May 13, 2015

MagneGas Reports Financial Results for the First Quarter of 2015

Revenue Increased 184.8% to $545,648

Metal Cutting Revenue Increased 305.1% to $522,315

TAMPA, Fla., May 13, 2015 /PRNewswire/ -- MagneGas Corporation ("MagneGas" or the "Company") (NASDAQ: MNGA), a technology company that counts among its inventions a patented process that converts liquid waste into MagneGas® fuel, today announced financial results for the first quarter ending March 31, 2015.

Financial Highlights -*March 31, 2015*

- Revenues for the three months ended March 31, 2015 increased 185% over the same period 2014 and were $545,648 and $191,601, respectively;
- Gross margins remained flat at 45% despite the introduction of the new MagneGas2® product line;
- The Company had an ending cash balance of $4,139,699 on March 31, 2015.

Ermanno Santilli, Chief Executive Officer of MagneGas stated, "We are making steady progress as evidenced by our increased sales and addition of premier customers, including a top five U.S. utility company, one of the largest cement companies in North America, the Fire Department of NY and fire departments nationwide, among others. These high profile customers and early adopters validate our technology, as MagneGas continues to gain industry recognition as a safer and more effective alternative to acetylene. Revenue in the metal cutting segment more than tripled to $522,315, due in large part to the acquisition of Equipment Sales and Service, Inc., (ESSI). In addition to adding new customers following the acquisition of ESSI, we have also begun actively marketing Magnegas2® fuel to existing ESSI customers and recently shipped our largest single order of fuel in the Company's history to a California based customer for a furnace refurbishment project."

"Turning to our equipment sales business line for liquid waste processing, we have initiated an aggressive new marketing campaign aimed at pursuing international equipment sales in strategic areas of the world through social media, industry events and a network of independent brokers. In March 2015, we hosted the World Water Day Summit at the United Nations Headquarters in partnership with The Jack Brewer Foundation (JBF Worldwide) and the U.S. Federation for Middle East Peace (USFMEP) to raise awareness for our sustainable, disruptive technology that is able to sterilize waste water and liquid manure that is being used in agriculture, in order for potable or developed water to be used in other sectors. As a result, we are in active discussions with several developing nations who are interested in purchasing and using our system."

"Regarding our agriculture opportunity with one of the largest swine farms in the USA, we are continuing to perform modifications to our unit to improve throughput in order to transform manure into a valuable nutrient stream. The MagneGas sterilization system is an important piece of the manure solution for the swine industry allowing a complete re-think to how hog farms are designed and run in addition to improving the quality of life for the pigs themselves. This system coupled with our patent pending microbiological additives, allows for a more value added nutrient stream increasing the applications and safety to reduce the re-growth of pathogens."

"We are also moving forward aggressively with our plans to commercialize MagneGas2® for the co-combustion of hydro-carbon fuels with greater efficiency and the significant reduction of emissions. In cooperation with our strategic partners, we are undergoing worldwide development and testing of MagneGas2® for use in co-combustion with coal and coal by-products in the power industry. We are extremely encouraged by the outlook for this business line as it has the potential to save customers millions in costly retrofits to meet new environmental regulations. We look forward to providing further updates in the near future."

First Quarter 2015 Financial Results

Revenues for the three months ended March 31, 2015 were $545,648 as compared to $191,601 for the same period last year. Revenue from metal cutting revenue was $522,315 for the first quarter of 2015 as compared to $128,927 for the same period last year. This was primarily due to an increase in MagneGas® fuel sales and revenue received

from the acquisition of ESSI, Inc.

Operating expenses (excluding stock payments and our one time loss on property sale), increased to $1,476,254 for the period ending March 31, 2015 versus $971,295 for the same period 2014. The additional expenses were primarily due to the operating expenses associated with the ESSI, Inc. acquisition. The direct costs of revenue increased to $299,305 for the period ending March 31, 2015 versus $105,600 for the same period in 2014, however gross margins overall remained flat at 45%.

Conference Call

MagneGas' executive management team will host a conference call today, Wednesday, May 13th at 11:00 am Eastern Time to discuss the company's financial results for the first quarter ending March 31, 2015, as well as the Company's corporate progress and other meaningful developments.

Interested parties can access the conference call by dialing (877) 407-8033 for U.S. callers or (201) 689-8033 for international callers.

A teleconference replay of the conference call will be available approximately one hour following the call, through midnight Saturday, June 13, 2015, and can be accessed by dialing (877) 660-6853 (U.S. callers) or (201) 612-7415 (international callers) and entering conference ID: 13609665.

