

Press release
Stockholm
26 July 2016

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Maha Energy AB announces the final outcome of its initial public offering and confirms first day of trading on Nasdaq First North Stockholm as 29 July 2016

Maha Energy AB (the “**Company**” or “**Maha**”) today announces the final outcome of its initial public offering of units in the form of new shares of class A and warrants giving right to subscribe for new shares of class A (the “**Offering**”) in connection with a listing on Nasdaq First North Stockholm.

Price

The Offering was carried out in order to broaden the shareholder base and provide working capital, mainly to finance development operations and acquisitions. The subscription price was set at SEK 19 per unit (each unit consisting of four (4) new shares of class A and one (1) warrant giving right to subscribe for one (1) new share of class A). Nothing is to be paid for the warrants and the subscription price per share was thus SEK 4.75.

Allotment

The allotment of units in the Offering will be as follows:

1. As disclosed in Press Release dated 30 June 2016, the guarantee consortium was provided the ability to reduce their respective undertakings by 50 % in exchange for committing to a six-month lock-up and accepting Units in settlement of the remuneration (the “**Amendment**”). The Company received signed Amendments from 99.5% of the guarantee consortium.
2. The Company has received 92.5 million SEK of subscription proceeds to date. The Company has agreed with Kvalitena AB that its subscription for 15.2 million SEK of units in the Offering will be delayed until 5 August, 2016.
3. As such, the Company has completed an Interim Closing of its Offering (“**Interim Closing**”) as follows:
 - (a) 647,671 units corresponding to approximately 12.3 million SEK were subscribed for by and allotted to the general public;
 - (b) 1,368,421 units corresponding to 26.0 million SEK were subscribed for and allotted in accordance with subscription pre-commitments;
 - (c) 3,363,065 units corresponding to 54.2 million SEK were subscribed for by the guarantee consortium of which 513,010 units (with a value of SEK 9,747,182) are issued to the guarantee consortium in payment of cash remuneration due under the guarantees.

4. A Final Closing is expected to occur on or before 5 August, 2016 (the “Final Closing”) upon receipt of the remaining 15.5 million SEK. The Company will have issued 818,917⁽¹⁾ additional units. The Company will update the position immediately following the Final Closing in a further press release.

(1) In addition to a contractual agreement made with Kvalitena AB, there remains approximately 316,000 SEK unpaid (one guarantor of SEK 250,000 and SEK 66,000 from retail investors) which are expected to be received prior to Final Closing.

First Day of Trading

The first day of trading in the Company’s shares of class A and warrants giving right to subscribe for shares of class A at Nasdaq First North Stockholm will occur on 29 July 2016.

Capital Structure

Upon Interim Closing and registration with the Swedish Companies Registration Office, the share capital will increase with SEK 236,683 from SEK 524,479 to SEK 761,162 and the number of shares will increase by 21,516,628 from 47,679,957 to 69,196,585 (divided between 50,994,664 A-shares, 13,609,394 convertible B-shares, 1,844,527 convertible C1-shares, and 2,748,000 convertible C2-shares). Each of the maximum 5,379,157 warrants may be exercised for subscription of one (1) new share of class A and may thus entail an additional increase of the share capital and number of shares (if exercised).

Upon Final Closing and registration with the Swedish Companies Registration Office, the above share capital will increase with SEK 36,032 from SEK 761,162 to SEK 797,194 and the number of shares will increase from 69,196,585 to 72,472,253 and the number of above warrants will increase to 6,198,074.

Price for and Period for Subscription of New Shares of Class A Through Exercise of Warrants

The price for subscription of new shares of class A through exercise of warrants is SEK 6.40 and subscription may take place up to and including 15 January 2018. More information about the warrants and how to subscribe for new shares of class A through exercise of warrants is to be found in the terms and conditions for the warrants included in the prospectus published on 31 May 2016 available at our website www.mahaenergy.ca.

