

## \$1.765 MILLION CAPITAL RAISING

4 October 2016

### **Highlights: Magnum Gas & Power Underwritten Rights Issue**

- MPE to raise circa \$1.765 million via a renounceable rights issue, fully underwritten by DJ Carmichael Pty Limited
- Issue price of \$0.001 plus attaching options on a 1:2 basis
- Funds to augment working capital and assess new commercial opportunities

The Board of Magnum Gas & Power Limited (“**Magnum**” or “**the Company**”) is pleased to announce a capital raising comprising a fully underwritten Rights Issue to raise circa \$1.765 million.

### **Rights Issue**

The Company has mandated DJ Carmichael Pty Limited (“DJC”) to fully underwrite a renounceable rights issue to existing Magnum shareholders (“Rights Issue”). The Rights Issue will be a renounceable two-for-one offer to eligible shareholders with one free attaching option for every two new shares subscribed exercisable at \$0.003 and expiring four years from issue date, to raise \$1,764,751 via the issue of 1,765 million shares at \$0.001 per share.

A prospectus for the Rights Issue is expected to be lodged with ASIC and released to the ASX on or around 5 October 2016 and mailed to eligible shareholders as soon as practicable thereafter in accordance with the below timetable.

As part of the financing existing key creditors and convertible note holders will be paid in full or converted into shares at the equivalent price of \$0.002 leaving the Company in a strong financial position.

Following the repayment of creditors, the funds raised by the Offer will cover the working capital needs of the Company and provide capital to identify new opportunities in the energy sector. On completion of the Offer, the Directors believe that the Company will have sufficient working capital to achieve its current objectives.

A timetable for the Rights Issue is set out below:

**Rights Issue Timetable**

Announcement of Offer	4 October 2016
Rights trading commences	7 October 2016
Record Date for participation in the Offer	10 October 2016
Opening Date for the Offer	13 October 2016
Rights trading ends	17 October 2016
Closing Date for lodgement of Entitlement and Acceptance Forms and payment	24 October 2016
ASX notified of under subscriptions	27 October 2016
Shortfall settled	28 October 2016
Allotment of New Shares under the Offer	31 October 2016
Trading for New Shares commences on a normal basis	1 November 2016
Dispatch of holding statements	2 November 2016

The timetable is indicative only and subject to change.

Trent Wheeler, Managing Director commented: "Magnum is pleased with recent developments in Botswana and is looking forward to progressing the next phase of its CBM projects. The Rights Issue provides you, our shareholders, the opportunity to support the Company as we move forward, whilst the underwriting provides security of capital to do so. The Company will also be seeking other opportunities to create value for the benefit of all shareholders."

For further information please contact: Trent Wheeler, Managing Director.

**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 Gas and Solar 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.