

24 July 2017

MAGNUM TO CONDUCT PLACEMENT

Magnum Gas & Power Limited (**Magnum** or the **Company**) is pleased to announce that it has executed an agreement to conduct a placement to raise A\$4.0 million (before costs) (**Placement**).

The Company has signed an underwriting agreement with Perth-based broker, DJ Carmichael Pty Ltd, to underwrite the Placement for A\$2.75 million. The Company can also confirm it has received commitments to place up to a further A\$1.25 million.

The shares will be issued to sophisticated and professional investors at a price of \$0.00125 per share, with attaching 1 for 1 options at \$0.0025 and will be subject to shareholder approval at the Company's Extraordinary General Meeting, which is scheduled for 31 July 2017.

The funds raised under the Placement will be used for the purposes of meeting the Company's commitments for its investment in the Tulainyo Gas Discovery in the Sacramento Basin in California, as announced on 5 June 2017.

It is expected that settlement will occur on 1 August 2017. The Company's securities will remain in suspension until completion of the shareholder meeting on 31 July 2017, pending the approval of the Placement.

Yours faithfully



Kar Chua
Company Secretary
Magnum Gas & Power Limited

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