

24 June 2015

Manager of Company Announcements
ASX Limited
Level 8 Exchange Plaza
2 The Esplanade
PERTH WA 6000

By E-Lodgement

UNDERWRITING OF OPTIONS EXPIRING 30 JUNE 2015

Magnolia Resources Limited (ASX:MGB) (the “Company”) is pleased to announce it has executed an Underwriting Agreement that will see the Company’s Unlisted Options expiring on 30 June 2015 fully underwritten, providing funds of approximately \$1,550,000, excluding underwriting fees, to the Company.

The Company has 7,750,000 Unlisted Options on issue with a strike price of \$0.20 and an expiry date of 30 June 2015.

CPS Capital Group Pty Ltd has been appointed Lead Manager and Underwriter to the Option Underwriting.

Any unexercised options or the “Shortfall” will be taken up by the Underwriter in accordance to the provisions of the Underwriting Agreement. The Company will pay to the Underwriter an underwriting fee of 6% of the underwritten amount. The Underwriting Agreement is on standard terms and conditions for an agreement of its type.

Allotment of any shares issued pursuant to the underwriting of the Unlisted Options will be made within ten business days from the expiry date of the Unlisted Options.

For and on behalf of the Board



Tony King
Executive Chairman

BOARD & MANAGEMENT

Mr Tony King
EXECUTIVE CHAIRMAN

Mr Travis Schwertfeger
NON-EXECUTIVE DIRECTOR

Mr Cameron Pearce
NON-EXECUTIVE DIRECTOR

Mr Aaron Bertolatti
COMPANY SECRETARY

REGISTERED OFFICE

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CONTACT DETAILS

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ASX CODE

MGB