

MAGNUS ENERGY GROUP LTD.

Company Registration No. 198301375M

(Incorporated in Singapore)

(the "Company")

MINUTES OF THE ANNUAL GENERAL MEETING (THE "AGM") AND EXTRAORDINARY GENERAL MEETING (THE "EGM") OF THE COMPANY HELD AT YORK HOTEL SINGAPORE, 21 MOUNT ELIZABETH, SINGAPORE 228516, CARLTON HALL, LEVEL 2, ON MONDAY, 30 OCTOBER 2017 AT 10.00 A.M.

PRESENT: Please refer to the Attendance Sheet

1. INTRODUCTION AND QUORUM

There being a quorum present, the Chairman, Mr Kushairi Bin Zaidel called the meeting to order at 10.00 a.m. He then introduced the shareholders to the members of the Board present, namely Ms. Seet Chor Hoon, Mr. John Ong and Mr. Ong Sing Huat.

Also present were Mr Luke Ho ("Luke"), the Chief Executive Officer of the Company, representatives from Moore Stephens LLP, the external auditors of the Company, representatives from Tricor Evatthouse Corporate Services, the Polling Agent appointed to assist with the poll and representatives from Associate Corporate Services Pte. Ltd., the Scrutineers appointed to assist with the poll.

2. NOTICE

With the permission of the meeting, the notice of AGM dated 14 October 2017 (the "Notice of AGM") and the notice of EGM dated 14 October 2017 (the "Notice of EGM") (collectively, the "Notices"), having been duly circulated to all members for the required statutory period were taken as read.

3. POLLING

The Chairman informed the shareholders that he had been appointed as proxy by some shareholders in his capacity as Chairman of the AGM and EGM and he would be voting in accordance with their instructions. The shareholders were also informed that the voting on all resolutions to be tabled at the AGM and EGM would be conducted by way of a poll in accordance with Rule 730A(2) of the Catalist Rules.

It was noted that there would be a move away from seeking seconders and the Chairman would move all motions. As the polling procedures would take some time to complete, the Chairman directed the poll on each resolution to be conducted and put to vote at the conclusion of all businesses as set out in the Notices. The Chairman then announced that Tricor Evatthouse Corporate Services had been appointed as the Polling Agent and Associate Corporate Services Pte. Ltd. had been appointed as Scrutineers for the AGM and EGM.

The Chairman further informed the shareholders that the questions from the shareholders would be left until the end of the reading of the resolutions for both the AGM and EGM.

The meeting then proceeded with the formal business on the agenda for the AGM.

4. AGM BUSINESS

ORDINARY BUSINESS

4.1 ORDINARY RESOLUTION 1:

TO RECEIVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2017, DIRECTORS' STATEMENT AND AUDITORS' REPORT THEREON

The shareholders were provided with the Audited Financial Statements for the financial year ended 30 June 2017, the Directors' Statement and Auditors' Report.

The Secretary (as a member of the Company) moved the following motion:

"That the audited financial statements for the financial year ended 30 June 2017, together with the Directors' Statement and Auditors' Report now submitted to the meeting be received and adopted."

4.2 ORDINARY RESOLUTION 2:

RE-ELECTION OF MS SEET CHOR HOON

The next item on the AGM agenda pertained to the re-election of Ms Seet Chor Hoon as Director under Regulation 101(1) of the Company's Constitution. Ms Seet had consented to remain in office.

The Secretary then informed the meeting that Ms Seet would, upon re-election, remain as a Chairman of the Remuneration Committee, and a member of the Audit and Nominating Committees, and she was considered as Independent.

The Secretary (as a member of the Company) moved the following motion:

"That Ms Seet Chor Hoon, a Director retiring under Regulation 101(1) of the Company's Constitution be re-elected as a Director of the Company."

4.3 ORDINARY RESOLUTION 3:

TO APPROVE DIRECTORS' FEES FOR THE FINANCIAL YEAR ENDING 30 JUNE 2018

The next item on the AGM agenda was to approve the payment of directors' fees of S\$129,275 for the financial year ending 30 June 2018, to be paid quarterly in arrears.

