

26 April 2017

Magnolia Petroleum Plc
(‘Magnolia’ or ‘the Company’)
Circular re: General Meeting and Directors’ Subscriptions

Magnolia Petroleum Plc, the AIM quoted US focused oil and gas exploration and production company announces that it has today posted a circular (“Circular”) and notice of a general meeting (“GM”) to all shareholders. The Company's GM will be held at 15:30 p.m. on 12 May 2017 at the offices of Pray Walker P.C., 100 West Fifth Street, Suite 900, Tulsa, OK 74103, USA. The documents will shortly be available on the Company’s website and an extract of the Circular appears below.

In addition, the Company is pleased to announce that certain directors and management have agreed to subscribe (‘the Subscription’) for new ordinary shares in the Company which, in aggregate, totals US\$63,000 (approximately £49,000). The Subscription shares are being acquired at 0.12p per share, save for Leonard Wallace who, prior to his appointment to the Board, agreed to subscribe for new ordinary shares in the Company at 0.18p per share. Further details of the Subscription are set out below.

Magnolia CEO, Rita Whittington said, “The Subscription by certain directors and members of the management team at or above the prevailing market price is a vote of confidence in the significant pick-up in drilling activity we are seeing in the US onshore formations where we are active. This is evidenced by our own experience: in recent weeks we have announced Magnolia’s participation in 28 new wells alongside established operators such as Continental Resources.

“The Subscription is also an endorsement of management’s ability to take advantage of the increasing number of attractive opportunities that we are coming across to materially add to our existing production and reserves, particularly in the prolific SCOOP and STACK plays in Oklahoma where wells are economic at US\$40 bbl oil prices. Magnolia has a committed Board and management team with the requisite skillset to deliver on our objective to build a successful US onshore focused oil and gas company and I look forward to providing further updates on our progress.”

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

**** ENDS ****

For further information on Magnolia Petroleum Plc visit www.magnoliapetroleum.com or contact the following:

Rita Whittington	Magnolia Petroleum Plc	+01918449 8750
Jo Turner / James Caithie	Cairn Financial Advisers LLP	+44207213 0880

Colin Rowbury	Cornhill Capital Limited	+44207710 9610
Lottie Brocklehurst	St Brides Partners Ltd	+44207236 1177
Frank Buhagiar	St Brides Partners Ltd	+44207236 1177

Extract of the Circular

Increase in Share Authorities, Subscription, Issue of Equity and Notice of General Meeting

Dear Shareholder,

1. Introduction

In recent years, the focus of the board and management team has been to ensure the Company navigates the lower oil price environment. Our activities have included a significant reduction in our cost base, the divestment of uneconomic wells and a significant repayment of our reserves based lending facility. Above all, our focus remains on only participating in wells in proven US onshore formations which have attractive economics at current oil and gas prices.

As a result of our streamlining activities, we have put Magnolia on a firm foundation to benefit from a recovery in oil and gas prices. More importantly, we have also put the Company in a position where we can look to increase our planned drilling activities alongside established operators and continue to prove up the reserves on our leases.

Over the last year, the general trend of WTI prices has seen prices rise from a low of approximately US\$27 in February 2016, to regularly trading above US\$50 per barrel from November 2016 to the present. Set against this more favourable price environment, in our Q4 2016 quarterly report, we advised that we have seen a marked increase in planned drilling activity by operators and a noticeable increase in the US rig count. More recently, in our Q1 2017 quarterly report, we highlighted that, other than the significant increase in our gas and oil and condensate PDP reserves, new wells commencing production and further reductions in corporate overheads, the standout feature of the period was the number of new well proposals we are receiving. Tangible evidence of the return of activity in the sector underpins our market strategy and, in our experience, provides a window for significant value creation.

It is our view that we need to position ourselves accordingly to be able to take advantage of this investment opportunity particularly in the prolific SCOOP and STACK, two highly active plays in Oklahoma where wells are economic at oil prices around US\$40 bbl. I am, therefore, writing to you to outline the Resolutions and to seek Shareholders' consent for the Resolutions which will allow the board to raise further investment funds to take advantage of well investing opportunities. The Resolutions, which will be proposed at a general meeting, are to allow the grant of authorities to issue new shares to enable the raising of funds in the short to medium term.

