



**MAGNUM
GAS & POWER**

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TULAINYO GAS PROJECT UPDATE

AUGUST 2017



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Competent Person's Statement

Information in this presentation relates to the information compiled by Mr John Begg, a Director of Bombora Natural Energy Pty Limited. Mr Begg holds a Bachelor of Science Degree (Geology) and is a member of the American Association of Petroleum Geologists. Mr. Begg has over 35 years of experience in petroleum exploration, development and production.

Mr Begg is not aware of any new information or data that would materially affect the information relating to the project which is included in this presentation. All material assumptions and technical parameters underpinning the estimates in this announcement continue to apply and have not materially changed.

Mr Begg has consented in writing to the inclusion of the information stated in the form and context in which it appears.



CAPITAL STRUCTURE

Shares on Issue	8,915,339,230
Market Cap (at \$0.0015)	\$12M approx.
Options (Quoted Options) Exercise Price of \$0.003 Expiration Date 31/10/20	2,417,075,706
Options (Unquoted Options) Exercise Price of \$0.0025 Expiration Date 2/8/19	4,200,000,000
Options (Unquoted Options) Exercise Price of \$0.002 Expiration Date 31/10/20	300,000,000

Board Members

Mr. Nathan Featherby	Executive Chairman
Mr. Kar Chua	Company Secretary
Mr. Saxon Ball	Director
Mr. David Scoggin	Director
Mr. Nicholas Halliday	Director



Top 5 Shareholders	No. Shares (M)	Ownership
Avatar Energy Pty Ltd	458.2	5.14%
Pershing Australia Nominees Pty Ltd <RM Capital A/C>	440.0	4.94%
DJ Carmichael Pty Ltd	277.9	3.12%
J P Morgan Nominees Australia	260.2	2.92%
Mr Jonathon Ronald Busing	200.0	2.24%



WORLD CLASS PARTNERS

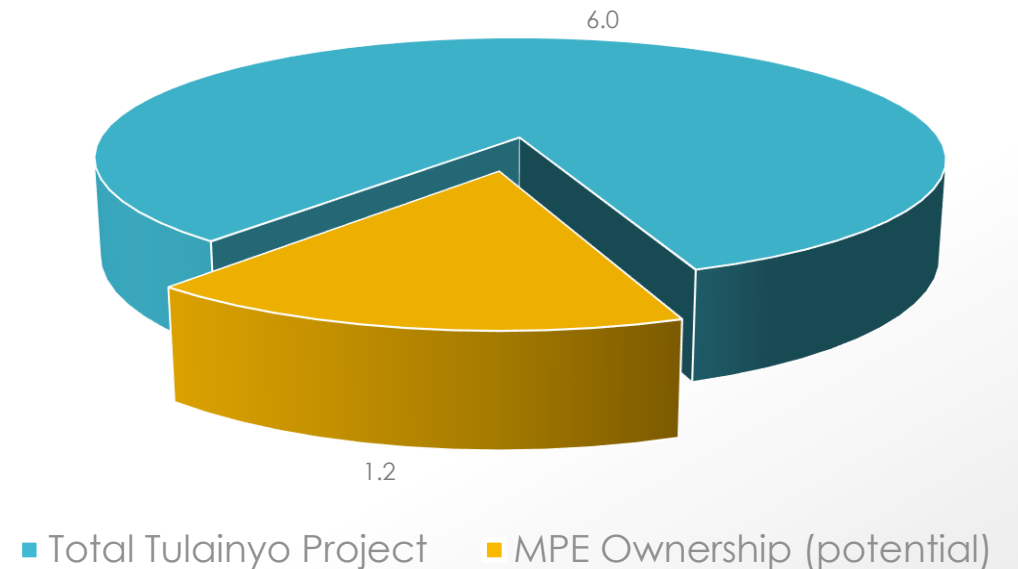
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TULAINYO – GIANT SCALE

- MPE earn-in potential exposure to the Tulainyo Project – 20%
- Independent risk assessment considers the Tulainyo Project to host up to 6 TCF of recoverable gas (refer announcement dated 22 June 2017)*
- Standard Conversion 170mm boe = 1 TCF
- Potential in-ground value of 6 TCF gas at current prices could be up to US\$6B
- Asset held in US subsidiary Gasfields LLC of which 60% is owned by MPE.
- Gasfields has the right to earn into 33.3% of Tulainyo Project

Tulainyo Asset Prospective Resource (Trillion Cubic Feet)



*Cautionary Statement: The estimated quantities of petroleum that may potentially be recoverable by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of petroleum.



