

MAGNUS ENERGY GROUP LTD.
(Incorporated in Singapore)
(Company Registration No. 198301375M)

MICROALGAE CULTIVATION PLANT - PROFESSIONAL TEST

*Capitalised terms used herein shall have the definitions ascribed to them the announcements dated 22 June 2016, 7 February 2017, 17 July 2017, 27 September 2017, 22 October 2017 and 28 March 2018 (the “**Previous Announcements**”), unless otherwise stated or the context otherwise requires.*

The Board of Directors (the “**Board**”) of Magnus Energy Group Ltd. (the “**Company**”) refers to the Previous Announcements in relation to its wholly-owned subsidiary MEG Management Sdn Bhd (“**MEG Management**”) to build and manage a microalgae oil cultivation facility (the “**Plant**”) in Selangor, Malaysia (the “**Project**”).

Further to the Previous Announcements, the Board is pleased to update that MEG Management has engaged a reputable professional certification firm to establish a test procedure on the microalgae crude oil production and extraction. The said test includes collection of data to verify the daily growth rates of the microalgae and oil extraction over a period of time. As there is no universal standardized testing in relation to the production of microalgae crude oil, a new test procedure shall be designed and setup by the professional firm.

By establishing a test procedure in place, the full production capability shall then be tested and certified accordingly. While the Plant has not started its full production, the Company is of the view that an independent third-party test provides a reliable report to our investors and shareholders on the efficiency of the oil production of the Plant.

Further working capital shall be required for the Plant and the Company will be funding the same through a combination of internal resources and through other fund raising activities.

The Company shall keep the shareholders updated in due course when the Plant begins production and when the oil extraction facility is ready.

“I am pleased that we have come a long way to bring this pilot plant to its current stage. During the previous annual general meetings, some shareholders have given feedback that the Company should invite our shareholders and investors to visit our microalgae cultivation plant. We look forward to putting together a site visit to our Kudang Plant.” said Kushairi, Chairman.

Shareholders and potential investors should exercise caution when trading in shares of the Company, and where in doubt as to the action they should take, they should consult their financial, tax or other professional adviser.

BY ORDER OF THE BOARD
Magnus Energy Group Ltd.

Luke Ho Khee Yong
Chief Executive Officer
28 May 2018

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.

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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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