

27 October 2017

RM RESEARCH REPORT ON MPE SECURITIES

Magnum Gas & Power Limited (**Magnum** or the **Company**) is pleased to advise that RM Research have conducted and published an independent research report in relation to the Company. The report is available for viewing on the Company's website, www.magnumgpl.com.

ISSUE OF SECURITIES – INFORMATION REQUIRED BY LISTING RULE 3.10.5A AND 7.1A.3

The Company refers to its announcement of 24 October 2017 and, for the purpose of Listing Rule 3.10.5A, advises that the Company issued 448,333,334 Shares under its Listing Rule 7.1A capacity, representing dilution to current shareholders of 4.78%.

As per the Company's Appendix 3B of 24 October 2017, the Company conducted a placement (via the issue of 371,000,000 shares under Listing Rule 7.1A) (**Placement**) to sophisticated and professional investors to a group of strategic investors whom the Company believes will improve the overall quality of its register and provide continued support to the Company in the future. The further 77,333,334 share issued under Listing Rule 7.1A were issued to creditors in lieu of repayment of \$116,000 in invoices received by the Company (**Creditor Shares**).

There were no underwriting arrangements to the Placement. Costs associated with the Placement were incurred on standard commercial terms of approximately 6% of gross proceeds of the Placement. Other costs include nominal administrative, share registry and ASX fees.

The Company issued the Creditor Shares at \$0.0015, being the same issue price as the Placement. This represented 88.24% of the 15 day volume weighted average price (**VWAP**) of the Company's shares on the date of issue. The Company used Thomson Reuters to calculate this VWAP.

Yours faithfully,



Nathan Featherby
Executive Chairman