

GENERAL UPDATE

The Board of Directors (“**Board**”) of Magnus Energy Group Ltd (the “**Company**” and, together with its subsidiaries, the “**Group**”) refers to the announcements dated 6 August 2018, 12 October 2018, 12 November 2018, 6 March 2019, 4 April 2019, 28 June 2019, 23 August 2019, 30 September 2019, 31 December 2019, 31 March 2020, 30 June 2020, 30 September 2020, 30 December 2020, 31 March 2021, 29 April 2021, 30 June 2021, 30 September 2021, 30 December 2021, 31 March 2022, 30 June 2022, 30 September 2022, 29 December 2022, 22 February 2023, 8 March 2023 and 21 March 2023 (the “**Previous Announcements**”) and wishes to provide a general update on the ongoing affairs of the Group.

Save as otherwise defined, all capitalised terms shall have the same meaning as the Previous Announcements.

GENERAL UPDATE (January 2023 – March 2023)

DELISTING NOTICE

On 21 February 2023, the Company received a notification of delisting from the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) (the “**Delisting Notice**”).

In the Delisting Notice, SGX-ST regrets to inform that there are no extenuating reasons to grant the Company further extension of time to submit a Resumption Proposal. There is no certainty that the Company will be able to satisfactorily address issues on its ability to operate as a going concern, and demonstrate financial and business viability to support the submission of the Resumption Proposal by the proposed extended deadline requested for. In view of the SGX-ST’s rejection of the Extension Application, the Company will be delisted. More details on the Delisting Notice can be found in the Company’s announcement dated 22 February 2023.

Further to the Delisting Notice, the Company had on 8 March 2023 announced that it had submitted an appeal through Eldan Law LLP (“**Eldan**”) against the Delisting Notice (the “**Appeal**”) to the SGX-ST on 6 March 2023.

On 6 March 2023 and 7 March 2023, the Company had sent emails and mail invitations to the top 20 shareholders to make an exit offer. Save for a single non-binding indicative expression of interest received from one shareholder, there had been no further responses nor follow-ups from the shareholder. As at the date of this announcement, there is no response received from the other top 20 shareholders.

Subsequently, the Company had on 21 March 2023 announced that it was in the midst of preparing an exit offer proposal with Eldan to be made to shareholders of the Company for the Company to be delisted in accordance with Rule 1308 of the SGX-ST Listing Manual Section B: Rules of Catalist (“**Catalist Rules**”) (the “**Exit Proposal**”). The Company had on the same day also applied to the SGX-ST for an extension of time of 14 days to submit its Exit Proposal to the SGX-ST by 3 April 2023. For the avoidance of doubt, the Board had clarified that it would no longer pursue the Appeal against the Delisting Notice given that the Company would be voluntarily putting up an Exit Proposal.

As of the date of this announcement, the Company is in the midst of discussions and providing information to the Sponsor with regards to the Exit Proposal for the purpose of the Sponsor’s review for compliance with the relevant Catalist Rules. The Company will make further announcements as and when there are any further developments in relation to the delisting.

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

GENERAL UPDATE

KOLAKA NICKEL PROJECT

On 20 January 2023, the Company clarified, via an announcement, the production quota for the nickel ore mining sites which are the subject of the Kolaka Nickel Project, known as the Rencana Kerja Anggaran Biaya (“**RKAB**”) for the year 2022, has been exhausted and restricted from any further inventory movement of nickel ore from the mining premises (the “**Restriction**”).

The Company is still waiting for approval for the new RKAB quota. The most current official information that the Company has received was a meeting held on 2 March 2023 by the Ministry of Energy & Mineral Resources (the approving authority) to discuss with the relevant mine owners (those who have yet to receive their RKAB approval) on the progress of the RKAB approval and procedures on data update via on-line.

For more information on the Kolaka Nickel Projects, please refer to the announcements dated 30 June 2022, 29 July 2022, 8 August 2022, 11 August 2022, 31 August 2022, 9 September 2022 and 20 January 2023.

The Company will keep shareholders updated on any further material developments in respect of the above matter.

ASSET DISPOSALS

(1) MEG Management Sdn Bhd (“**MMSB**”)

As of date, Company is still in the process of winding up MMSB and will provide updates as and when required.

