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**USE OF PROCEEDS - S\$650,000 LOAN**

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*Capitalised terms used herein shall have the definitions ascribed to them in the Company's announcements dated 27 April 2017 and 28 April 2017 in respect of the Loan Agreements between Magnus Energy Group Ltd. and the Lenders (the "Previous Announcement"), unless otherwise stated or the context otherwise requires.*

The Board of Directors (the "**Board**") of Magnus Energy Group Ltd. (the "**Company**") refers to the Previous Announcement and wishes to provide an update on the use of the proceeds from the Loan Agreements. As of 3 May 2017, the Company has fully utilised the aggregate loan amount of S\$650,000 to the microalgae oil cultivation facility in Malaysia<sup>(1)</sup>.

(1) Please refer to the announcement "Microalgae oil cultivation facility in Malaysia" dated 22 June 2016 for further information.

The above use of proceeds is in accordance with the intended use as stated in the Previous Announcements.

**BY ORDER OF THE BOARD**  
Magnus Energy Group Ltd.

Luke Ho Khee Yong  
Chief Executive Officer  
3 May 2017

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**About Magnus Energy Group Ltd. ([www.magnusenergy.com.sg](http://www.magnusenergy.com.sg))**  
**Listed since 04 August 1999**

Incorporated in 1983, SGX Catalyst 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.

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*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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