

BOTSWANA CBM EXPLORATION DRILLING UPDATE

12 August 2013

Magnum Gas & Power Limited (ASX: MPE, "Magnum") has been progressing its Botswana CBM exploration programme and expects coring and gas testing and analysis to commence next week.

Magnum successfully completed exploration well pre-collaring operations last quarter in readiness for core drilling operations. Magnum is utilising the experienced services of DeWet drilling 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 will be tested and analysed by Weatherford, an international expert in CBM analysis.

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

For further information please contact:



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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.