

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

APPLICATION TO THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) FOR EXTENSION OF TIME TO SUBMIT PROPOSAL FOR RESUMPTION OF TRADING – RECEIPT OF NO OBJECTION LETTER FROM THE SGX-ST

The Board of Directors of Magnus Energy Group Ltd (the “Company” and, together with its subsidiaries, the “Group”) refers to the announcement dated 7 October 2020 (the “Announcement”) in relation to the application to SGX-ST for the extension of time to submit the Resumption Proposal (the “Extension”). Unless otherwise specified, all capitalised terms shall have the same meaning ascribed to them in the Announcement.

1. GRANT OF EXTENSION OF TIME

Further to the Announcement, the Board wishes to announce that the SGX-ST had, on 15 October 2020, informed the Company through its Sponsor that the SGX-ST has no objection to granting the Extension for the Company to submit the Resumption Proposal by **11 December 2020**, subject to the following:

- (a) the Company announcing the Extension granted, the reasons for seeking the Extension, the conditions as required under Rule 106 of the Catalist Rules and if the Extension Conditions (as defined herein) have been satisfied. If the Extension conditions have not been met on the date of this announcement, the Company must make an update announcement when the conditions have all been met;
- (b) the Company being required to make an immediate disclosure via SGXNet if it is/or will be in contravention of any laws and regulations governing the Company and the constitution of the Company arising from the Extension; and
- (c) the Company being required to make regular and detailed monthly updates to the SGX-ST and shareholders via SGXNet on the Company’s progress in its submission of the Resumption Proposal to the SGX-ST.

(collectively, the “**Extension Conditions**”)

The Extension will not be effective if any of the Extension Conditions have not been fulfilled. To this end, the Company confirms that it is not in contravention of any laws and regulations governing the Company and the constitution of the Company arising from the Extension.

Accordingly, the Company confirms that the Extension Conditions under paragraph 1(a) to 1(b) have been fulfilled as at the date of this announcement, while the Extension Condition under paragraph 1(c) will be met via the monthly updates to the SGX-ST and shareholders via SGXNet by the Company.

2. REASONS FOR SEEKING THE EXTENSION

As set out in the Announcement, the Company had on 7 October 2020 sought the Extension for the following reasons:

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- (i) the professional firm engaged by the Company to review the findings of the Provenance Report, Nexia TS Risk Advisory Pte Ltd (“Nexia”), had informed the Company that it is in the midst of finalising the Internal Audit Report for the purpose of the Company’s annual report for the financial year ended 30 June 2020, to be released by the Company no later than 15 October 2020. Nexia planned to commence the fieldwork in relation to the Provenance Report on 19 October 2020 and expects to take approximately two (2) weeks to complete the review. Thereafter, Nexia expects to submit the first draft report on its findings and recommendations on or around 6 November 2020; and
- (ii) the Company envisages that it will need approximately one (1) month (from 9 November 2020) to fully implement all relevant recommendations by Nexia. As the review of the issues raised in the Provenance Report is an essential step to address the concerns that led to the suspension of the Company’s shares and would have a material impact on any proposal to be submitted by the Company for a resumption of trading, the Company sought for the extension of time of up to 11 December 2020 to fulfil all the requirements set out by the SGX-ST in relation to the submission of the Resumption Proposal.

The Company will make further announcements to update shareholders as and when there are material updates to the matters set out above as may be necessary or appropriate, including the fulfilment of the Extension Condition under paragraph 1(c).

BY ORDER OF THE BOARD

Charles Madhavan
Executive Director and Chief Executive Officer
15 October 2020

This announcement has been prepared by the Company and reviewed by the Company’s sponsor, Novus Corporate Finance Pte. Ltd. (the “Sponsor”), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalyst.

This 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.

The contact person for the Sponsor is Mr Pong Chen Yih, Chief Operating Officer, at 9 Raffles Place, #17-05 Republic Plaza Tower 1, Singapore 048619, telephone (65) 6950 2188.