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PRESS RELEASE

Stockholm, 5 June 2018

Matra Petroleum closes acquisition and carries out a directed share issue of 4,593,435 shares as part of the consideration

Matra Petroleum AB and its wholly owned subsidiary Matra Terra LLC (“Matra” or the “Company”) and entities controlled by Melody Capital Partners, LP (“Melody”) have closed the acquisition initially announced on 14 March 2018, under which Matra acquires 40 oil and gas leases in the Texas Panhandle region, adding proved reserves of approx. 4.0 million barrels of oil equivalent¹ (the “Assets”), effective as of 1 April 2018. The total consideration for the Assets amounts to MUSD 6.2. The consideration is paid through assumption of MUSD 4 in debt and issuance of a promissory note in the amount of MUSD 2.2 by Matra. The promissory note is to be set-off against newly issued shares in Matra through a directed share issue of 4,593,435 shares to Melody (the “Share Issue”) as initially announced on April 3, 2018. The Share Issue was valued at MUSD 2.2 and represents 10.38 percent of the outstanding shares in Matra after the transaction.

Matra has entered into a loan agreement with Melody for the MUSD 4 loan that Matra assumes as part of the consideration. The loan is due on 31 December 2019 and carries interest of 7% per annum.

The Share Issue is based on the authorization granted by the annual general meeting held on 23 May 2018 and entails a 10.38 percent dilution of the number of shares and votes for existing shareholders in Matra. Through the Share Issue, the number of outstanding shares and votes will increase by 4,593,435, from 39,675,217 to 44,268,652. The share capital will increase by approximately SEK 4,593,435.08, from SEK 39,675,217.68 to approximately SEK 44,268,652.76. The subscription price in the Directed Issue is SEK 4.19 per share. The subscription price is based on an agreement in connection with the acquisition and corresponds to the volume weighted average share price on Nasdaq First North for the 20 trade days preceding the announcements on 14 March 2018 and 3 April 2018 with a discount of approximately 2.3 percent and 4.6 percent respectively.

The reason for deviating from the shareholders’ pre-emptive rights is to finance the acquisition of the Assets from Melody through set-off against a promissory note issued as part payment for the Assets. Furthermore, the acquisition of the Assets is expected to support the further expansion and development of the Company’s operations.

The acquired producing oil and gas assets are located in the Panhandle region in Texas and Matra Petroleum USA, Inc. has been operating the Assets under an operating agreement with Melody. The oil and gas production amounted to approximately 115 barrels of oil equivalent per day in March 2018.

Transaction costs

Matra’s total costs for the transaction are estimated to amount to approximately TUSD 150 which will be recorded in the second quarter 2018.

For further information please contact:

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¹ Management estimate

This information is information that Matra Petroleum AB 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 above, on 5 June, 2018, at 07:30 CET.

About Matra Petroleum

Matra Petroleum AB (publ) is a Swedish independent oil and gas exploration and production company operating in the United States, where the company owns and operates 170 leases, covering an area of 45,640 net acres in the Panhandle region in Texas. Matra's reserves amount to approximately 25 million barrels of oil equivalent. Matra Petroleum 's shares are traded on NASDAQ First North in Sweden under the symbol MATRA. Mangold Fondkommission AB is Certified Adviser (www.mangold.se), Tel: +46 (0) 8 50 30 1550). Web: www.matrapetroleum.com

About Melody Capital Partners

Melody Capital Partners is a private investment firm with a unique strategy of creating financing solutions in partnership with borrowers. Melody has over \$1.5 billion in capital and focuses on senior secured loan origination and direct lending in North America. For more information on Melody Capital Partners, please visit www.melody.com.