
ACCEPTANCE OF LETTER OF OFFER FOR REFURBISHMENT AND REACTIVATION OF CHEMICAL PLANT

1. INTRODUCTION

The Board of Directors (“**Board**”) of Magnus Energy Group Ltd. (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company, together with Oriental EPC Private Limited (“**Oriental EPC**”), had received a letter of offer (“**LOO**”) from an Indonesian Chemical Plant Operator (“**Client**”) on 9 July 2020 and accepted the LOO on 13 July 2020 for the refurbishment and reactivation of the Client’s chemical plant located in Jakarta, Indonesia (“**Project**”).

The Company and Oriental EPC will be seeking legal advice from a qualified Indonesian law firm on the drafting of the formal engineering, procurement and construction (“**EPC**”) contract agreement with the Client.

Further details on the Project and the Client will be provided in due course upon the execution of the formal EPC contract agreement with all parties.

2. INFORMATION ON THE ORIENTAL EPC GROUP

Oriental EPC and its subsidiaries (collectively, the “**Oriental EPC Group**”) is one of the top EPC companies in India and primarily provides EPC services to major organisations in the chemical processing plant, effluent treatment plant, metallurgical, mini refinery, thermal and nuclear power, oil terminal operations, organic and inorganic chemicals and basic infrastructure sectors. More information on Oriental EPC Group can be found in their company profile attached to the announcement dated 11 June 2020 or on the Oriental EPC Group’s website at <http://orientalepc.com/>.

3. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of the Company has any interest, direct or indirect, in the Project, other than through their respective shareholdings in the Company.

4. FURTHER ANNOUNCEMENTS

The Company will make further announcement(s) about the details of the Project and the Client, including the EPC contract agreement, and/or appropriate update announcement(s) when there is any further material development with regards to the Project, in compliance with the relevant provisions of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist. Subject to the final terms of the EPC contract agreement, the Company may seek such approvals as may be required, including approval from shareholders of the Company (the “**Shareholders**”) and/or regulatory approvals.

5. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors should note that the acceptance of the LOO is non-binding and there is no certainty or assurance that (i) the EPC contract agreement will be executed by all parties; or (ii) the Project will be completed or be proceeded with. As such, Shareholders and potential investors are advised to exercise caution when dealing or trading in the shares of the Company. When in doubt as to the action they should take, Shareholders and potential investors should consult their stockbrokers, bank managers, solicitors,

accountants or other professional advisers.

BY ORDER OF THE BOARD

Charles Madhavan
Executive Director and Chief Executive Officer
15 July 2020

This announcement has been prepared by the Company and reviewed by the sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This 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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