

Maha Energy AB (Publ) announce LAK Ranch book value impairment

Maha Energy AB ("Maha" or the "Company") will incur a write down of the book value of its LAK Ranch heavy oil field in Wyoming, USA, on the Company's balance sheet by approximately USD 20 million, subject to year-end audit review. This will be reflected in adjusted earnings in the fourth quarter 2020 results to be reported on 26 February 2021.

The LAK Ranch heavy oil asset was shut in at the beginning of the 2020 Covid-19 Pandemic and will remain shut in until oil prices recover. Whilst the Reserves valuation continues to point towards a full field development with lower but yet positive net present value, even at the current depressed oil prices, the Company maintains better yielding investments in Brazil, Illinois Basin and Oman – making it less likely that LAK Ranch will be developed in the near future.

The lower recoverable amount was a result of decreases in forecasted commodity prices and in accordance with IFRS principles, the Company will recognize a non-cash impairment charge with no impact on operating cash flow or EBITDA.

This information is such information as Maha Energy AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 20:20 CET February 4, 2021.

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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 global basis. Maha operates four oil fields: Tartaruga and Tie in Brazil, Powder River (LAK Ranch) and Illinois Basin in the United States. The shares are listed on Nasdaq Stockholm ([MAHA-A](#)). The head office is in Stockholm, Sweden with a technical office in Calgary, Canada, as well as operations offices in Grayville, Illinois, USA and Rio De Janeiro, Brazil. For more information, please visit our website www.mahaenergy.ca