

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

UPDATE ON LETTER OF DEMAND RECEIVED - COMMENCEMENT OF PROCEEDINGS BY MR THONG SOON SENG

The Board of Directors of Magnus Energy Group Ltd (the "**Company**" and, together with its subsidiaries, the "**Group**") refers to the announcements made on 3 March 2020, 5 March 2020 and 20 March 2020.

As set out in the foregoing announcements, the Company had previously received a letter of demand dated 29 February 2020 from solicitors acting on behalf of Mr Thong Soon Seng ("**Mr Thong**"), in which Mr Thong had demanded payment from the Company of S\$5,118,572.49, representing the amount of loan principal and contractual interest owed as of 18 January 2018 of S\$4,600,000, and further interest of 5.33% per annum on the same, pursuant to Section 12 of the Civil Law Act, Chapter 43 of Singapore, of S\$518,572.49. Mr Thong alleged that the Company's former Chief Executive Officer Mr Luke Ho Khee Yong had entered into various oral agreements with Mr Thong on the Company's behalf ("**Alleged Oral Loan Agreements**"). The Company, through follow up correspondence from its solicitors on 30 March 2020 and 14 April 2020, had responded to deny Mr Thong's claims.

On 10 November 2020, the Company was served with the Writ of Summons and Statement of Claim in respect of Mr Thong's claim against the Company under the Alleged Oral Loan Agreements (the "**Suit**").

The Company will be entering an appearance in the Suit and filing its Defence through its solicitors Eldan Law LLP.

The Company will make further announcements when there are material developments in the matter.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd

Charles Madhavan
Executive Director and
Chief Executive Officer
11 November 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.