

Press release
Stockholm
April 12, 2017

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Maha Energy AB: Announces delayed upcoming fully guaranteed rights issue and provides a Corporate operational update

The board of directors of Maha Energy AB (publ) (“Maha” or the “Company”) has decided to delay the upcoming fully guaranteed rights issue. Maha intends by press release to provide more information on the upcoming rights issue after the Easter Break.

In February, 2017, the board of directors of Maha announced the decision to carry out a fully guaranteed rights issue with pre-emptive rights for the shareholders and warrants holders (the “**Rights Issue**”) for the purpose of financing the acquisition of Gran Tierra Inc.’s Brazilian operations. On April 6, 2017, adjusted terms of the Rights Issue were announced through an additional press release.

The reason for the delay of the fully guaranteed rights offering is that the Company experienced certain unforeseen delays in being able to publish the prospectus required in connection with the Rights Issue. More information will be provided as soon as it becomes available.

Jonas Lindvall, CEO of Maha commented: “It is unfortunate we have to delay the Rights Issue again due to administrative delays, and we are working hard to finalize the prospectus.”

Results of well testing at Tartaruga Light Oil Field

The two producing wells were recently tested individually and continue to produce as expected. The SES107D well was tested at a surface restricted rate of 252 BOPD whilst 7TTG well produced, also restricted, at 155 BOPD. Both wells are producing using a single hydraulic jet pumping system, and are providing positive cash flow.

Results of Jet Vac System at LAK Ranch Oil Field

The planned Jet Vac clean-out operations at the Company’s LAK Ranch oil field in Wyoming were recently completed. Severe sand (‘fines’) clogging was encountered in the 12-23 well and was subsequently cleaned and production restored. The other two wells that were targeted for formation damage removal did not encounter significant sand intrusion. It is therefore believed, based on these tests, that the fines emanate from the formation and acts negatively on production in the near wellbore region. The last well to be cleaned out, 12-19, showed very good response to the clean out and returned to ‘pre-damaged’ production levels.

As a result of the Jet Vac operations, important information surrounding the suspected near wellbore damage has been obtained and is now being analyzed. The fines migration will be addressed by optimized well placement and future pump selection. Because of the encouraging results from the existing small-scale water injection scheme and the information obtained during the Jet Vac operations, the current small-scale hot water injection scheme will be expanded to increase the sweep efficiency of the existing producing wells. Results from the

increased sweep efficiency are expected within the first three months of the implementation and will be communicated in due course.

“I am very pleased with the progress at both Tartaruga and LAK. At Tartaruga we doubled production through the successful workover of SES-107D and the subsequent jet pump insertion. We continue to work hard to debottleneck our pumping system so we can optimize production to the higher levels we believe the wells are capable of. At LAK with our announced expanded hot water flood we expect to see improved results by July 2017. And I am pleased to report that during the first 100 days of 2017, we produced more oil than what we did during all of 2016” said Jonas Lindvall.

Proposed Bond Financing Update

On February 13, 2017, the Company engaged Arctic Securities (“Arctic”) to act as broker for the previously announced bond financing in respect of our planned acquisition of the Gran Tierra Energy Inc.’s Brazilian Operations (see Press Release dated February 13, 2017). The Company continues to work closely with Arctic to complete the necessary preparations for the financing and is pleased with the progress so far.

Advisers

Stockholm Corporate Finance AB acts as financial adviser and Setterwalls Advokatbyrå AB acts as legal adviser (as to Swedish law) to Maha in connection with the Rights Issue. FNCA Sweden AB is the Company’s Certified Adviser.

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Miscellaneous

This information is published in accordance with the EU Market Abuse Regulation and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication through the agency of the contact persons set out above on April 12, 2017, at 02:00 a.m. CET.

Maha in Brief

Maha Energy AB is a Swedish public limited liability company. FNCA Sweden AB has been engaged as Certified Adviser. The Company’s auditors are Deloitte. The Company’s predecessor Maha Energy Inc was founded in 2013 in Calgary, Canada, by Jonas Lindvall and Ron Panchuk. In May 2016, the new group was formed with Maha Energy AB as parent company for purposes completing an initial public offering on the Nasdaq First North Sweden stock exchange. Jonas Lindvall, CEO and Managing Director, has 26 years of international experience in the oil and gas industry, starting his career with Lundin Oil during the early days of E&P growth. After 6 years at Shell and Talisman, Jonas joined, and helped secure the success of, Tethys Oil AB. Maha’s strategy is to target and develop underperforming hydrocarbon assets on global basis. The Company operates two oil fields, Tartaruga in Brazil and LAK Ranch, in Wyoming, U.S. For more information, please visit our website www.mahaenergy.ca.

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