Company Ownership

Upon registration with the Swedish Companies Registration Office following the Interim and the Final Closing, the Company’s major shareholders will be as follows:

Major Shareholders	Following Interim Closing			Following Final Closing		
	Shares Held ⁽¹⁾	% of Outstanding Shares ⁽²⁾	Warrants Held	Shares Held ⁽¹⁾	% of Outstanding Shares ⁽²⁾	Warrants Held
Kvalitena AB	7,842,105	12.1%	1,960,526	11,041,665	16.3%	2,760,414
Nerthus Investments Ltd	8,200,000	12.7%	-	8,200,000	12.6%	-
Jonas Lindvall	4,711,610	7.3%	-	4,711,610	6.9%	-
Newcastle Energy Corp	2,960,193	4.6%	-	2,960,193	4.4%	-
Ron Panchuk	2,763,342	4.3%	-	2,763,342	4.1%	-
Rothsay Ltd	2,484,212	3.8%	621,053	2,484,212	3.7%	621,053
Talal Al Subhi	2,394,738	3.7%	-	2,394,738	3.5%	-
Inviu Partners AB	1,801,052	2.8%	450,263	1,801,052	2.7%	450,263
Pervasive Capital AB	1,801,052	2.8%	450,263	1,801,052	2.7%	450,263
Total	34,958,304	54.1%		38,157,864	56.2%	
Total Number of Maha A-Shares and Maha B-Shares	64,604,058			67,879,726		

(1) Shares held represents Maha A-Shares and Maha B-Shares which are held directly or indirectly by the noted shareholder.

(2) Percentage of outstanding shares represents the shareholders holding of A-Shares and B-Shares in relation to 64,604,058 (total number of Maha A-Shares and B-Shares following Interim Closing) and 67,879,726 (total number of Maha A-Shares and B-Shares following Final closing).

Cash Position

As at 30 June 2016, the Company (on a consolidated basis) had approximately SEK 21.3 million of working capital and no long term debt. With the Interim Closing proceeds of 92.5 million SEK in cash less estimated remaining cash share issue expenses of 6.8 million SEK up to Interim Closing, with the Company estimates it will have a working capital of approximately 107 million SEK. After Final Closing the remaining proceeds of 15.5 million SEK in cash less estimated remaining Final Closing cash share issue expenses of 1.8 million SEK, the Company estimates it will have total working capital of approximately 120.7 million SEK.

Use of Proceeds

The Company plans to use the working capital balance of 107 million SEK available after Interim Closing as follows, (stated in order of precedence):

Description	SEK (million)
Remaining payments required for PVE and TDC Acquisitions	44.5 ⁽¹⁾
Drilling and workover operations on Tartaruga Block, initial Phase III LAK Ranch development and administrative expenses through December 31, 2017	62.5
Total	107.0

⁽¹⁾The final purchase price is adjusted in accordance with each Quota Purchase Agreement for normal course working capital, long-term liabilities, payments, prepayments, currency fluctuations etc.

The increase in net working capital balance upon Final Closing of 13.7 million SEK would be used primarily to conduct Phase III of the LAK Development Plan as outlined in the Prospectus.

Advisers

Stockholm Corporate Finance AB acts as financial adviser and Setterwalls Advokatbyrå AB acts as legal adviser to the Company in connection with the Offering. FNCA Sweden AB has been engaged as Certified Adviser.

For more information, please contact:

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

or

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

Miscellaneous

This information is published in accordance with the EU Market Abuse Regulation and/or the Swedish Financial Instruments Trading Act. The information was submitted for publication through the agency of the contact persons set out above on 26 July 2016, at 2 p.m. CET.

Maha in Brief

Maha Energy AB is a Swedish public limited liability company. 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 of the Offering and the planned listing. Jonas

Lindvall, CEO and Managing Director, has 25 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 will operate two oil-fields, Tartaruga in Brazil (subject to Brazilian Government approvals and closing) and LAK Ranch, in Wyoming, US. For more information, please visit our website www.mahaenergy.ca.

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This press release neither constitutes, nor constitutes a part of, an offer or a solicitation of an offer to purchase or subscribe for securities in Maha. Invitation to subscribe for securities in Maha has only been made in accordance with the prospectus published on 31 May 2016 and the supplementary prospectus published on 7 June 2016. Neither the shares and warrants subscribed for nor the new shares have or will be registered in accordance with the Securities Act. Neither the shares and warrants subscribed for nor the new shares may, directly or indirectly, be transferred to or offered for sale in Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland or the United States, or in any other jurisdiction where such measure could be subject to legal restrictions or to any person residing in such jurisdictions, or on such person's account, other than in accordance with applicable exemptions that do not require registration in accordance with the Securities Act or similar measures according to applicable laws in other jurisdictions.