TULAINYO - LEVERAGE

The recent **\$4m** raised by MPE will be utilised to satisfy the capital requirements for drilling of the Tulainyo Project.

In light of MPE's current trading value, the Tulainyo Project provides **tremendous leverage** to investors, should appraisal drilling prove successful.

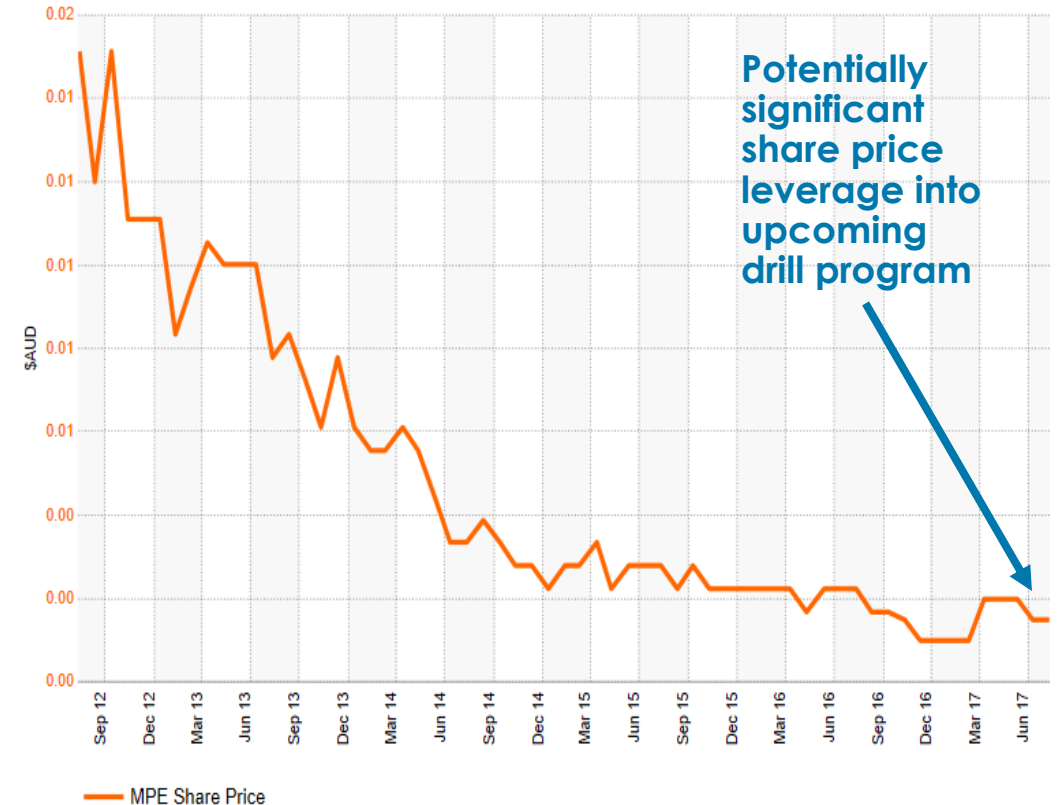
"My formula for success?... Rise Early. Work Late. Strike Oil."
J. Paul Getty 1892-1976

"Most highly risk-averse people (and firms) never realise the high price they pay for their conservatism"
P. R. Rose

To view Executive Chairman Nathan Featherby's video discussion of the project, visit: <https://hotcopper.com.au/asx/mpe/>

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Historical Prices



Source: Thomson Reuters Datastream/Enrizen



CASE STUDY – 88 ENERGY

In December 2015, 88 Energy Limited ('88E') (ASX: 88E) announced confirmation of drilling at Project Icewine, North America.

At the date of announcement, the oil potential was suggested as 2.1 billion barrels, with additional conventional potential deposits noted immediately proximate to the Icewine site.

