

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration no. 198301375M)

ACQUISITION OF 100% EQUITY INTEREST IN MEG MANAGEMENT SDN. BHD.

The Board of Directors of Magnus Energy Group Ltd. ("Magnus") is pleased to announce that Magnus has on 6 August 2008 acquired 2 ordinary shares of RM\$1.00 each, comprising the entire share capital of MEG Management Sdn. Bhd. ("Meg") from 2 individuals for a total consideration of RM\$2.00 (the "Acquisition"). Upon completion of the Acquisition, Meg shall become a wholly-owned subsidiary of Magnus.

Meg was incorporated on 3 July 2008 as a private company limited by shares in Malaysia. Its principal activity is that of the provision of management services.

The Acquisition of Meg will enable Magnus to streamline its cost structure for the purpose of human resources management.

The directors of Meg shall be Messrs Koh Teng Kiat and Lim Kuan Yew.

The above transaction is not expected to have any material effect on the consolidated earnings per share and consolidated net tangible asset per share of Magnus for the financial year ending 30 June 2009.

None of the Directors or substantial shareholders of Magnus have any interest, direct or indirect, in the above transaction.

By Order of the Board
MAGNUS ENERGY GROUP LTD.

Submitted by Wong Siew Chuan, Company Secretary on 07/08/2008 to the SGX