

Magnolia Petroleum Plc / Index: AIM / Epic: MAGP / Sector: Oil & Gas  
15 February 2016

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

Magnolia Petroleum Plc, the AIM quoted US onshore focussed oil and gas exploration and production company, is pleased to announce that it has raised £300,000 via the issue of 214,285,714 new ordinary shares (the 'Placing Shares') in the Company at a price of 0.14 pence per share (the 'Placing'). The Placing was completed through the Company's broker Cornhill Capital Limited. The proceeds of the Placing will be used to reduce the Company's net debt position.

Rita Whittington, COO of Magnolia Petroleum, said, "In response to highly volatile oil markets, the Directors have been focused on ensuring the business is well placed to withstand an extended period of the current oil price downturn and also any further deterioration in market conditions. A comprehensive review is underway to realign our cost base with today's markets and in tandem with this, the net proceeds of the Placing will be used to reduce net debt and further strengthen Magnolia's balance sheet. While we have no control over the direction of the oil price or how long the current downturn will last, we are taking every measure to ensure Magnolia is well placed for when sentiment and activity recovers."

**Admission and dealings**

The Placing Shares will rank *pari passu* in all respects with the Company's existing issued ordinary shares and will be equivalent to 16.8% of the enlarged issued share capital. Application has been made for the admission of the Placing Shares to trading on AIM and it is expected that admission will occur and that dealings will commence at 8.00 a.m. on 18 February 2016. The Placing is conditional, inter alia, on Admission becoming effective.

For the purposes of the Financial Conduct Authority's Disclosure and Transparency Rules, the Company announces that following the issue of the Placing Shares, the Company will have 1,271,958,563 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 1,271,958,563. 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 210 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	210
Being drilled / completed	9
Elected to participate / waiting to spud	23
TOTAL	242