(2) Mid-Continent Equipment Group Pte. Ltd. (“**Midcon**”)

On 3 March 2023, it was announced that pursuant to Section 180 of the Insolvency, Restructuring and Dissolution Act 2018, the final meeting in respect of the Liquidation will be held on 3 April 2023 at 9:00 a.m. at 600 North Bridge Road, #05-01 Parkview Square, Singapore 188778.

Save for the abovementioned, pursuant to Rule 704(22) of the SGX-ST Listing Manual Section B: Rules of Catalyst, the Company wishes to confirm that there has been no material development in relation to the Liquidation that may have a significant impact on the Company’s financial position.

ACCOUNTABILITY AND LEGAL PROCESSES

(1) LEGAL DISPUTES ON INDONESIAN CONTRACTOR, PT HANJUNGIN

There are no material updates to this matter.

(2) THAMES CAPITAL

There are no material updates to this matter.

(3) HC/S 1075/2020 (“**Suit 1075**”) – Action by Thong Soon Seng against the Company

There are no material updates to this matter.

CORPORATE GOVERNANCE

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

GENERAL UPDATE

(1) EXTENSION OF ANNUAL GENERAL MEETING

The Company is considering applying for an extension of time to hold the annual general meeting of the financial year ended 31 December (“FY”) 2022 (“FY2022 AGM”), of which details will be disclosed separately when such application has been submitted to the SGX-ST. The Company will update the shareholders once the FY2022 AGM date has been fixed.

(2) CESSATION / RESIGNATION OF INDEPENDENT DIRECTORS

(a) Mr. Michael Grant Pixley (“**Mr. Pixley**”) has, on 29 March 2023, informed the Company of his intention to resign as the Independent Non-Executive Chairman of the Company. For avoidance of doubt, Michael will continue to remain as the Independent Non-Executive Chairman of the Company and will only cease to be the Independent Non-Executive Chairman of the Company, the Chairman of the Remuneration Committee (“**RC**”) as well as a member of the Audit and Risk Committee (“**ARC**”) and Nominating Committee (“**NC**”) with effect from the date of completion the Company’s upcoming annual general meeting for the financial year ended 31 December 2022 (“**FY2022 AGM**”).

(b) Mr. Chan Choo Onn (“**Mr. Chan**”) has, on 29 March 2023, informed the Company of his intention to resign as the Independent Non-Executive Director of the Company. For avoidance of doubt, Mr. Chan will continue to remain as an Independent Non-Executive Director of the Company and will only cease to be the Independent Non-Executive Director of the Company, the Chairman of the NC as well as a member of the ARC and RC with effect from the date of completion of the FY2022 AGM.

(c) Mr. Budi Rahardjo (“**Mr. Rahardjo**”) has, on 30 March 2023, informed the Company that he will not be seeking re-election as Independent Non-Executive Director of the Company at the upcoming FY2022 AGM. For avoidance of doubt, Mr. Budi Rahardjo will continue to remain as an Independent Non-Executive Director of the Company and will only cease to be the Independent Non-Executive Director of the Company, the Chairman of the ARC as well as a member of the NC and RC with effect from the date of completion of the FY2022 AGM.

Details of the cessations of the abovementioned Independent Directors can be found in the announcements dated 29 and 30 March 2023.

(3) RULE 704(7) OF THE CATALIST RULES

In view of Mr. Pixley and Mr. Chan’s resignation and Mr. Rahardjo’s retirement, the Company is aware that it does not comply with Rule 704(7) of the Catalist Rules, the Companies Act 1967 and the Code of Corporate Governance 2018 with effect from the date of completion of the FY2022 AGM, where the ARC of the Company should consist of a minimum number of three (3) members. The Company will endeavour to fill the vacancies within two months, but in any case, no later than three months with effect from the date of the completion of the FY2022 AGM. The Company will also endeavour to fill the vacancies in the NC and RC as soon as possible.

BY ORDER OF THE BOARD

Magnus Energy Group Ltd.

Charles Madhavan
Executive Director and
Chief Executive Officer

MAGNUS ENERGY GROUP LTD.

(Incorporated in Singapore)

(Registration No. 198301375M)

GENERAL UPDATE

31 March 2023

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 7 Temasek Boulevard, #18-03B Suntec Tower 1, Singapore 038987, telephone (65) 6950 2188.
