

Maha Energy announce change to Tie-4 well design due to ongoing issues with wellbore stability and updated completion date

Due to ongoing issues with reactive shales in the wellbore Maha Energy AB has elected to plug back the wellbore and drill a simpler sidetrack to ensure continued production growth at the Tie field. The company does not expect this to impact the completion date of the Tie-4 well significantly nor the Tie annual production for 2021. However, Tie-4 is most likely to be placed on production after the year-end which will affect the 2021 exit production rate estimate of 5,000 BOEPD and 5,500 BOEPD.

- Due to highly reactive shales encountered at drilling angles of greater than 65 degrees, and thus causing issues with wellbore stability the Company has elected to plug the well back to the 9 5/8" casing shoe.
- A vertical sidetrack will be drilled from the 9 5/8" shoe targeting both the Agua Grande and Sergi reservoirs.
- The well will be completed as a dual zone commingled Electric Submersible Pump completion.

Jonas Lindvall, CEO of Maha Energy comments: "We are obviously disappointed with the challenges we have encountered in this well. Although these types of well design are common in North America we are applying this as new technology to the Tie field and this is the first attempt targeting these zones. We are confident that we will succeed in due course. In the meantime we can apply a tried and tested approach and continue Tie-4 as a vertical well to commence production as soon as possible. Hopefully before year-end, but most likely in the beginning of next year."

¹ Barrels of oil equivalent ("BOE") conversion ratio of 6,000 scf: 1 bbl is used.

Miscellaneous

This information is such information that 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 persons set out below, at 16:35 CET on 30 November, 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