

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

DISPUTE REGARDING ACQUISITION OF 72% OF THE ISSUED SHARE CAPITAL OF PT DEEFU CHEMICAL INDONESIA (ARB 65/11/AU)

We refer to the announcements made on 4 July 2011 and 8 February 2013 (“**Previous Announcements**”), wherein it was announced that Magnus Energy Group Ltd. (the “**Company**”) and its wholly-owned subsidiary Antig Investments Pte. Ltd. (collectively referred to as the “**Claimants**”) have on 29 June 2011 initiated arbitration proceedings against Tjong Very Sumito, Iman Haryanto and Herman Aries Tintowo (the “**Respondents**”) for various breaches of the Shares Sale and Purchase Agreement dated 23 November 2004 .

In consideration of the time and costs involved, the Claimants have decided that any financial recovery from the said arbitration proceedings is remote. This being the case, the Board of Directors of the Company wish to announce that the Claimants have withdrawn their claims and the Respondents’ counterclaims have also been deemed withdrawn.

Thus said, the arbitration proceedings have been terminated.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Luke Ho Khee Yong
Chief Executive Officer
19 June 2015

About Magnus Energy Group Ltd. (www.magnusenergy.com.sg)

Listed since 04 August 1999

Magnus Energy Group Ltd is listed on the Catalist Board of the Singapore Securities Exchange Trading Limited. While started its businesses as the integrated mechanical and engineering specialist, the Group swiftly added the property development, construction and related businesses into its diversified portfolio. The acquisition of a controlling stake in Mid-Continent Equipment Group Pte Ltd in April 2004 has enabled the Group to establish new business opportunities in the oil and gas as well as alternative energies industries.

The Group seeks to achieve a diversified portfolio and will selectively invest in profitable projects. This will be an ongoing process for the Group as it looks to broaden its earnings base and at the same time re-engineer itself to explore new acquisition and investment opportunities across the Asia Pacific region.

*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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