The Secretary (as a member of the Company) moved the following motion:

"That the Directors' fees of S\$129,275 for the financial year ending 30 June 2018, to be paid quarterly in arrears, be approved."

**4.4 ORDINARY RESOLUTION 4:
TO RE-APPOINT MOORE STEPHENS LLP AS AUDITORS OF THE COMPANY**

The next item on the AGM agenda addressed the re-appointment of Moore Stephens LLP as auditors of the Company for the ensuing year at a fee and on such terms to be agreed between the Directors and Moore Stephens LLP. The Secretary informed the meeting that Moore Stephens LLP had expressed their willingness to accept re-appointment as auditors of the Company.

The Secretary (as a member of the Company) moved the following motion:

“That Moore Stephens LLP be re-appointed auditors of the Company, to hold office until the conclusion of the next annual general meeting of the Company at a fee and on such terms to be agreed between the Directors and Moore Stephens LLP.”

SPECIAL BUSINESS

**4.5 ORDINARY RESOLUTION 5:
AUTHORITY OF DIRECTORS TO ALLOT AND ISSUE SHARES**

The first item on the AGM agenda under Special Business was Ordinary Resolution 5, which sought shareholders' approval to empower the Directors of the Company to allot and issue shares in the capital of the Company.

The Secretary referred the meeting to item 5 of the Notice of AGM for the full text of the resolution. There being no objection from the shareholders present at the meeting, the resolution was taken as read.

The Secretary (as a member of the Company) moved Ordinary Resolution 5 as set out under item 5 of the Notice of AGM.

**4.6 ORDINARY RESOLUTION 6:
AUTHORITY OF DIRECTORS TO ISSUE SHARES UNDER THE MAGNUS ENERGY
EMPLOYEE SHARE OPTION PLAN**

The next item on the AGM agenda pertained to Ordinary Resolution 6, which sought shareholders' approval to empower the Directors of the Company to offer and grant options under the Magnus Energy Employee Share Option Plan and to issue from time to time such number of shares in the capital of the Company as may be required pursuant to the exercise of options.

The Secretary referred the meeting to item 6 of the Notice of AGM for the full text of the resolution. There being no objection from the shareholders present at the meeting, the resolution was taken as read.

The Secretary (as a member of the Company) moved Ordinary Resolution 6 as set out under item 6 of the Notice of AGM.

**4.7 ORDINARY RESOLUTION 7:
AUTHORITY OF DIRECTORS TO ISSUE SHARES UNDER THE MAGNUS ENERGY
PERFORMANCE SHARE PLAN**

The last item on the AGM agenda was Ordinary Resolution 7, which sought shareholders' approval to authorise the Directors to offer and grant awards in accordance with the provisions of the Magnus Energy Performance Share Plan and to allot shares pursuant to the vesting of the awards.

The Secretary referred the meeting to item 7 of the Notice of AGM for the full text of the resolution. There being no objection from the shareholders present at the meeting, the resolution was taken as read.

The Secretary (as a member of the Company) moved Ordinary Resolution 7 as set out under item 7 of the Notice of AGM.

The meeting then proceeded with the formal business on the agenda for the EGM.

5. EGM BUSINESS

It was noted that the EGM had been called to seek shareholders' approval for:-

- (a) the allotment and issuance of new shares in the capital of the Company to AFE; and
- (b) the possible transfer of controlling interest in the Company to AFE arising from the outstanding amount conversion.

The details of the above transactions were set out in the circular dated 14 October 2017 (the "Circular").

**5.1 ORDINARY RESOLUTION 1:
AUTHORITY OF DIRECTORS TO ALLOT AND ISSUE NEW SHARES IN THE CAPITAL OF
THE COMPANY TO AFE**

The first item on the EGM agenda pertained to Ordinary Resolution 1, which sought shareholders' approval to empower the Directors of the Company to allot and issue new share in the Capital of the Company to AFE. The shareholders were directed to pages 10 to 13 of the Circular for a summary of the key details.

The Secretary then referred the meeting the Notice of EGM for the full text of the resolution. There being no objection from the shareholders present at the meeting, the resolution was taken as read.

