

Press release
Stockholm
5 August 2016

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Maha Energy AB announces update on the final outcome of its initial public offering

Maha Energy AB (the “**Company**” or “**Maha**”) today announces the receipt of the final payment of SEK 15.2 million from its cornerstone investor with the expecting closing on or before 10th August, 2016.

The Offering

The Company expects a Final Closing of its initial public offering of units in the form of new shares of class A and warrants giving right to subscribe for new shares of class A (the “**Offering**”) in connection with a listing on Nasdaq First North Stockholm.

The Offering was carried out in order to broaden the shareholder base and provide working capital, mainly to finance development operations and acquisitions. The subscription price was set at SEK 19 per unit (each unit consisting of four (4) new shares of class A and one (1) warrant giving right to subscribe for one (1) new share of class A). Nothing is to be paid for the warrants and the subscription price per share was thus SEK 4.75.

Final Closing

The final payment of SEK 15.2 million has been received by the Company from its cornerstone investor, Kvalitena AB. The Final Closing will occur on or before 10th August, 2016 (the “Final Closing”). The Company expects to issue 818,917⁽¹⁾ as part of the Final Closing. In total, including the initial closing (July 26, 2016) and the Final Closing, the Company has now received SEK 107.7 million of subscription proceeds to date and will issue up to a maximum of 6,198,074 units.

(1) There remains approximately SEK 316,000 unpaid (one guarantor of SEK 250,000 and SEK 66,000 from retail investors) which are expected to be received prior to Final Closing.

Capital Structure

On Final Closing and registration with the Swedish Companies Registration Office, the share capital will increase with SEK 36,032 from SEK 761,162 to SEK 797,194 and the number of shares will increase from 69,196,585 to 72,472,253. Each of the maximum warrants 6,198,074 issued may be exercised for subscription of one (1) new share of class A and may thus entail an additional increase of the share capital and number of shares (if exercised).

Company Ownership

Upon registration with the Swedish Companies Registration Office following the Final Closing, the Company's major shareholders will be as follows:

Major Shareholders	Following Final Closing		
	Shares Held ⁽¹⁾	% of Outstanding Shares ⁽²⁾	Warrants Held
Kvalitena AB	11,041,665	16.3%	2,760,414
Nerthus Investments Ltd	8,200,000	12.6%	-
Jonas Lindvall	4,711,610	6.9%	-
Newcastle Energy Corp	2,960,193	4.4%	-
Ron Panchuk	2,763,342	4.1%	-
Rothsay Ltd	2,484,212	3.7%	621,053
Talal Al Subhi	2,394,738	3.5%	-
Inviu Partners AB	1,801,052	2.7%	450,263
Pervasive Capital AB	1,801,052	2.7%	450,263
Total	38,157,864	56.2%	
Total Number of Maha A-Shares and Maha B-Shares	67,879,726		

⁽¹⁾ Shares held represents Maha A-Shares and Maha B-Shares which are held directly or indirectly by the noted shareholder.

⁽²⁾ Percentage of outstanding shares represents the shareholders holding of A-Shares and B-Shares in relation 67,879,726 (total number of Maha A-Shares and B-Shares following Final closing).

Cash Position

As at 30 June 2016, the Company (on a consolidated basis) had approximately SEK 21.3 million of working capital and no long term debt. Following the Final Closing of SEK 13.7 million net proceeds, the Company estimates it will have total working capital of approximately SEK 120.7 million.

Use of Proceeds

The Company plans to use the working capital balance of SEK 120.7 million available after Final Closing as follows, (stated in order of precedence):

Description	SEK (million)
Remaining payments required for PVE and TDC Acquisitions	44.5 ⁽¹⁾
Drilling and workover operations on Tartaruga Block, initial Phase III LAK Ranch development and administrative expenses through December 31, 2017	66.2
Total	120.7

⁽¹⁾The final purchase price is adjusted in accordance with each quota purchase agreement for normal course working capital, long-term liabilities, payments, prepayments, currency fluctuations etc.

Advisers

Stockholm Corporate Finance AB acts as financial adviser and Setterwalls Advokatbyrå AB acts as legal adviser to the Company in connection with the Offering. FNCA Sweden AB has been engaged as 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 5 August 2016, at 5 p.m. CET.

Maha in Brief

Maha Energy AB is a Swedish public limited liability company. 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 of the Offering and the planned listing. Jonas Lindvall, CEO and Managing Director, has 25 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 will operate two oil-fields, Tartaruga in Brazil (subject to Brazilian Government approvals and closing) and LAK Ranch, in Wyoming, US. For more information, please visit our website www.mahaenergy.ca.

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