

## MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

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### LOAN AGREEMENTS BETWEEN MAGNUS ENERGY GROUP LTD. AND THE LENDERS

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#### 1. INTRODUCTION

1.1 The board of directors (the “**Board**” or the “**Directors**”) of Magnus Energy Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has on [date] entered into the following loan agreements:

(a) loan between the Company and Seet Chor Hoon (“**Lender 1**”), for the provision of an unsecured loan to the Company in the aggregate sum of S\$500,000 (“**Loan 1**”)(“**Loan Agreement 1**”); and

(b) loan between the Company and Luke Ho Khee Yong (“**Lender 2**”) for the provision of an unsecured loan to the Company in the sum of S\$150,000 (“**Loan 2**”)(“**Loan Agreement 2**”).

1.2 Loan 1 and Loan 2 shall be referred collectively as the “**Loans**” and the Loan Agreement 1 and Loan Agreement 2 shall be referred collectively as the “**Loan Agreements**”.

1.3 Save for the identity of the Lenders and the loan amounts, the Loan Agreements contained identical terms.

#### 2. DETAILS OF THE LOAN

##### 2.1 Lenders

(a) Lender 1 is an independent non-executive director of the Company.

(b) Lender 2 is the chief executive officer of the Company.

##### 2.2 Term

Upon the expiry of three (3) calendar months from the date the Loans are disbursed (the “**Disbursement Date**”), either Party shall have the absolute discretion to repay or call for the repayment (as the case may be) of the Loan in full. Otherwise, the Loans shall be repaid in full via a single lump payment on the date falling 12 months after the Disbursement Date.

##### 2.3 Interest

The interest payable on the Loans is ten percent (10%) per annum, calculated on daily rests based on 365 days a year, payable in arrears on the last date of each calendar month.

##### 2.4 Security

The Loans are unsecured.

##### 2.5 Purpose

The Loans will be used by the Company to meet its working capital requirements, in such proportion and manner as the Board shall decide at its sole discretion.

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**3. APPROVAL BY THE BOARD**

The Loans are classified as Interested Person Transactions. However, approval of the shareholders of the Company is not required as the interest payable on the Loans is less than 5% of the Group's latest audited net tangible assets.

The Board and Audit Committee of the Company have reviewed the Loan Agreements and are satisfied on its terms and conditions, and are of the view that the Loan Agreements are not prejudicial to the interests of the Company and its minority shareholders.

**4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

Save for the aforesaid, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Loan Agreements, save through their respective shareholdings in the Company (if any).

**5. DOCUMENT AVAILABLE FOR INSPECTION**

The Loan Agreements are available for inspection during normal business hours at the Company's registered office for three (3) months from the date of this announcement.

**6. UPDATES**

The Company will provide further updates where necessary.

**7. DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Notes Issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement 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 announcement in its proper form and context.

**BY ORDER OF THE BOARD**

Magnus Energy Group Ltd.

Luke Ho Khee Yong  
Chief Executive Officer  
27 April 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,

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renewable energy and natural resources trading, property and infrastructure development, and industrial waste water treatment.

Magnus aims to maximize 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.*

*The contact person for the Sponsor is Mr Bernard Lui.*

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