

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

CESSATION OF MANAGING DIRECTOR - RECEIPT OF LETTER OF DEMAND

The Board of Directors of Magnus Energy Group Ltd (the "**Company**") and, together with its subsidiaries, the "**Group**") refers to the announcement dated 28 May 2018 and wishes to inform shareholders that the Company has received a letter of demand dated 30 May 2018 ("**Letter of Demand**") from solicitors acting on behalf of Mr Charles Madhavan, notifying the Company of his claim for wrongful termination.

The Letter of Demand also contains separate allegations against the Directors of the Company.

These allegations are part of queries raised by the Sponsor of the Company and the Company is in the process of responding to Sponsor's queries.

For the avoidance of doubt, the Board would like to inform shareholders that no legal proceedings have been commenced against the Company at this stage.

The Board has sought independent legal advice on the basis and merits of the claim and the allegations raised and will provide material developments as necessary.

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their legal, financial, tax or other professional advisers.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Luke Ho Khee Yong
Chief Executive Officer
31 May 2018

About Magnus Energy Group Ltd. (www.magnusenergy.com.sg)
Listed since 04 August 1999

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

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

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

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

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