The Secretary (as a member of the Company) moved Ordinary Resolution 1 as set out in the Notice of EGM.

**5.2 ORDINARY RESOLUTION 2:
POSSIBLE TRANSFER OF CONTROLLING INTEREST IN THE COMPANY TO AFE
ARISING FROM THE OUTSTANDING AMOUNT CONVERSION**

Ordinary Resolution 2 pertained to the possible transfer of controlling interest in the Company to AFE arising from the outstanding amount conversion.

The Secretary referred the meeting to the Notice of EGM for the full text of the resolution. There being no objection from the shareholders present at the meeting, the resolution was taken as read.

The Secretary (as a member of the Company) moved Ordinary Resolution 2 as set out in the Notice of EGM.

6. QUESTIONS FROM SHAREHOLDERS

Questions relating to the resolutions put forth were invited from the shareholders.

Mr Lau Soon Leong, ("Mr Lau"), a proxy, referred to the Chairman's Statement at page 2 of the Annual Report, and noted that the Chairman had stated that the Company was badly affected by the demand for oil and gas. He then raised a question as to whether there would be any improvement in this field for the coming year, to which the Chairman responded that some improvement was anticipated.

Mr Lau also queried when the shareholders would be able to see positive results from the microalgae oil cultivation facility, and the projected revenue to be expected from the project. Luke informed the shareholders that the maximum revenue they could expect would be in the range of USD 5 million, and that the net profit margin would be 30% - 40% of such revenue, and also highlighted that the said project would be scalable once proven to be successful.

Mr Lau further enquired on the recent movement in the Company's shares, to which Luke clarified that the high volume of movement arose from the recent conversions by note holders, and assured the shareholders that there would not be any further dilution through note conversion as the last conversion took place on 27 October 2017. Luke further clarified that the conversions did not stem from any lack of confidence in the Company, but were instead mandatory for the noteholders.

Mr Lau also sought clarification as to whether microalgae would be the Company's main business going forward, and queried how long the transformation would take. Luke clarified that microalgae would indeed be the Company's primary business going forward, and that the Company anticipated that the transformation would take about 6 months, after which results should be seen.

Mr Koh Chin Hwa, ("Mr Koh"), a shareholder, referred to the Company's Consolidated Statement of Comprehensive Income for the Financial Year ended 30 June 2017 at page 68 of the Annual Report, and observed that the loss from continuing operations was largely due to the administrative expenses of about S\$7.6 million, out of which about S\$4.8 million was attributable to personnel expenses, and that this alone wiped out the gross profit of the Company. Luke agreed with Mr Koh that the Company would have to engage in more cost reduction, and informed the shareholders that they were presently in the process of restructuring, and the Company will work on reducing such costs.

Mr Koh then referred to the Company's Statement of Financial Position at page 69 of the Annual Report, and noted that trade and other receivables amounted to about S\$13 million, a large

part of which arose from the Company's advancement of a convertible loan, and raised a question as to why the Company was providing such a loan. Luke clarified that this was part of the Company's risk management process – the Company had invested in property management by way of providing a loan; in the event that the project does well, the Company will earn a profit.

Another shareholder, Mr Ho Shing, ("Mr Ho"), queried on the status of the Kupang property development project and the waste water treatment project. Luke responded that while they had not recorded any profit for the Kupang project thus far, profit was expected in due time. As for the water treatment segment, Luke informed the shareholders that the Company has some projects in Bangladesh for which they have already sold units, and that he is presently in discussions with an Indian party providing drinking water by way of mobile water filters.

Mr Koh also raised a question as to what would happen to the other business of the Company, in the event that controlling interest is transferred to AFE, to which Luke reiterated that the Company was still in the process of re-structuring and the business of AFE would be added to the Company and there is no intention to exit any of the existing business of the Company.

