



Farm-out transaction with Africa Energy closed

PRESS RELEASE 21/10/2016

Crown Energy AB ("Crown Energy" or "Company") is pleased to report that it has closed the previously announced transaction with Africa Energy Corp ("Africa Energy"), see press release of December 17, 2015, resulting in a farm-out of interest in Block 2B licence in South Africa.

The farm-out agreement is now completed with Africa Energy for the acquisition of a 30.5 percent participating interest in South Africa Block 2B. Africa Energy will reimburse Crown Energy for parts of net back costs and will fund costs for Crown Energy's remaining 10 percent participating interest associated with the drilling and testing of the next well in Block 2B.

With the closing of this transaction, Africa Energy will become operator and we look forward to their further updates going forward.

Comment from CEO

"I'm very pleased to announce that we have closed our farm out of Block 2B and maintain a 10 percent carried interest in the Block. A well drilled in this block by South African state company Soekor in 1988 discovered and tested light oil from a Cretaceous sandstone section confirming that this rift basin is hydrocarbon-bearing. Africa Energy, who will become Operator has a proven Cape Town-based technical team which has identified numerous prospects and potential drilling locations in Block 2B utilizing the previously acquired 3D seismic." says Andreas Forssell, Crown Energy CEO.

This information is information that Crown 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 17:10 PM CET on 21 October 2016.

MORE INFORMATION

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ABOUT CROWN ENERGY

Crown Energy is an international oil and gas company engaged in exploration in Africa and Middle East. Growth is created by developing assets in early stages and then maximising value by introducing appropriate industry partners in the development and production stages. For more information please visit www.crownenergy.se.