Notice of the General Meeting is set out at the end of this document. Details of the resolutions to be proposed at those meetings are set out later in this letter.

2. Directors' Remuneration

In accordance with the terms of their contracts, and in order to reduce expenses for the Company, the Directors have elected to continue to receive their remuneration in shares in lieu of cash.

Accordingly, the Company has issued 45,428,571 new ordinary shares ("Fee Shares"), representing 2.43 per cent. of the Enlarged Issued Share Capital, in lieu of aggregate directors' fees for the period April 2016 to March 2017 of £57,000. Included within these amounts is the sum of £12,000 payable to Thomas Wagenhofer, a former director, who will receive 7,928,571 new Ordinary Shares pursuant to the terms of his employment contract.

Name	Amount Due (£)	Price per share (p)	No. of new Ordinary Shares issued	Interest in Ordinary Shares following the issue	% of Enlarged Issued Share Capital following issue
Steven Snead	12,000	0.12	10,000,000	214,226,748	11.46
Ronald Harwood	12,000	0.12	10,000,000	44,623,175	2.39
Rita Whittington	12,000	0.12	10,000,000	23,725,669	1.27
Leonard Wallace	9,000	0.12	7,500,000	7,500,000	0.40

In addition, in recognition of the performance of the Company over the last year and in acknowledgement of management's continued commitment to the business, both in terms of the time spent and the level and nature of its remuneration, the board has agreed to award bonuses to directors and senior managers as set out below. These bonuses will be awarded in shares ("Bonus Shares"), which is in line with the nature of the board's remuneration.

Name	Bonus awarded (£)	Price per share (p)	No. of new Ordinary Shares issued	Interest in ordinary shares following the issue	% of Enlarged Issued Share Capital following issue
Steven Snead	12,000	0.12	10,000,000	224,226,748	11.99%
Ronald Harwood	6,000	0.12	5,000,000	49,623,175	2.65%
Rita Whittington	12,000	0.12	10,000,000	33,725,669	1.80%
Derec Norman	12,000	0.12	10,000,000	10,000,000	0.53%
Stanley Salter	3,600	0.12	3,000,000	3,000,000	0.16%

3. Subscription

Immediately following publication of this document, certain directors and management have agreed to subscribe for shares in the Company which, in aggregate, totals \$63,000 (approximately £49,000).

Details of the Subscription are set out below. The Subscription shares are being acquired at 0.12p per share, save for Leonard Wallace who, prior to his appointment to the board, agreed to subscribe for new ordinary shares in the Company at 0.18p per share.

Name	No. of Ordinary Shares acquired	Subscription (£)	Interest in ordinary shares following the Subscription	% of Enlarged Share Subscription
Rita Whittington	9,765,625	11,718.75	43,491,294	2.33%
Leonard Wallace	12,152,778	21,875.00	19,652,778	1.05%
Derec Norman	3,255,208	3,906.25	13,255,208	0.71%
Lanny Woods	9,765,625	11,718.75	9,765,625	0.52%

4. Related Party Opinion

As detailed above, the subscription by the directors, being Rita Whittington and Leonard Wallace, comprises a Related Party Transaction pursuant to Rule 13 of the AIM Rules.

With the exception of Rita Whittington and Leonard Wallace, the Directors consider, having consulted with Cairn, its nominated adviser, that the terms of the transactions are fair and reasonable insofar as its Shareholders are concerned.

5. Issue of Equity and Admission

Application will be made for the admission of the Remuneration Shares and Subscription Shares to trading on AIM. It is expected that admission will occur and that dealings will commence at 8.00 a.m. on or around 2 May 2017. The Remuneration Shares and the Subscription Shares will rank pari passu in all respects with the Company's existing issued ordinary shares.

Following the issue of the Remuneration Shares and Subscription Shares, the Company will have 1,869,826,370 Ordinary Shares in issue ('Enlarged Issued Share Capital').

The Company has no ordinary shares held in treasury. The total number of voting rights in the Company will therefore be 1,869,826,370. 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.

6. General Meeting

Notice convening the General Meeting of the Company, which is to be held at the offices of Pray Walker P.C., 100 West Fifth Street, Suite 900, Tulsa, OK 74103, USA, or any adjournment thereof, at 15:30 p.m. on 12 May 2017 is set out at the end of this document. The business to be considered at the meeting is set out in the notice of the General Meeting and explanatory notes relating to each Resolution are set out below.