As Mr Kim Jae Hoon, ("Mr Kim"), the founder and director of AFE, was present at the meeting, Mr Lau invited him to share with the shareholders about the microalgae project. Mr Kim informed the shareholders that he had been in the microalgae industry since 2001, and that the goal was to expand into Indonesia, Malaysia and other South Asian countries. He further shared with the shareholders that the project in Malaysia would be completed in November 2017, and production would begin in December 2017. He also highlighted that they already had prospective buyers from Korea and Japan, and informed the shareholders that the Company was the only one in the world holding the patent and technology for the microalgae harvesting machinery, and that the future was bright for the Company.

7. There being no further questions from the shareholders present, the representative from Associate Corporate Services Pte. Ltd. provided a brief overview of the polling process to the shareholders, and briefed the meeting on the procedure in completing the voting slips.

The Chairman requested that the shareholders submit their Poll Voting Slips to the Polling Agent upon completion.

As the counting of the votes by the scrutineers would take some time, the Chairman, with the consent of the shareholders, adjourned the meeting for the counting process to be carried out.

[Adjournment of approximately 20 to 30 minutes for the counting of the votes]

8. RESULTS OF POLL:

The Chairman re-convened the meeting at 11.20 a.m. after the Scrutineers had completed counting and verified the votes. The Chairman announced the results of the poll as follows:

Results of the AGM:

Resolution	Total number of shares represented by votes for and against the resolution	For		Against	
		Number of Shares	As percentage of total number of votes for and against the resolution (%)	Number of Shares	As percentage of total number of votes for and against the resolution (%)
As Ordinary Business					
Ordinary Resolution 1 Adoption of Audited Financial Statements for the financial year ended 30 June 2017, together with the Directors' Statement and Auditors' Report thereon.	3,810,375,725	3,810,367,125	100.00	8,600	0.00
Ordinary Resolution 2 Re-election of Ms Seet Chor Hoon as Director of the Company.	3,641,312,825	3,626,984,225	99.61	14,328,600	0.39

Resolution	Total number of shares represented by votes for and against the resolution	For		Against	
		Number of Shares	As percentage of total number of votes for and against the resolution (%)	Number of Shares	As percentage of total number of votes for and against the resolution (%)
Ordinary Resolution 3 Payment of Directors' fees of S\$129,275 for the financial year ending 30 June 2018.	3,444,356,205	3,443,702,925	99.98	653,280	0.02
Ordinary Resolution 4 Re-appointment of Moore Stephens LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.	3,810,376,125	3,796,036,445	99.62	14,339,680	0.38
As Special Business					

Resolution	Total number of shares represented by votes for and against the resolution	For		Against	
		Number of Shares	As percentage of total number of votes for and against the resolution (%)	Number of Shares	As percentage of total number of votes for and against the resolution (%)
<p>Ordinary Resolution 5</p> <p>Authority to allot and issue shares in the capital of the Company.</p>	3,810,376,125	3,793,609,485	99.56	16,766,640	0.44
<p>Ordinary Resolution 6</p> <p>Authority to issue shares under the Magnus Energy Employee Share Option Plan.</p>	3,399,356,123	3,398,709,483	99.98	646,640	0.02
<p>Ordinary Resolution 7</p> <p>Authority to issue shares under the Magnus Energy Performance Share Plan.</p>	3,445,356,205	3,430,381,285	99.57	14,974,920	0.43

The Chairman thus declared that all resolutions put forth at the AGM carried.

Results of the EGM:

Resolution	Total number of shares represented by votes for and against the resolution	For		Against	
		Number of Shares	As percentage of total number of votes for and against the resolution (%)	Number of Shares	As percentage of total number of votes for and against the resolution (%)
Ordinary Resolution 1 To approve the Outstanding Amount Conversion.	3,810,367,685	3,795,405,805	99.61	14,961,880	0.39
Ordinary Resolution 2 To approve the Possible Transfer of Controlling Interest.	3,810,367,685	3,783,469,685	99.29	26,898,000	0.71

The Chairman thus declared that all resolutions put forth at the EGM carried.

9. CONCLUSION

As no notice was received in respect of any other ordinary business that may properly be transacted at the meeting, the Chairman declared the meeting closed at 11:30 a.m.

Confirmed as a true record of minutes.



Mr Kushairi Bin Zaidel
Chairman