

## Press release

Stockholm 30 May, 2016

(NASDAQ OMX First North: DOME)

### **Dome Energy Executes Agreement for Significant Favorable Debt Refinancing**

[Dome Energy AB](#). (Ticker: [DOME](#)) (herein after "Dome" and/or "the Company") today announces that its wholly owned subsidiaries have entered into a forbearance agreement (the "Forbearance Agreement") with its debtholders in respect to loans made by the lenders (the "Lenders") under the Credit Agreement, dated as of August 8, 2014.

#### Highlights

- Reduction of total debt from approx. \$55,000,000 to <\$24,000,000.
- Dome Energy Inc. will monetize its current hedge portfolio for \$4,100,000.
- Dome Energy AB. has agreed with Range Ventures LLC in principle, on a conversion of the Note payable to shares at a price of 1 USD per share. The proposal is subject to shareholder approval at the next shareholder meeting on June 21, 2016.

#### Debt Reduction

Dome Inc. has signed a forbearance agreement with the Administrative Agent on behalf of Dome's lenders, for refinancing to reduce debt and improve Dome's balance sheet. As part of the agreement, Dome Energy Inc. has sold off all of its hedges to repay the debt. In turn, the Lenders have agreed to offer a debt reduction based on Dome's current debt of \$38,000,000 to \$24,000,000. The value of the debt forgiveness is approx. 3 SEK per share.

As part of the condition of the reduction of the debt, Dome is required to re-finance the remaining debt with another lender. Dome has received multiple offers from several established large US based funds, to replace the existing debt with new debt at acceptable market conditions. We believe, we will close this transaction within 60 days.

#### Range Ventures

One of the Company's lenders, Range Ventures LLC, has agreed in principle, to convert its receivables at a considerable premium to market. The conversion will be at USD 1 (approx. 8 SEK) per share compared with a current share price of approx. USD 0,33 (approx. 2,70 SEK) per share. The current face value of \$12,000,000 will be converted to approximately 12,000,000 shares based on shareholders' approval. The conversion of the debt to shares is conditional on the closure of the refinancing offer in Dome Energy AB, and to shareholders approval of issuing shares to pay for the debt at the next shareholders assembly.

Following the debt write-down, sale of hedges and conversion of the Range Ventures LLC debt, Dome Energy's new debt will stand at approximately \$24,000,000.

Paul Morch stated: "It is with great pleasure that we can announce the refinancing for Dome Energy AB and our subsidiaries. This process has taken over six months, and taken significant staff resources and time throughout the period. The general oil price turmoil and difficult economics during this period has not made this easy, but the recent increase in prices has helped a lot. As stated in our Q4 report, our balance sheet had a negative capital of almost \$20,000,000 and we were in default of our banking covenants. The suggested refinancing will be a huge improve and put us back on track to growth mode again. "

Mr. Morch continued “We will also update market on drilling and development shortly after the financing deal has been closed. We believe, recent improvements in the oil price environment indicate that the worst is behind us, and we feel more comfortable with our development program at these prices”.

Says Paul Morch, CEO

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### **About Dome Energy**

Dome Energy AB. is an independent Oil & Gas Company publicly traded on the Nasdaq OMX First North exchange in Sweden (Ticker: [DOME](#)). Mangold Fondkommission AB is the Company's Certified Adviser. Headquartered in Houston, Texas, the Company's focus is on the development and production of existing onshore Oil & Gas reserves in the United States. For more information visit [www.domeenergy.com](http://www.domeenergy.com).