In February 2016, 88E announced successful evaluation results from the Icewine #1 well.

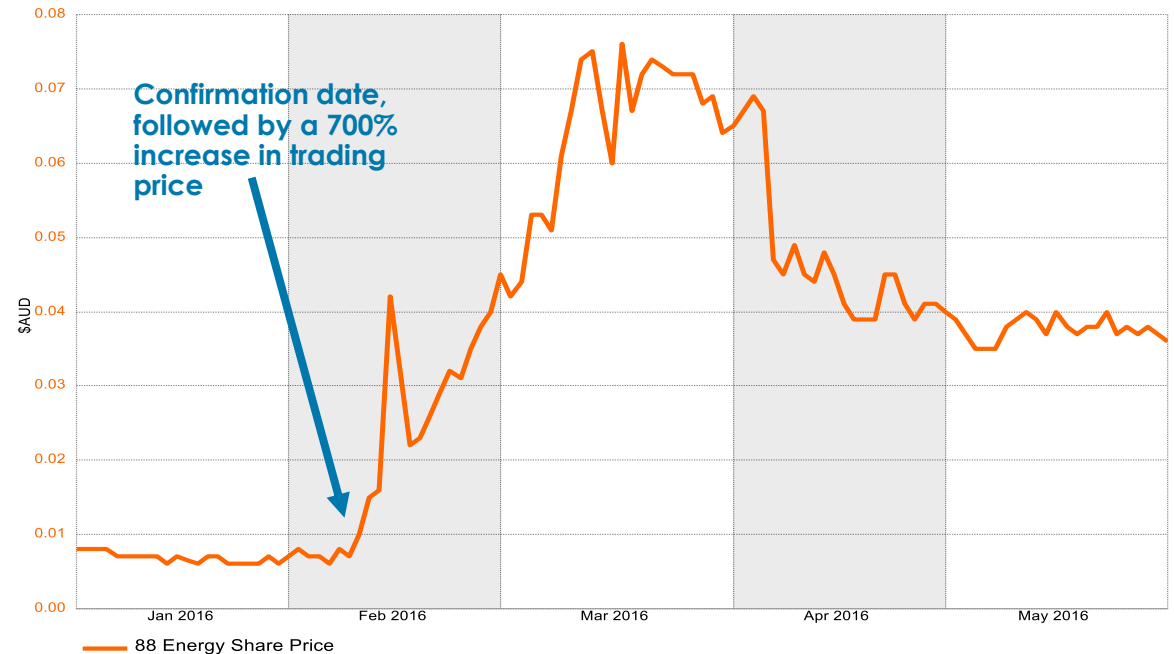
Capital Structure (Feb 2016)

Shares on Issue	3,159,028,372
Options (Quoted Options)	413,659,650
Options (Unquoted Options)	150,882,000

Market Cap (1 Feb 2016) \$22M

Indicative Market Cap (at peak) \$155M

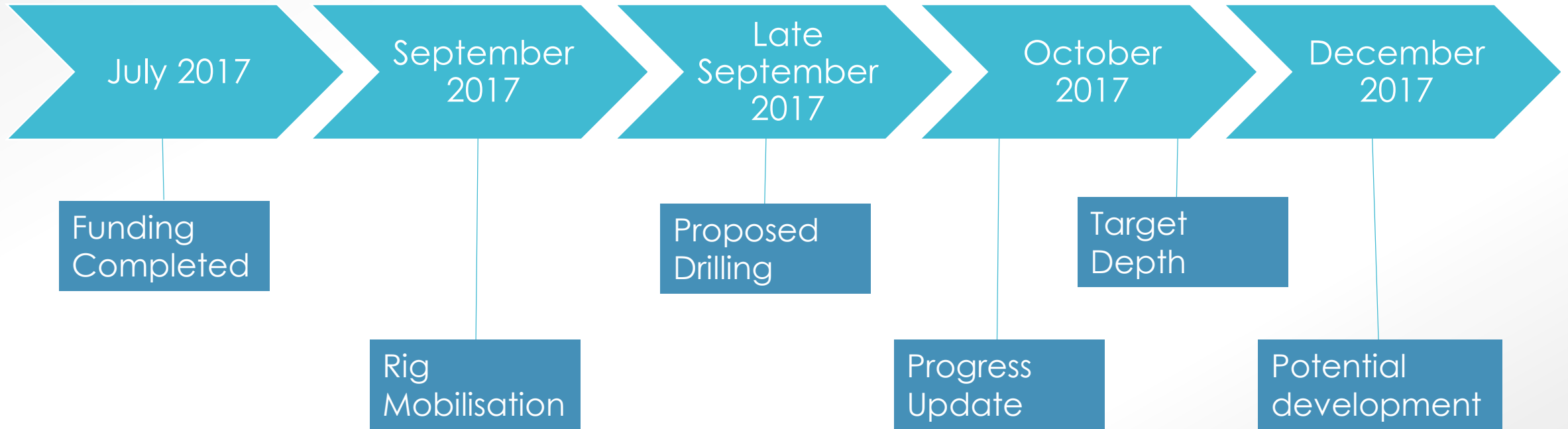
88 Energy
Price movement following announcement