General Meeting

At present, the Company does not have available share authorities to allow it the flexibility to raise sufficient funds to take advantage of the opportunities presented to it. Accordingly, authorities to issue securities up to a maximum aggregate nominal value of £2,000,000 are being sought.

At the General Meeting, Resolutions will be proposed:

- (1) to grant authority to the Directors to exercise all the powers of the Company to allot, grant options over, offer or otherwise deal with or dispose of any relevant securities (as defined in Section 560 of the Act) of the Company up to a maximum aggregate nominal amount of £2,000,000;
- (2) to empower the Directors, pursuant to Section 571 of the Act, to allot equity securities (within the meaning of Section 560 of the Act) for cash without the requirement for such securities to first be offered to existing Shareholders on a pre-emptive basis; and
- (3) to authorise the Company to make on-market purchases of Ordinary Shares having an aggregate nominal value of up to £1,000,000 at prices not exceeding 105 per cent. of the average mid-market price of an Ordinary Share, for five Business Days prior to the day on which the Company agrees to purchase the Ordinary Shares.

7. Action to be taken by Shareholders in respect of the General Meeting

Shareholders will find enclosed with this document a form of proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting in person, you are strongly encouraged to complete, sign and return the form of proxy in accordance with the instructions printed on it as soon as possible, but in any event so as to be received, by post or, during normal business hours only, by hand, by 15:30 p.m. on 10 May 2017 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a working day)).

The appointment of proxies or the giving of any instruction by the CREST system will not be accepted for the purposes of the General Meeting.

Appointing a proxy in accordance with the instructions set out above will enable your vote to be counted at the General Meeting if you are unable to attend. The completion and return of the form of proxy will not prevent you from attending and voting in person at the General Meeting, or any adjournment, should you wish to do so.

8. Recommendation

The Directors believe that the resolutions to be proposed at the General Meeting are in the best

interests of the Company and Shareholders as a whole and recommend that you vote in favour of them as they intend to do (or procure to be done) in respect of their own holdings totalling 112,767,247 Ordinary Shares, representing approximately 6.03 per cent. of the Enlarged Issued Share Capital.

Yours faithfully

Ronald Harwood
Non-executive Chairman

DEFINITIONS

The following definitions apply throughout this document (including the Notice of Annual General Meeting and General Meeting) and the forms of proxy unless the context requires otherwise:

“Act”	the Companies Act 2006
“Admission”	admission of the Conversion Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange
“AIM”	the AIM market of the London Stock Exchange
“Bonus Shares”	38,000,000 new ordinary shares to be issued in respect of bonus awards
“Business Day”	any day on which banks are generally open in England and Wales for the transaction of business, other than a Saturday, Sunday or public holiday
“Cairn”	Cairn Financial Advisers LLP, the Company’s Nominated adviser as at the date of this document
“CREST”	a relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended from time to time
“Directors” or “Board”	the existing directors of the Company whose names are set out on page 4 of this document
“Euroclear”	Euroclear UK & Ireland Limited
“Existing Ordinary Shares”	the 1,751,458,563 Ordinary Shares in issue at the date of this document
“Enlarged Issued Share Capital”	the 1,869,826,370 Ordinary Shares in issue following issue of the Remuneration Shares and Subscription Shares
“Fee Shares”	45,428,571 new ordinary shares to be issued in lieu of Directors’ fees for the period 1 April 2016 to 31 March 2017
“General Meeting”	a general meeting of the Company to be held at 15:30 p.m. on 12 May 2017 at the offices of Pray Walker P.C., 100 West Fifth Street, Suite 900, Tulsa, OK 74103, USA or any adjournment thereof, notice of which is set out in the Notice of General Meeting
“Group”	the Company and its subsidiary undertakings
“Magnolia” or “the Company”	Magnolia Petroleum plc
“Notice of General Meeting”	the notice convening the General Meeting which is set out at the end of this document
“Ordinary Shares”	ordinary shares of £0.001 each in the share capital of the Company
“Regulatory Information Service”	the regulatory information services approved by the London

