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Press release
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Maha Energy AB (publ) (“Maha” or the “Company”) announces a revision to its 2019 Production Expectations, a General Operational Update and a Question and Answer Webcast.

Revised Production Expectations

On August 23, 2019 the Company provided a revised **2019 net annual average** expected production estimate of 3,300 – 3,600 BOPD. Continued facility commissioning delays, and regulatory gas flaring restrictions has led the Company to revise its estimate downward. The Company now estimates **2019 annual average** production of between 2,750 BOPD to 2,900 BOPD.

The combination of delays in commissioning of various critical equipment at the Tie field, greater than expected associated gas production and the mid October expiry of the temporary plant commissioning gas flare dispensation permit granted in April has necessitated a reduction in gas production at the Tie field. This in turn resulted in the Company being restricted in its ability to produce oil at the Tie Field as expected. The reservoir deliverability from the current wells remain more than the current 4,850 BOPD plateau and is not the reason for the reduction in the 2019 annual average production rate.

The current facility delays mainly concern:

- a) A main group separator, which is installed to increase separation efficiency was delayed due to a gas meter requiring volume certification by the authorities.
- b) Commissioning delays at GTE-7 (water supply well) impacted lower than planned injection volumes which in turn impacted the produced Gas Oil Ratio (GOR).
- c) And though GTW has installed a total of 17 gas generators - 3 of the generators are rented by the Company to provide power to the Company’s operations and 4 of the generators are installed to supply power to the CDGN gas compression equipment. These are up and running but not running at full capacity until the overall facility is at near full capacity. Of the remaining 10 generators - 2 are now continuously running and supplying power to the local electrical grid. The remaining generators are currently being systematically connected to the grid.

As and when GTW starts to deliver additional electricity through its generators, the waterflood reduces the GOR and the separator is running properly the Company will be able to progressively increase the oil production in line with previously communicated volumes.

Company Operational Update

Tie Field

Commissioning and tidying up the last loose ends continue at the Tie field. The capacity of the Plant is currently 4,850 BOPD – however production is being restricted due to gas flaring limitations as above. Current gas offtake capacity at Tie is 75,000 m³/day with a near immediate additional 30,000 m³/day of capacity being installed, hooked-up and commissioned presently.

During the month of October, the GTE-4 Sergi (long string) temporarily stopped free flowing and the Company has decided to proceed with installing artificial lift as and when operations allow. This was not unexpected and therefore and in anticipation of this, the Company has already installed the surface jet pumping equipment on the site. Planning operations has now commenced to workover GTE-4 and install the downhole pump on the Sergi.

As far as the Company is aware the refinery is still awaiting final clearance from the authorities to start up the previously installed expansion equipment at the refinery. Once this permit is in place, the Company can increase its deliveries by 800 BOPD to 3,000 BOPD total to the refinery. This final step will increase the daily oil offtake capacity at the Tie Field from the current 4,050 BOPD to 4,850 BOPD allowing the Company to safely sell its target maximum production for the field.

Tartaruga Field

Demobilization of the drilling rig is now complete. The well test spread and the testing rig is anticipated to be on location to commence work at the end of November. The work order will be as follows:

- a) 107D: The 107D well will be re-entered, worked over, completed and flow tested. This work is anticipated to take 21 – 28 days, depending on test results; and
- b) Maha-1 (7-TTG-3D-SES) completion and flow testing of up to five different zones. Thereafter the well will be hooked up to the Tartaruga Facilities and placed on production.

The Facilities at Tartaruga are currently sized to handle a maximum of about 800 BOPD (gross). During the second half of 2019, work started to upgrade the facilities to handle up to 2,500 BOPD (gross) and associated gas. Currently, engineering and design is being

completed and physical work has already started. The upgraded facilities are expected to be completed during the middle of the second quarter next year. However, the plan is to incrementally increase production as and when capacity is brought on line. It is not anticipated that there will be any significant production stoppages during the upgrade work.

Question and Answer Webcast

Jonas Lindvall, CEO of Maha Energy, will hold a Q&A webcast on Wednesday 13 November at 1600 hrs (CET) – details will follow on a separate Press Release and on the Company's website.

Jonas Lindvall commented: "While I regret to issue this revised forecast – the Tie and Tartaruga fundamentals remain intact - from the Tie Field alone, we are well on our way to:

- Production capability from the current wells exceeding the Processing Capabilities,
- Processing capabilities of over 4,850 BOPD at our expanded facilities,
- Consuming and or selling all expected associated gas (up to 100,000 M3/d); and
- Offloading, delivering and selling 4,850 BOPD.

With the recent exciting drilling results from the Tartaruga Field, the planned completion and testing of 107D and flow testing of Maha-1 the Company is poised to continue to grow!"

Maha Energy holds a 75% working interest in the SES-107 Tartaruga oil and gas concession onshore Brazil. Petrobras holds the remaining 25% and is non-operator.

Adviser

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Miscellaneous

The information was submitted for publication through the agency of the contact persons set out above on November 11, 2019, at 5:00 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 Growth Market Swedish 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 three oil fields, Tartaruga and Tie in Brazil and LAK Ranch, in Wyoming, U.S. For more information, please visit our website www.mahaenergy.ca.

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