltd.** (the "Company") hereby appoint:

Name	NRIC/Passport No.	Proportion of shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the extraordinary general meeting (the "EGM"), as my/our proxy/proxies to attend and vote for me/us on my/our behalf and, if necessary, to demand a poll at the EGM of the Company to be held at 10:00 a.m. on 29 April 2016 at Rose Room I, II & Marie I, Level 1, York Hotel Singapore, 21 Mount Elizabeth, Singapore 228516 and at any adjournment thereof.

(Voting will be conducted by poll. If you wish to vote all your Shares "For" or "Against" the relevant resolution, please indicate with an "X" in the relevant box provided below. Alternatively, if you wish to vote some of your Shares "For" and some of your Shares "Against" the relevant resolution, please insert the relevant number of Shares in the relevant boxes provided below. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the EGM.)

	AS ORDINARY RESOLUTIONS	FOR	AGAINST
1.	Proposed removal of Mr. Kushairi Bin Zaidel as Director of the Company		
2.	Proposed removal of Mr. Ong Chin Chuan as Director of the Company		
3.	Proposed removal of Ms. Seet Chor Hoon as Director of the Company		
4.	Proposed removal of Mr. Ong Sing Huat as Director of the Company		
5.	Proposed appointment of Mr. Lim Chee San as Director of the Company		
6.	Proposed appointment of Mr. Liu Yongqiang as Director of the Company		
7.	Proposed appointment of Mr. Paul Go Kian Lee as Director of the Company		

Note: Please note that the short descriptions above of the Resolutions to be passed do not in any way whatsoever reflect the intent and purpose of the Resolutions. The short descriptions have been inserted for convenience only. Shareholders are encouraged to refer to the Notice of EGM for the full purpose and intent of the Resolutions to be passed.

Dated this _____ day of _____ 2016.

	No. of Shares held
(a) CDP Register	
(b) Register of Members	

Signature(s) of Member(s)
or Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes:

1. Except for a member who is a Relevant Intermediary as defined under Section 181(6) of the Act, a member is entitled to appoint not more than two (2) proxies to attend, speak and vote at the meeting. Where a member appoints more than one (1) proxy, the proportion of his concerned shareholding to be represented by each proxy shall be specified in the proxy form.
2. Pursuant to Section 181(1C) of the Act, a member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such member. Where such member appoints more than two (2) proxies, the number and class of Shares in relation to which each proxy has been appointed shall be specified in the proxy form.
3. A proxy need not be a member of the Company.
4. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act (Chapter 289) of Singapore), you should insert that number. If you have Shares registered in your name in the Register of Members of the Company, you should insert that number. If you have Shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number of Shares. If no number is inserted, this form of proxy will be deemed to relate to all the Shares held by you.
5. The instrument appointing a proxy or proxies, duly executed, must be deposited at the registered office of the Company at 400 Orchard Road, #19-06 Orchard Towers, Singapore 238875, not less than 48 hours before the time appointed for the EGM.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy or proxies is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.
8. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Act.
9. The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the EGM if he so wishes.
10. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.
11. An investor who buys shares using CPF monies ("**CPF Investor**") and/or SRS monies ("**SRS Investor**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF Investors and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

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