

## **Maha Energy announce delay in Tie-4 completion affecting the 2021 annual average production guidance - but estimated revenue for 2021 remain strong due to robust oil markets**

- The range for 2021 annual average production is now 3,500 - 4,000 BOEPD<sup>1</sup>
- The 2021 exit rate estimate of 5,000 BOEPD and 5,500 BOEPD remains unchanged provided Tie-4 is hooked up and placed on production before the end of the year.
- Production for the year is down 12.5% compared to prior guidance - however offsetting the deferred volumes is a robust oil market that dampens the impact on the estimated revenue for 2021.
- The average production rate for the third quarter of 2021 was 3,610 BOEPD

The Tie-4 horizontal well suffered an additional setback whilst getting ready to run production casing. Stuck pipe in the hole now requires a sidetrack which is being initiated. The new completion date of Tie-4 is anticipated to be around the end of the year. The delay in Tie-4 has resulted in the deferral of 171,000 BOE, or 469 BOEPD of production on an annualized basis.

Jonas Lindvall, CEO of Maha Energy AB comments: “The Agua Grande (AG) reservoir was encountered higher than anticipated in the Tie-4 horizontal, which is positive, but whilst pulling out of hole to run production casing, the bottom hole assembly became stuck. The delay is now significant and will impact our 2021 production guidance. We now aim to have the Tie-4 horizontal on production by the end of the year.”

Jonas Lindvall continues, “On the other hand the immediate impact of the deferred production is cushioned by the current strong oil market and we still continue to build our cash balance despite the delay of bringing Tie-4 on production.”

<sup>1</sup> 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 person set out below, at 21:45 CET on 21 October, 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](http://www.mahaenergy.ca)*