

6 June 2018

Magnolia Petroleum plc ('Magnolia')

Correction: Trading Update

The trading update released earlier incorrectly made reference to Magnolia requesting a suspension. The other details remain unchanged and the full text of the corrected announcement is below.

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Magnolia Petroleum plc ('Magnolia')

Trading Update

Magnolia Petroleum plc, the AIM quoted US focused oil and gas exploration and production company, announces the following update in respect of its ongoing discussions with its bank.

In the Magnolia's recent operations update of 16 April 2018 it advised that discussions with the group's bank to renegotiate a bank loan, which the bank had previously agreed to extend, were progressing slowly following the sale of the bank and change of management. Magnolia has been informed that the bank will now not be extending the loan to Magnolia Petroleum, Inc. ("the Company"), Magnolia's wholly owned subsidiary, and the Company has been given approximately until 9 July 2018 to repay or refinance its loan. The bank has put restrictions on the Company's account such this it is unable to effectively manage its working capital.

If the Company is unable to do so in the time required, then Magnolia will be likely to need to seek Chapter 11 bankruptcy proceedings in respect of the Company in order to reorganise its affairs.

Magnolia had previously announced that it was undertaking a debt reduction programme and, accordingly, has identified assets for sale. The Company had started discussions with a number of parties and believes it will be able to dispose of its North Dakota and certain Oklahoma interests in order to repay the Debt Facility in full within the time limit provided. It is anticipated that the Company will retain a portfolio interests in approximately 62 wells following the proposed disposals to satisfy the Debt Facility.

Pursuant to AIM Rule 15, this disposal will be treated as a fundamental change of business and will require the consent of shareholders of Magnolia at a general meeting. Given the urgency of the timing,

Magnolia will shortly post a circular and notice of general meeting (“Disposal Meeting”) to all shareholders to seek the requisite consent.

Magnolia is due to hold a general meeting on 7 June 2018 to consider its cancellation from trading on AIM. Magnolia has received voting in favour of the resolution in excess of 50 per cent. but less than 75 per cent. required under the AIM Rules. Magnolia considers, in light of the information contained in this announcement, that it is appropriate to adjourn the general meeting to be held on 7 June 2018, which it will do immediately once it has started, to a point in time so as to coordinate with the Disposal Meeting to allow shareholders time to better consider the situation as a whole.

As a result of the above, there is a risk that Magnolia will not be able to publish its audited financial information for the year to 31 December 2017 by 30 June 2018 and it is considering its options.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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

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