

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

MEG GLOBAL VENTURES PTE LTD ENTERING INTO A DEED OF ASSIGNMENT WITH REVENUE ANCHOR SDN BHD FOR A SUM OF GBP510,000

Introduction

The Board of Directors of Magnus Energy Group Ltd (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that MEG Global Ventures Pte Ltd (“**MGV**” or “**Assignee**”), a wholly owned subsidiary of the Company, has on 28 April 2015 entered into a deed of assignment (the “**Deed**”) with Revenue Anchor Sdn Bhd (“**Assignor**”) pursuant to which, the Assignor shall assign to the Assignee the benefit of the loan amounting to a sum of GBP510,000 (the “**Assigned Debt**”) owing from GCM Resources plc (“**GCM**” or “**Borrower**”) to the Assignor (the “**Assignment**”).

Background

The Assignor has entered into a convertible loan agreement with GCM (the “**Convertible Loan Agreement**”), as announced by GCM on 29 May 2015, to provide a loan of up to GBP3,000,000.00 (the “**Loan**”) to GCM with no interest payable. Pursuant to the Convertible Loan Agreement, the Assignor has the right to convert the outstanding balance of the Loan anytime at a subscription price of 11 pence per share, provided that the Assignor’s interest does not reach or exceed 30% of GCM’s issued share capital. If the Assignor exercises its right to convert, following conversion, the shares are immediately locked-up and may not be disposed of for a period of two years from the date of conversion.

Conversion of the Assigned Debt into shares in GCM

Pursuant to the Deed and the Convertible Loan Agreement, MGV may convert the Assigned Debt into 4,636,363 shares in the issued share capital of GCM (the “**Conversion**”). MGV’s total shareholding in the capital of GCM shall be 14,063,643 or approximately 20.8% of the enlarged capital of GCM following the Conversion.

Rationale for the Assignment

The Assignment and subsequent Conversion presents a good long-term investment opportunity for the Company in GCM, taking into account the increasing demand for coal in Bangladesh and the coal’s share of electricity output is expected to increase significantly by the year 2030 in Bangladesh.

Document for Inspection

A copy of the Deed is available for inspection during normal business hours at the Company’s registered office for a period of three (3) months from the date of this announcement.

Interests of Directors and Controlling Shareholders

Save for their interests in the Company, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Assignment. In addition, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, with GCM and its subsidiaries.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Luke Ho Khee Yong
Chief Executive Officer
28 April 2016

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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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