

NSW DRILLING PROJECT MODIFICATION – FOR EXTENSION OF TIME

12 July 2013

Magnum Gas & Power Limited (ASX: MPE) has received advice from the NSW Planning and Assessment Commission (PAC) that it disapproves the modification application made by Apex Energy NL and Magnum Gas & Power Ltd to extend the term of the Part 3A over the Illawarra Exploration Licenses PEL 442 and PEL 444. The Part 3A remains in place, however currently no drilling activities can take place on these areas. The Joint Venture can reapply for an extension of time in the future.

The PAC stated the primary reason for the decision being “it would be inappropriate to allow Coal Seam Gas activities to proceed in the Special Areas at present, as it would pre-empt the findings of the NSW Chief Scientist and Engineer’s review and any resulting policy conclusions from Government.” Magnum fully supports a scientific approach to decision making regarding coal seam gas development, and has been providing detailed information for the Chief Scientist’s and Engineer’s review.

Magnum is continuing to focus on its exploration activities in Botswana.

For further information contact Trent Wheeler Managing Director on +61 8 93806755

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.