

Disclosure In Compliance With Rule 704(16) & 704(17)

Magnus Energy Group Ltd. (the "Company") hereby discloses in accordance with Rule 704(16) and Rule 704(17) that between 18 November 2010 and 31 October 2011, the Company and its subsidiaries (the "Group") has acquired quoted equities for a total cost of S\$0.8 million and has disposed quoted equities for a total cost of S\$1.6 million approximately. This is net equivalent of 3.39% of the previous audited consolidated NTA of S\$23.67 million. Basing on the latest audited consolidated NTA of the Group of S\$40.62 million for financial year ended 30 June 2011, this is net equivalent of 1.98%. Information in respect of such disposal is as follows:

		Before acquisition and disposal S\$	After acquisition and disposal S\$
		18 Nov 2010	31 Oct 2011
1	Market value	18.82 million	33.04 million
2	Aggregate cost of investment	12.98 million	12.18 million
3	Net fair value gains recorded in equity	5.84 million	20.86 million
4	Aggregate cost of investment (fair value) as a percentage of NTA as at 30 June 2010	79.54%	139.63%
5	Aggregate cost of investment as a percentage of NTA as at 30 June 2010	54.86%	51.47%
6	Aggregate cost of investment as a percentage of NTA as at 30 June 2011	31.97%	29.99%

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor ("**Sponsor**"), Asian Corporate Advisors Pte. Ltd., for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**"). The Company's Sponsor has not independently verified the contents of this announcement including the correctness of any of the figures used, statements or opinions made.*

This announcement has not been examined or approved by the Exchange and the Exchange 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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