The MagneGas IR App is now available for free in Apple's App Store for the iPhone or iPadhttp://bit.ly/AfLYww and at Google Play http://bit.ly/Km2iyk for Android mobile devices.

To be added to the MagneGas investor email list, please emailpcarlson@kcsa.com with MNGA in the subject line.

About MagneGas Corporation
Founded in 2007, Tampa-based MagneGas Corporation (NASDAQ: MNGA) is a technology company that counts among its inventions, a patented process that converts liquid waste into hydrogen based fuels. The Company currently sells MagneGas2® into the metal working market as a replacement to acetylene. It is also selling equipment for the sterilization of bio-contaminated liquid waste for various industrial and agricultural markets. In addition, the Company is developing a variety of ancillary uses for MagneGas® fuels utilizing its high flame temperature for co-combustion of hydrocarbon fuels and other advanced applications. For more information on MagneGas Corporation, please visit the Company's website at www.MagneGas.com.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements as defined within Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements relate to future events, including our ability to raise capital, or to our future financial performance, and involve known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements. You should not place undue reliance on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could, and likely will, materially affect actual results, levels of activity, performance or achievements. Any forward-looking statement reflects our current views with respect to future events and is subject to these and other risks, uncertainties and assumptions relating to our operations, results of operations, growth strategy and liquidity. We assume no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

For a discussion of these risks and uncertainties, please see our filings with the Securities and Exchange Commission. Our public filings with the SEC are available from commercial document retrieval services and at the website maintained by the SEC at http://www.sec.gov.

(tables follow)

MagneGas Corporation
Balance Sheets

	March 31,	**December 31,**

	2015 (Unaudited)	2014 (Audited)
Assets		
Current Assets		
Cash and cash equivalents	$ 4,139,699	$ 5,061,674
Accounts receivable, net of allowance for doubtful accounts of $103,866 and $104,028, respectively	241,694	268,308
Inventory, at cost	2,154,551	2,164,838
Prepaid and other current assets	538,134	300,065
Total Current Assets	7,074,078	7,794,885
Property and equipment, net of accumulated depreciation of $1,097,037 and $961,520, respectively	5,473,255	6,353,655
Intangible assets, net of accumulated amortization of $309,031 and $296,914, respectively	492,555	492,252
Investment in joint ventures	718,246	718,246
Security deposits	21,463	21,647
Goodwill	2,108,780	2,098,069
Total Assets	$ 15,888,377	$ 17,478,754
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 311,461	$ 155,909
Accrued expenses	62,808	52,120
Deferred revenue and Customer Deposits	33,333	56,666
Total Current Liabilities	407,602	264,695
Long Term Liabilities		
Note payable	520,000	520,000
Total Liabilities	$ 927,602	$ 784,695
Stockholders' Equity		
Preferred stock: $0.001 par; 10,000,000 authorized; 1,002,000 issued and outstanding	1,002	1,002
Common stock: $0.001 par; 90,000,000 authorized; 37,414,134 and 36,691,505 issued and outstanding, respectively	37,414	36,692
Additional paid-in capital	42,825,124	42,361,578
Accumulated deficit	(27,902,765)	(25,705,213)
Total Stockholders' Equity	14,960,775	16,694,059
Total Liabilities and Stockholders' Equity	$ 15,888,377	$ 17,478,754

The accompanying notes are an integral part of the financial statements.

MagneGas Corporation
Statements of Operations
(Unaudited)

	Three Months Ended March 31, 2015	2014
Revenue:	$ 545,648	$ 191,601
Direct costs	299,325	105,600
	246,323	86,001
Operating Expenses:		
Selling, General and Administration	1,132,042	763,429
Public Expense	144,863	69.995
Sale on Unused Property	483,630	0
Stock-based compensation	226,268	358,436

Stock issued to pay for services	255,775	153,200
Research and development	62,426	74,929
Depreciation and amortization	136,923	62,942
Total Operating Expenses	2,441,927	1,482,931
Operating Income (Loss)	(2,195,604)	(1,396,930)
Other Income and (Expense):		
Net Interest	(4,770)	364
Other Income	2,822	
Total Other Income (Expense)	(1,948)	364
Net Income (Loss) before tax benefit	(2,197,552)	(1,396,566)
Provision for Income Taxes		
Net Income (Loss)	$ (2,197,552)	$ (1,396,566)
Net Loss per share:		
Basic and diluted	$ (0.06)	$ (0.05)
Weighted average common shares:		
Basic and diluted	37,142,551	25,607,555

The accompanying notes are an integral part of the financial statements.

To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/magnegas-reports-financial-results-for-the-first-quarter-of-2015-300082387.html

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