

Maha Energy AB (publ)  
 Strandvägen 5A  
 SE-114 51 Stockholm  
[www.mahaenergy.ca](http://www.mahaenergy.ca)

Press Release  
 Stockholm  
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## Maha Energy AB (publ) (“Maha” or the “Company”) announce its 2020 Capital Plan and Production Guidance

Maha Energy AB (publ) ("Maha" or the "Company") is pleased to provide details of its 2020 Capital Plan and Production Guidance.

### 2020 Capital Plan Summary- Total Budget USD 20.7<sup>1</sup> Million

Field	Capital Program	Quarter 2020	Description/Purpose
Tie	New Well TS-1	Q2 – Q3	Maintain Tie field long term production plateau
Tie	New Well TS-2	Q2 – Q3	Maintain Tie field long term production plateau (possible water injection well)
Tie	GTE-4	During 2020	Conversion to dual artificial lift system
Tartaruga	Facilities Upgrade	Q1 - Q2	Increasing processing capacity for new production
Tartaruga	Delineation Well Maha-2 (“MH-2”) <sup>1</sup>	Q4	Well is contingent on results of Maha-1 well tests and partner approval. Purpose of well is to increase production at the Tartaruga field and fine tune/test completion technologies.
LAK	None	N/A	N/A

<sup>1</sup> The well in Tartaruga is contingent on positive results of the Maha-1 (“MH-1”) well tests and Partner approval.

### Tie Field - Bahia, Brazil

#### Tie- 2020 Capital Plan

#### Tie South 1 and Tie South 2 Wells

The previously announced Tie development wells (see Press Release dated 8 March 2019) will now be drilled during 2020. These wells were originally planned to be drilled at the end of 2019, but due to delays in environmental permitting, these two wells will now be drilled as soon as the environmental permits are approved. One well is planned as a water injector to further boost production in the field, and the second well is planned as a dual zone oil producer.

#### GTE-4

The GTE-4 well is currently a dual completed free flowing well. The Sergi reservoir has started to show signs of reduced flow. Since 2017, the Company has been aware of the eventual decline in reservoir pressure in this well, and has therefore taken steps to implement an artificial lift system, similar to the GTE-3 well. The Jet Pump has already been installed at surface, and when timing and scheduling permits, GTE-4 will be converted to a dually completed Jet Pump well using a work over rig. It is not anticipated production at the field will be affected significantly during this operation.

### **Tartaruga Field – Sergipe, Brazil**

#### Tartaruga- 2020 Capital Plan

##### Delineation Well (MH-2)

The Company plans to drill a new well from the Tartaruga site during 2020 (“MH-2”). The objectives of the MH -2 well are to further build on the results of the recently drilled MH-1 well, maintain production at Tartaruga Field and evaluate potential completion technologies for these and future wells.

It is not anticipated that the Tartaruga Facility will be shut in during the drilling of the MH-2 well.

##### Facility Upgrade

Work will continue during 2020 to upgrade the production facilities at Tartaruga to handle up to 2500 BOPD and 2,500 MSCFPD of gas. The previously announced Gas-to-Wire project is now up and running at Tartaruga with further expansion planned as and when more gas production is brought on.

### **LAK Ranch –Wyoming USA**

#### LAK- 2020 Capital Plan

##### Production Optimization

2020 will continue to be a year of production optimization and evaluation. So far, no investment decision has been made for LAK in 2020. Capital will only be spent if: a) the results of the hot water flood show positive netback numbers for the field, b) further capital investments are ranked above other opportunities that the Company might have during 2020, and c) upon Board of Directors’ review and approval.

## Production

The Company expects to complete most, if not all, of the Capital Plan prior to year-end 2020. The exact timing of the operations is dependent upon a number of factors including delivery of long lead items, rig availability, permitting and logistics which in turn might affect Company's total annual production

As such, this 2020 production guidance, net to the Company (but before government or freehold royalties) is expressed **in the range of 5,000 – 5,500 BOEPD**, of which 12% is estimated to be gas.

Please note that in order to align the Company's production guidance with the Company's financial reporting, it has been decided to provide this and future production guidance in Barrels of Oil Equivalents Per Day (BOEPD)<sup>2</sup>.

As the exact timing of the above operations and expected production/offtakes becomes clearer through 2020 the Company will provide updated information by Press Release.

The Company estimates its Operating costs for 2020 (including oil transportation costs), to range between \$5.95 and \$5.15 per BOE applying the production guidance range provided above.

## Funding of 2020 Capital Plan

### 2020 Capital Plan Budget

The 2020 Capital Plan has a total budget of USD 20.7<sup>3</sup> million for the above incremental projects and is expected to be funded fully through operating cash flow.

<sup>2</sup> Normal units for expressing gas production is m3/day or ft3/day. An average industry conversion factor to barrels does not use a simple volumetric conversion factor from m3 (or ft3) to barrels. Instead the energy produced by burning 1 barrel of oil is equated to the same volume of gas required to produce the same amount of energy. This is of course dependent on the type of gas being burned, but an industry average is that 6,000 standard cubic feet (scf) of gas generate the same amount of energy as 1 barrel of oil. As such in this and future production guidance 6,000 scf of gas will be equal to 1 barrel of oil equivalent.

<sup>3</sup> Includes 100% of the cost of drilling Maha-2 at Tartaruga.

## Adviser

Certified Advisor: FNCA Sweden AB, info@fnca.se, Telephone: +46-8-528 00 399.

### For more information, please contact:

Jonas Lindvall (CEO)  
Tel: +1 403 454 7560  
Email: jonas@mahaenergy.ca

or

Ron Panchuk (EVP)  
Tel: +1 403 454 7560  
Email: ron@mahaenergy.ca

### **Miscellaneous**

The information was submitted for publication through the agency of the contact persons set out above on January 10, 2020, at 3:00 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. Jonas Lindvall, CEO and Managing Director, has 28 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](http://www.mahaenergy.ca).