

Magnolia Petroleum Plc ('Magnolia' or 'the Company')
Q4 2015 Operations Update

Magnolia Petroleum Plc, the AIM quoted US focused oil and gas exploration and production company, is pleased to announce a quarterly update on its operations across proven and producing US onshore hydrocarbon formations, including the Bakken/Three Forks Sanish in North Dakota and Montana, and the Woodford, Mississippi Lime and the Hunton in Oklahoma.

Q4 Highlights to 31 December 2015

- Eight new wells commenced production bringing the total number of producing wells to 210 as at end of Q4 2015 - a further nine at various stages of development
- Elected to participate in 12 new wells during Q4 2015
- Commencement of 10 well drilling programme alongside operator Continental Resources targeting gas in the prolific South-Central Oklahoma Oil Province ('SCOOP') play in Oklahoma, where an estimated total of 3.2 billion barrels of conventional oil have been recovered from 60 reservoirs
 - Nine wells currently drilling
 - All 10 are lower risk increased density wells to maximise the recovery of reserves in two sections on leases that are held by production
- 10 Continental Resources operated wells form part of strategy to diversify product mix to a more even oil to gas ratio compared to 70/30 in January 2015 oil to gas respectively
 - Gas markets have local supply/demand dynamics which tend to be independent of global oil prices, providing further diversification to Magnolia's producing well portfolio

Outlook

- New wells due to come into production in Q1 2016 including Continental Resources operated wells
- Additional participation with leading operators in new wells and infill drilling where commercial at lower oil prices
- Updated Reserves Report as at 1 January 2016 due in the near-term
- On-going lease acquisition and management activity in line with strategy to grow and diversify portfolio

Magnolia COO, Rita Whittington said, "Magnolia now has interests in 210 producing wells in proven US onshore formations such as the Bakken in North Dakota and the Woodford and Mississippi Lime in Oklahoma. In the face of persistently low oil

prices we continue to maintain strict control of our cost base to ensure as much of our internally generated revenues as possible are reinvested into new wells, specifically those where the economics of drilling remain attractive in the current market environment. I look forward to providing further updates on our progress in due course.”

Well Developments

The full list of well developments occurring in the quarter is set out below.

Well	Formation	Status	NRI %	Operator
Sympson 2-7-6XH	Woodford, Oklahoma	Drilling	0.40	Continental Resources
Sympson 4-7-6XH	Woodford, Oklahoma	Drilling	0.40	Continental Resources
Chalfont 2-7H	Woodford, Oklahoma	Drilling	0.36	Continental Resources
Sympson 10-6H	Woodford, Oklahoma	Drilling	0.44	Continental Resources
Sympson 8-7-6H	Woodford, Oklahoma	Drilling	0.40	Continental Resources
Sympson 3-7-6XH	Woodford, Oklahoma	Drilling	0.40	Continental Resources
Sympson 9-7-6XH	Woodford, Oklahoma	Drilling	0.40	Continental Resources
Sympson 5-7-6XH	Woodford, Oklahoma	Waiting to spud	0.40	Continental Resources
Sympson 7-6-7XH	Woodford, Oklahoma	Drilling	0.40	Continental Resources
Sympson 6-6-7XH	Woodford, Oklahoma	Drilling	0.40	Continental Resources

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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