Stock Exchange for the distribution of AIM announcements

“Resolutions”	the resolutions to be proposed at the General Meeting, details of which are set out in the Notice of General Meeting
“Remuneration Shares”	comprises the Fee Shares and the Bonus Shares
“Shareholder”	a holder of Ordinary Shares from time to time
“Subscription Shares”	34,939,236 new Ordinary Shares to be issued pursuant to the Subscription
“Subscription”	the subscription of \$63,000 (approximately £49,000) for 34,939,236 new Ordinary Shares
“United States” or “US”	United States of America and its territories

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014						
1 Details of the person discharging managerial responsibilities/person closely associated						
a.	Name	Rita Whittington				
2 Reason for notification						
a.	Position/Status	Director				
b.	Initial notification/ Amendment	Initial notification				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	Magnolia Petroleum plc				
b.	LEI	N/A				
4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted						
a.	Description of the financial instrument, type of instrument Identification Code	Ordinary Shares ISIN: GB00B1G3RY22				
b.	Nature of the transaction	Issue of share in lieu of director’s fees and subscription				
c.	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s) per share</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> </tbody> </table>	Price(s) per share	Volume(s)		
Price(s) per share	Volume(s)					

		0.12 pence	29,765,625
d.	Aggregated information		
	- Aggregated Volume	29,765,625	
	- Price	0.12 pence per share	
e.	Date of the transaction	26 April 2017	
f.	Place of the transaction	London AIM	

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014							
1 Details of the person discharging managerial responsibilities/person closely associated							
a.	Name	Ronald Harwood					
2 Reason for notification							
a.	Position/Status	Director					
b.	Initial notification/ Amendment	Initial notification					
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor							
a.	Name	Magnolia Petroleum plc					
b.	LEI	N/A					
4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted							
a.	Description of the financial instrument, type of instrument Identification Code	Ordinary Shares ISIN: GB00B1G3RY22					
b.	Nature of the transaction	Issue of share in lieu of director's fees					
c.	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s) per share</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>0.12 pence</td> <td>15,000,000</td> </tr> </tbody> </table>		Price(s) per share	Volume(s)	0.12 pence	15,000,000
Price(s) per share	Volume(s)						
0.12 pence	15,000,000						

d.	Aggregated information - Aggregated Volume - Price	15,000,000 0.12 pence per share
e.	Date of the transaction	26 April 2017
f.	Place of the transaction	London AIM

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014								
1 Details of the person discharging managerial responsibilities/person closely associated								
a.	Name	Leonard Wallace						
2 Reason for notification								
a.	Position/Status	Director						
b.	Initial notification/ Amendment	Initial notification						
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor								
a.	Name	Magnolia Petroleum plc						
b.	LEI	N/A						
4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted								
a.	Description of the financial instrument, type of instrument Identification Code	Ordinary Shares ISIN: GB00B1G3RY22						
b.	Nature of the transaction	Issue of share in lieu of director's fees and acquisition of shares						
c.	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th>Price(s) per share</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>0.12 pence</td> <td>7,500,000</td> </tr> <tr> <td>0.18 pence</td> <td>12,152,778</td> </tr> </tbody> </table>	Price(s) per share	Volume(s)	0.12 pence	7,500,000	0.18 pence	12,152,778
Price(s) per share	Volume(s)							
0.12 pence	7,500,000							
0.18 pence	12,152,778							

d.	Aggregated information - Aggregated Volume - Price	19,652,778 As above
e.	Date of the transaction	26 April 2017
f.	Place of the transaction	London AIM

Notification of a Transaction pursuant to Article 19(1) of Regulation (EU) No. 596/2014						
1 Details of the person discharging managerial responsibilities/person closely associated						
a.	Name	Derec Norman				
2 Reason for notification						
a.	Position/Status	PDMR				
b.	Initial notification/ Amendment	Initial notification				
3 Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor						
a.	Name	Magnolia Petroleum plc				
b.	LEI	N/A				
4 Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted						
a.	Description of the financial instrument, type of instrument Identification Code	Ordinary Shares ISIN: GB00B1G3RY22				
b.	Nature of the transaction	Issue of share in lieu of director's fees and acquisition of shares				
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Price(s) per share	Volume(s)					
0.12 pence	13,255,208					

d.	Aggregated information	
	- Aggregated Volume	13,255,208
	- Price	0.12p pence per share
e.	Date of the transaction	26 April 2017
f.	Place of the transaction	London AIM

