

MAGNUM SECURES FUNDING ARRANGEMENT

1 August 2016

The Board of Magnum Gas & Power Limited (“**Magnum**” or “**the Company**”) is pleased to announce that Magnum has signed a conditional placement agreement with Mr Mohamed Shahrom Abdul Ghani, a Malaysian investor, for an investment of A\$300,000 at a price of \$0.003 per share (representing the last traded price of the Company). The shares will be issued under the Company’s existing placement capacity under Listing Rule 7.1 and 7.1A.

The conditions precedent to the placement relate to securing several standstill and settlement letters with existing creditors (including related party entities associated with the present directors of the Company) and a settlement agreement with Magnum’s former joint venture partner in respect of its former NSW tenements, Apex Energy NL. Magnum expects to satisfy the conditions to the placement during the course of next week and subsequently receive funds under the placement.

In connection with the placement, Magnum welcomes Dato’ Yusli Bin Mohamed Yusoff, the former CEO of Bursa Malaysia (the Malaysian Stock Exchange Group) and current independent non-executive director of various publicly listed Malaysian enterprises, to the board as non-executive Chairman and advises that Mr Brett Montgomery will be resigning as a non-executive director. The Board thanks Mr Montgomery for his service to the Company. Mr Tom Fontaine is stepping down as Chairman but will remain on the board as a non-executive director.

Managing Director Trent Wheeler commented “The Board is very pleased to have secured this funding for Magnum to fund working capital requirements in the near term and to enable the Company to focus on its development goals.”

For further information please contact: Trent Wheeler, Managing Director

About Dato' Yusli

Dato' Yusli serves as an independent non-executive director on the boards of Malaysian public listed YTL Power International Berhad, Mulpha International Berhad, Mudajaya Group Berhad (also as Chairman), Westports Holdings Berhad and AirAsia X Berhad. He also sits on the board of the Malaysian Institute of Corporate Governance.

A chartered accountant by training, he began his career with Peat Marwick Mitchell in London and has held senior positions in numerous public listed and private companies in Malaysia involved in various businesses including infrastructure & property development, engineering, privatisation & concession activities and investment banking.

He was Chief Executive Officer of Bursa Malaysia, the Malaysian stock exchange group, from 2004 to 2011 and led Bursa Malaysia to its public listing in 2005. He was also on the board of the Capital Market Development Fund and was a member of the executive committee of the Financial Reporting Foundation of Malaysia from 2004 to 2011.

He graduated with a Bachelor of Economics from the University of Essex, England and is a member of the Institute of Chartered Accountants in England & Wales, the Malaysian Institute of Accountants and also an honorary member of the Institute of Internal Auditors Malaysia.

About Magnum Gas & Power Ltd

<http://www.magnumgpl.com/>

Energy for Growth

Power for a Cleaner Future

Magnum Gas & Power Ltd is a listed (ASX: MPE, BSE: MAGNUM) Energy company working to develop Solar and Gas Power Generation infrastructure, along with upstream Gas exploration and production projects, in Botswana, Africa. The Company's board of directors and management team has extensive experience in exploration and development of energy, resources and infrastructure projects.