

LOAN AGREEMENTS BETWEEN MAGNUS ENERGY GROUP LTD. AND THE LENDERS
- EXTENSION OF TERM OF LOANS

Capitalised terms used herein shall have the definitions ascribed to them in the Company's announcements dated 27 April 2017, 28 April 2017 and 3 May 2017 (the "Previous Announcements"), unless otherwise stated or the context otherwise requires.

1. INTRODUCTION

The Board of Directors (the "**Board**") of Magnus Energy Group Ltd. (the "**Company**") refers to the Previous Announcements in relation to the Loan Agreements that the Company has entered into on 26 April 2017.

Pursuant to the Loan Agreements, the Company has entered into supplemental loan agreements with the Lenders on 27 April 2018 to extend the term of the Loans for a further twelve (12) months (the "**Supplemental Loan Agreements**").

2. BACKGROUND OF THE LOANS

The Company (the "**Borrower**") entered into two Loan Agreements on 26 April 2017 (the "**Original Loan Agreements**") with a director and the chief executive officer of the Company (the "**Lenders**") for the provision of unsecured loans to the Company in the total aggregate sum of S\$650,000 ("**Loans**").

Save for the identity of the Lenders and the loan amounts, the original Loan Agreements contained identical terms.

The Loans were to be repaid by the Borrower to the Lenders in full via a single lump payment on the date falling 12 months after the disbursement date of 27 April 2017, which is 27 April 2018 (the "**Due Date**").

Thus far, S\$100,000 has been repaid to the director. This leaves an outstanding sum of S\$550,000 repayable in full by the Borrower to the Lenders on the Due Date.

3. SUPPLEMENTAL LOAN AGREEMENTS

As original term of the Loans will expire on 27 April 2018, at the request of the Borrower, the Lenders agreed to extend the Due Date of the Loans for a further twelve (12) months.

The Lenders and the Borrower entered into Supplemental Loan Agreements pursuant to which the Due Dates of the Loans have been extended to 27 April 2019.

The current interest payable on the Loans is ten percent (10%) per annum, calculated on daily rests based on 365 days a year, payable in arrears on the last date of each calendar month. After the extension of the Due Date, the interests will continue to accrue based on the above terms until full repayment has been made.

All other terms and conditions of the Loan Agreement remained unchanged.

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

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4. APPROVAL BY THE BOARD

The Board and Audit Committee of the Company have reviewed the Supplemental Loan Agreements and are satisfied with its terms and conditions, and are of the view that the Supplemental Loan Agreements are not prejudicial to the interests of the Company and its minority shareholders.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save for the aforesaid, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Supplemental Loan Agreements, save through their respective shareholdings in the Company (if any).

6. DOCUMENT AVAILABLE FOR INSPECTION

The Supplemental Loan Agreements are available for inspection during normal business hours at the Company's registered office for three (3) months from the date of this announcement.

7. UPDATES

The Company will provide further updates where necessary.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Supplemental Loan Agreements, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Luke Ho Khee Yong
Chief Executive Officer
27 April 2018

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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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