

MAGNUM SECURES \$160,000 FUNDING

13 October 2015

Magnum Gas & Power Limited (ASX: MPE) is pleased to advise that it has agreed terms for a placement to sophisticated investors at 0.5 cents per share which together with an unsecured loan will raise interim funding of \$160,000.

These funds will enable the Company to continue its current efforts as a power developer in Botswana, progressing partnering and potential integrated hybrid Solar/Gas fired power generation projects; supporting the commercialisation of the Company's central Kalahari Karoo CBM gas fields.

Placement

The placement of 20,000,000 shares at 0.5 cents per share for \$100,000 is being made to sophisticated investors utilizing the Company's placement capacity in accordance with ASX Listing Rule 7.1 and 7.1A.

Unsecured Loan

In addition to the placement the Company has agreed terms for an additional unsecured loan of \$60,000 from its largest shareholder Avatar Energy Pty Ltd, an investment company associated with the Company's Chairman, Mr Tom Fontaine.

It is the intention of the Company and Mr Fontaine to seek shareholder approval at the upcoming AGM for the issue of shares on the same terms as the placement (0.5 cents) to extinguish the loan.

The Directors are very pleased to have the support of investors and key shareholders.

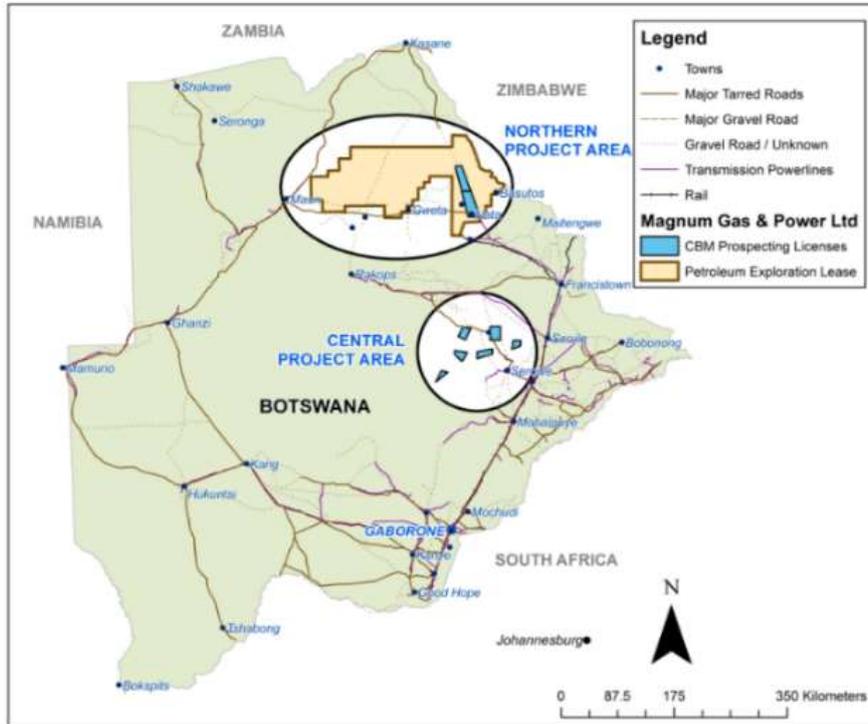
The Directors are continuing discussions on a number of levels to secure further funding for the Company and are hopeful that the benefits of a secondary listing on the BSE will enable Botswana investors to participate in what may become significant projects for the country and provide Magnum with the possibility of broadening its shareholder base to include Botswana investors that understand the current energy shortage in Botswana, while also providing a more convenient portal for African and European investors to participate.

The Company will advise of the issue of shares on receipt of cleared funds. An Appendix 3B and section 708A notice will be issued in due course.

Yours faithfully,



Mark Pitts
Company Secretary



About Magnum Gas & Power Ltd

Magnum Gas & Power Ltd (ASX:MPE, BSE:MAGNUM) is an Energy and Resources company focused on developing energy solutions in Botswana, Africa. Magnum is working to develop Solar and Gas Power Generation Infrastructure, along with upstream Gas exploration and production projects in Botswana. The Company's Board of directors and management team has extensive experience in power and gas developments and infrastructure.

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