

27 October 2016

Magnolia Petroleum Plc ('Magnolia' or 'the Company')
Placing, Issue of Equity and Grant of Warrants

Magnolia Petroleum Plc, the AIM quoted US onshore focused oil and gas exploration and production company, is pleased to announce that it has raised £225,000 via the issue of 225,000,000 new ordinary shares (the 'Placing Shares') in the Company, at a price of 0.1 pence per share (the 'Placing'), and the grant of 225,000,000 warrants, exercisable for two years at a price of 0.15p per share. The Placing was completed through the Company's broker Cornhill Capital Limited. The proceeds of the Placing will be used to fund current drilling commitments on its acreage in proven US onshore hydrocarbon formations, such as the Woodford and Mississippi Lime in Oklahoma.

Issue of Equity

The Placing Shares will rank *pari passu* in all respects with the Company's existing issued ordinary shares and will be equivalent to 12.8 per cent 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 or around 1 November 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 1,751,458,563 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 1,751,458,563. 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.

The information contained within this announcement constitutes inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014.

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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 146 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	151
Being drilled / completed	14
Elected to participate / waiting to spud	10
TOTAL	175