

Maha Energy AB (publ) (“Maha” or the “Company”) announce discovery of potentially new oil-bearing formation in the Tie field and reaching Total Depth (TD) of the Tie-3 well.

Well TD was reached at a Measured Depth (MD) of 2,336 m. Electric logging reveals 11 m. “net pay” in the Agua Grande (AG) formation, 3.1 m net pay in a new potentially productive zone at the base of the Itaparica formation and 1.6 m net pay in the Sergi (SG) formation.

Jonas Lindvall, CEO of Maha Energy commented: “Structurally, the Tie-3 well came in exactly how we planned it. What appears to be a new oil productive transitional zone at the base of the Itaparica and the top of the Sergi is very encouraging and is something we have not seen in any of the other Tie wells. The Tie-3 well will eventually be turned into a flank water injector, but right now it will be completed and placed on production.”

Tie-3 was spudded on December 18, 2020 with an objective to intersect the oil water contacts of both the AG and SG at the western edge of the field. Total Depth (TD) of 2,336 m (MD) was reached on March 16, 2021. Drilling operations were delayed due to poor hole conditions and extensive repairs of the drilling rig’s derrick. The well is initially planned to be an oil producer and later, as water cut increase, it will be converted to a water injector to support the fields reservoir pressure and increase the field’s ultimate oil recovery.

During electric logging operations, oil bearing rock was discovered above the SG formation at the base of the Itaparica formation. The Company will continue to evaluate this new find. It is too early to determine the impact of this find on the Tie field oil volumes, if any.

Reservoir Properties	Agua Grande	Itaparica/Sergi
Depth (TVD SS)	-1917	-2038
Gross Thickness (m)	19.3	29
Net Pay (m)	11.0	4.7
Average Porosity (%)	18.4	14.4
Average Permeability (mD)	675	68

The well will now be cased off, cemented, completed and placed on production. Flowlines are already in place to handle the production from this well.

“We are very excited with the Tie-3 outcome. This step out well confirms the Company’s interpretation of the Tie structure, and we are particularly pleased with the reservoir properties of the AG and the new oil find at the base of the Itaparica” said Jonas Lindvall.

It is too early to determine the effect of the Itaparica find, if any, on the Tie field reserves.

This information is information that the Company 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, 22:00 CET on 21 March, 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