

Press release  
Stockholm  
1 March 2017

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## **Maha Energy AB announces its fourth quarter and year end report ending December 31, 2016.**

Maha Energy AB (the “**Company**” or “**Maha**”) today announces the release of its year end report and fourth quarter report ending December 31, 2016. The report is available hereto and on the Company’s website at [www.mahaenergy.ca](http://www.mahaenergy.ca).

### **Fourth Quarter 2016**

- Total Production of 2,305 bbls for the period compared to 3,107 bbls for the same period 2015
- Revenue of USD 47,078 for the period compared to USD 66,669 for the same period 2015
- Net Result of USD (86,269) for the period compared to USD (2,016,897) for the same period 2015
- Net Result of (0.00)/share for the period compared to (0.05)/share for the same period 2015

### **Twelve Months 2016**

- Total Production for the year: 11,113 bbls compared to 20,587 bbls for the same period 2015
- Revenue of USD 227,381 compared to USD 634,934 for the same period 2015
- Net Result after tax of USD (1,874,702) compared to USD (3,904,280) for the same period 2015
- Net Result of (0.03)/share for the period compared to (0.09)/share for the same period 2015
- The Company does not anticipate any dividend distributions during 2017

### **Subsequent Events**

- Successful workover Completed on SES-107 Well in Brazil Well tested 253 BOPD and 189 MCF of gas per day on its’ own
- Agreement signed and USD 3.5 m Deposit paid to acquire Grand Tierra’s Brazilian Assets and Operations

Dear Friends and Fellow Shareholders of Maha Energy AB,

Upon the Agencia Nacional Petroelo (ANP) providing its clearance, Maha completed the acquisition of UPP, (the operator) and PVEB (a joint venture partner) to acquire legal and beneficial ownership of a 75% working interest in the Tartaruga field. Maha has now transitioned the take-over of the Field level operations and completed the long-anticipated workover of the second production well (SES 107D) at Tartaruga. The results of the workover were well in line with our expectations, with total production from the field doubling. The use of a simple hydraulic jet pump to effectively double production is an excellent example of Maha's core philosophy – adding value to underperforming assets through the implementation of modern technology.

There were serious technical challenges to overcome; the most challenging of which was excessive associated gas due to the reduced reservoir pressure. Not unlike opening a carbonated beverage, when the pressure at the well was reduced, gas came out of the solution as small bubbles. Pumping fluid mixed with gas greatly reduces pump efficiency. This is especially so where gas is plentiful 3,000 m below surface. By sizing and choosing the right pumping system and doing a proper clean out the wellbore the problem was solved.

Our share price continues to do well. During the fourth quarter our shareholding base expanded to over 5,000 shareholders. There is even a dedicated Facebook group of about 4,000 members! Liquidity remains high and interest in Scandinavia continues to grow. Our second largest shareholding base is in Denmark.

At LAK Ranch, Maha's 'hot water' flood continues. During the last quarter, we saw a stabilization of production from our limited injection area and the re-pressurization of the reservoir. We have begun planning a Jet Vac procedure for 4 production wells. As these wells continue to produce below their theoretical capability, we strongly suspect serious completion and/or formation damage. The Jet Vac procedure will achieve two objectives; (a) the clean out of flour-like coagulated oil sand that is blocking the small holes in the production tubing, and (b) reduce the bottom hole pressure so as to create Inflow Performance Curves. This will allow our technical team to predict well productivity.

Finally, we are excited about the previously announced agreement to purchase 100% of Gran Tierra Energy's (GTE) Brazilian assets. We spent the better part of the 4<sup>th</sup> quarter negotiating the Agreement with GTE and it was finally signed in February this year. Gran Tierra has been keen to exit Brazil so they could focus on their Colombia and Mexico operations. As Brazil accounted for less than 1/30<sup>th</sup> of GTE's production, it made more sense for them to focus on Colombia.

There are clear synergies between the GTE assets and our Tartaruga field that will result in added significant value.

It is exciting times at Maha!

Sincerely,

“Jonas Lindvall”

Managing Director and CEO

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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 1 March 2017, at 8:01 a.m. CET.

**Maha in Brief**

Maha Energy AB is a Swedish public limited liability company. Setterwalls Advokatbyrå AB acts as legal adviser to the 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 of the Offering and the planned listing. 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, US. For more information, please visit our website [www.mahaenergy.ca](http://www.mahaenergy.ca).

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