



## Press Release

### Magnolia Oil & Gas Corporation to Acquire the South Texas Assets of Harvest Oil & Gas

**HOUSTON, August 21, 2018** – Magnolia Oil & Gas Corporation (including its subsidiaries, the “Company” “Magnolia,” “we,” “us,” or “our”) (NYSE: MGY) (NYSE: MGY WS) today announced that it has agreed to acquire substantially all of the South Texas Assets of Harvest Oil & Gas Corp. (“Harvest South Texas Assets”) for approximately \$135 million in cash, without giving effect to effective date adjustments, and 4.2 million newly issued shares of the Company’s Class A common stock (the “Share Consideration”) valued at approximately \$56 million as of the close of trading on August 20, 2018 (the “Acquisition”). The cash consideration will be funded using cash on the balance sheet and borrowings under the Company’s revolving credit facility. The Acquisition is expected to close on August 31, 2018 and will have an effective date of July 1, 2018.

#### Acquisition Highlights

- Immediately accretive transaction that adds an undivided working interest across a portion of our existing Karnes County assets and all of our existing Giddings Field assets
- Acquisition adds approximately 15 net locations to our core Karnes County inventory and approximately 114,000 net acres to our Giddings Field position
- Harvest South Texas Assets produced approximately 4,800 barrels of oil equivalent per day (“boe/d”) in the first half of 2018, with 1,400 boe/d in Karnes County (69% oil/83% liquids) and 3,400 boe/d in Giddings Field (27% oil/53% liquids)
- In the first half of 2018, Harvest South Texas Assets generated revenues less direct operating expenses of approximately \$25 million and incurred approximately \$13 million of capital expenditures, which resulted in approximately \$12 million of revenues less direct operating expenses after capital expenditures

Magnolia Chairman and CEO, Steve Chazen, commented “We are very pleased to announce our agreement to acquire Harvest’s South Texas Assets. Harvest represented our largest non-operated working interest owner and the assets are a natural fit for Magnolia. We believe this accretive transaction is highly complementary to our business objectives of maximizing shareholder returns by generating steady production growth, strong pre-tax margins and significant free cash flow.”

#### About Magnolia

Magnolia (MGY) is a publicly traded oil and gas exploration and production company with South Texas operations in the core of the Eagle Ford. Magnolia will focus on generating value for shareholders through steady production growth and free cash flow. For more information, visit [www.magnoliaoilgas.com](http://www.magnoliaoilgas.com).

#### About Harvest

Harvest is an independent oil and gas company engaged in the acquisition, efficient operation and development of onshore oil and gas properties in the continental United States. The Company’s assets consist primarily of producing and non-producing properties in the Barnett Shale, the San Juan Basin, the Appalachian Basin (which includes the Utica Shale), Michigan, the Mid-Continent areas in Oklahoma, Texas, Arkansas, Kansas and Louisiana, the Permian Basin, and the Monroe Field in Northern Louisiana. More information about Harvest is available on the internet at <https://www.hvstog.com>.

### **Forward-Looking Statements**

The information in this press release includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements represent Magnolia’s expectations or beliefs concerning future events, and it is possible that the results described in this press release, including the closing of the Acquisition, will not be achieved. These forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside of Magnolia’s control, which could cause actual results to differ materially from the results discussed in the forward-looking statements. Any forward-looking statement speaks only as of the date on which it is made is expressly qualified by the statements in this section. Except as required by law, Magnolia disclaims any duty to update any forward-looking statements to reflect events or circumstances after the date of this press release. When considering these forward-looking statements, you should keep in mind the risk factors and other cautionary statements found in Magnolia’s filings with the SEC, including its most recent Annual Report on Form 10-K and any subsequent Quarterly Report on Form 10-Q or Periodic Reports on Form 8-K. The risk factors and other statements noted in Magnolia’s SEC filings could cause Magnolia’s actual results to differ materially from those contained in any forward-looking statement.

### **Contact for Magnolia Oil & Gas Corporation**

Mike Gehrig  
(713) 627-2223  
[media@mgyoil.com](mailto:media@mgyoil.com)