

**Magnolia Petroleum Plc ('Magnolia' or 'the Company')**  
**Directors' Dealings and Issue of Equity**

Magnolia Petroleum Plc, the AIM-quoted, US onshore-focused oil and gas exploration and production company, announces that it has today issued 4,500,000 new ordinary shares, representing 0.35 per cent. of its issued share capital, at a price of 0.2 pence per share to certain of its board members in lieu of directors' fees for the period January 2016 to March 2016. The Directors have chosen to take their fees in shares in lieu of cash to help further reduce expenses.

The issue of shares to the directors is as follows:

Name	Number of new ordinary shares issued	Interest in ordinary shares following the issue	Percentage of total voting rights
Steven Snead	1,500,000	204,226,748	16.00%
Rita Whittington	1,500,000	13,725,669	1.08%
Ronald Harwood	1,500,000	34,623,175	2.71%

**Cancellation and Grant of Share Options**

The company also announces that certain existing share options have been cancelled and 84,677,737 new share options in aggregate will be granted to directors and staff to reset the incentive structure in the Company. The details of the cancellation and grant to directors are as follows:

Name	Number of share options cancelled	Number of share options granted	Options as a percentage of total voting rights
Steven Snead	24,417,161	36,417,161	2.85%
Rita Whittington	16,905,661	28,905,661	2.26%
Ronald Harwood	3,354,915	13,354,915	1.05%

The share options have been granted at an exercise price of 0.4p and will be valid for a period of 5 years, with part of the grant vesting immediately and the remainder vesting one third on each anniversary of the grant for a period of three years following issue.

Following the above cancellations and grants of options, the total number of share options in issue as at the close of business on 22 April 2016 shall be 114,914,136 representing 9.00% per cent. of the current issued share capital.

The grant of options described above comprises a related party transaction in accordance with Rule 13 of the AIM Rules for Companies. The independent director considers, having consulted with Cairn Financial Advisers LLP, the Company's nominated adviser, that the terms of the transaction are fair and reasonable insofar as its shareholders are concerned.

### **Admission**

The new ordinary shares will rank pari passu in all respects with the Company's existing issued ordinary shares. Application will be made for the admission of the 4,500,000 new ordinary shares to trading on AIM and it is expected that admission will occur and that dealings will commence at 8.00 a.m. on 28 April 2016.

For the purposes of the Financial Conduct Authority's Disclosure and Transparency Rules, the Company announces that following the issue of the Fee Shares, the Company will have 1,276,458,563 Ordinary Shares in issue ('Enlarged Share Capital').

The Company has no ordinary shares held in treasury. The total number of voting rights in the Company will therefore be 1,276,458,563. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change in their interest in, the share capital of the Company under the FCA's Disclosure and Transparency Rules.

**\*\* ENDS \*\***

For further information on Magnolia Petroleum Plc visit [www.magnoliapetroleum.com](http://www.magnoliapetroleum.com) or contact the following:

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**Notes**

Magnolia Petroleum Plc is an AIM quoted, US focused, oil and gas exploration and production company. Its portfolio includes interests in 167 producing and non-producing assets, primarily located in the highly productive Bakken/Three Forks Sanish hydrocarbon formations in North Dakota as well as the oil rich Mississippi Lime and the substantial and proven Woodford and Hunton formations in Oklahoma.

**Summary of Wells**

Category	Number of wells
Producing	167
Being drilled / completed	12
Elected to participate / waiting to spud	19
TOTAL	197