

**BOTSWANA CBM EXPLORATION DRILLING UPDATE**

22 August 2013

**HIGHLIGHTS**

- **Magnum has commenced coring operations on its CBM exploration well in the Company's Central CBM project area in Botswana.**
- **Coring of the vertical exploration well commenced at a depth of 334m. Coals have been encountered and are being tested, including gas desorption, to further assess the gas in the coals and carbonaceous shales.**

**Magnum Gas & Power Limited** (ASX: MPE, "Magnum") has been progressing its Botswana CBM exploration programme.

Magnum successfully completed exploration well pre-collaring operations last quarter in readiness for core drilling operations.

Magnum has now commenced coring operations on PL352/2008 Block 1. Coring of the pre-collared well commenced at the top of the Serowe Formation at 334m below surface, utilising a DWD Atlas Copco CS14 drill rig, and is progressing through the Morupule formation.

The carbonaceous package includes coal, carbonaceous mudstone and shale. HQ core samples are being desorbed and analysed for gas content and composition. Results from the testing and analysis will be completed over the coming months.

Magnum is utilising the experienced services of DeWet drilling ("DWD") who has been operating in Botswana for over 60 years and has completed numerous CBM exploration drilling operations for various major operators. Core and gas samples are being tested and analysed by Weatherford, an international expert in CBM analysis.

Magnum's CBM acreage is located in the Central region of Botswana and is held 100% by Magnum. Existing power generation facilities in Botswana's critical power market are currently awaiting CBM gas supply.

For further information please contact:



Trent Wheeler, Managing Director

**About Magnum Gas & Power**

Magnum Gas & Power is an ASX listed energy exploration and development company with a portfolio of projects including Coal Bed Methane (CBM) and Petroleum exploration in Botswana and Coal Seam Gas (CSG) exploration in New South Wales, Australia.

Magnum’s priority is exploration drilling in the Central Project Area of its highly prospective CBM projects in Botswana. A combination of exploration wells and desktop studies will seek to add value by defining and converting resources to reserves.

Magnum’s prospecting licences are strategically placed in the Kalahari Karoo basin which is in the early stages of field development with significant exploration programmes being conducted by neighbouring global energy majors.

Existing power generation facilities in Botswana’s critical power market are currently awaiting CBM gas supply. Magnum will look to vertical integration by developing partnering opportunities to provide incremental phases of gas off takes to downstream projects as Reserves are booked.

