

## Maha Energy Exits Block 70 in Oman

**Maha Energy AB (publ) ("Maha" or the "Company") announces the divestment of its 65% working interest in Block 70, Oman, to Mafraq Energy LLC ("Mafraq Energy"). Mafraq Energy is partner in the Block with a 35% working interest. The consideration amounts up to USD 14 million. Mafraq Energy will be responsible for the project and cover all costs as from December 1st, 2023.**

Up to the Closing Date, Maha will receive a parcel of the purchase price equivalent to USD 2 million. The earnout will be up to USD 12 million, linked to actual produced volumes from Block 70. It will start to be payable from a cumulative net production volume of 1 million barrels with a maximum to be reached if the production volume reaches 12 million barrels. As from closing date, Maha will be released from all obligations and liabilities regarding Maha Oman, including under and in connection with the EPSA and the JOA.

The exit is subject to signing a definitive sale and purchase agreement, and satisfaction of the relevant closing condition, including approval of the Government of the Sultanate of Oman.

"Block 70 has a high viscosity oil. I believe the project has to consider a heat influx strategy to deal with this. It will require new tests, significant investments and a very dedicated operator, which I believe we will have with Mafraq Energy who has worked on this asset since the very beginning. We wish Mafraq Energy all the luck with their future work on Block 70. Maha will now be able to focus on developing the business in Latin America, where we are especially enthusiastic about our position in Venezuela", says Kjetil Solbraekke, CEO of Maha Energy.

"Mafraq Energy and Oman value the wealth of experience and work that was injected in Block 70, and we look forward to continuing the project and creation of value for Oman. Mafraq will always value the relations with Maha Energy", says Talal S. al Subhi, CEO of Mafraq Energy.

Maha was awarded Block 70 in Oman in 2020. In 2022 and 2023, the Company conducted a comprehensive work program and fully concluded the Minimum Work Obligations of the initial phase of the Exploration and Production Sharing Agreement ("EPSA"). A short-term production test commenced in 2023, when five out of eight new drilled production wells produced oil to surface at an initial estimated average rate of 300 barrels of oil per day. The produced oil was heavy with an API of 11-13 degrees and with higher viscosity than pre-testing estimates. Due to the high viscosity, the oil did not meet processing specifications for third party's facilities. The initial phase of the EPSA will end on 31st of December 2023.

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**About Maha**

*Maha Energy AB (publ) is a listed, international upstream oil and gas company whose business activities include exploration, development and production of crude oil and natural gas. The strategy is to target and develop underperforming hydrocarbon assets on a global basis. Maha holds direct and indirect interests in producing assets in Brazil and the United States, and in an exploration asset in the Sultanate of Oman. The shares are listed on Nasdaq Stockholm (MAHA-A).*

*For more information, please visit Maha's corporate website [www.maha-energy.com](http://www.maha-energy.com).*

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