Source: Thomson Reuters Datastream/Enrizen



PROJECT DEVELOPMENT TIMETABLE

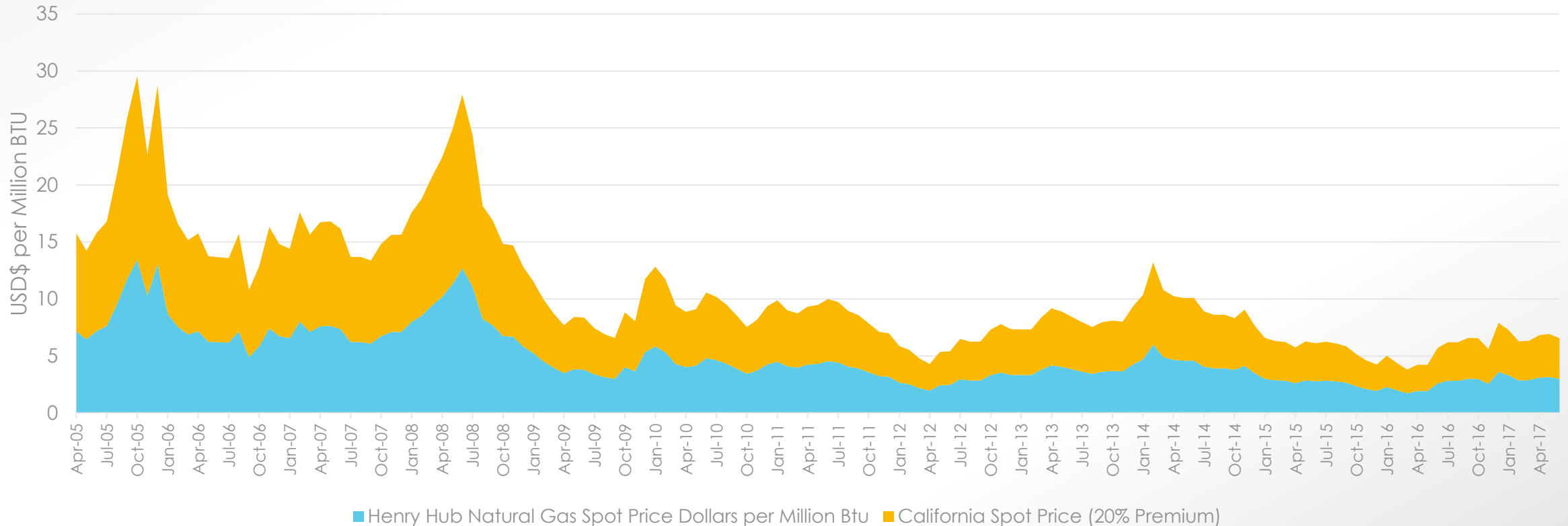


Keep updated with the Tulainyo Timer at: <https://hotcopper.com.au/asx/mpe/>



CALIFORNIA GAS MARKET

Historical Gas Prices*



*Prices sourced from U.S. Energy Information Administration: <https://www.eia.gov/dnav/ng/hist/rngwhhdm.htm>





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