

Press release

Stockholm 22 October 2015

(NASDAQ OMX First North: DOME)

Dome Energy AB. Provides Operational Update And Receives Term Sheet For Merger Financing

[Dome Energy AB](#). (Ticker: [DOME](#)) is pleased to provide an operational update on its development programs along with an update on its ongoing merger process with Pedevco.

Dome Energy AB's Future

Once the merger is concluded, Dome Energy AB will become a large shareholder of Pedevco. Dome's management will then seek shareholder approval to distribute these shares to our shareholders. The process of distribution could take as much as 6 months. Once the schedule is known, The Company will release a detailed schedule for the process. The intention is to distribute the shares in Pedevco to Dome Energy AB's shareholders without tax implication according to Lex Asea. If it is still possible to thereafter continue Dome Energy AB with a new business after distributing the shares then the Company will look to close an LOI for the new proposed business for Dome Energy AB. If it is not possible to continue the company without tax implications for the shareholders then the Company will be liquidated after distributing the shares.

Term Sheet & Merger Process Update

As part of the merger process, Dome and its merger partner has sought to raise additional capital to aggressively expand operations and to repay existing high interest debt. The Company has received a term sheet for financing which it is currently reviewing. If satisfactory, the Company aims to close the financing agreements within 6-8 weeks.

Due to US Securities and Exchange Commission compliance requirements, the merger must be concluded by the middle of November otherwise Dome will have to provide Q3 financials thus delaying the merger process. At present, we believe that we will close the transaction in November.

Operational Update

As part of the Company's existing strategic plan, Dome is continuing the development of its asset base. Work on our corner stone asset, the Orange field, has continued with the successful recompletion on the Sun B lease. The well flowed at 60 BOPD during the initial period with work underway to put the well on full production. We believe, the well will add ~25,000 barrels to our producing reserves.

The next stage of the Orange program will see the re-drilling of the Sun Fee lease. During the previous attempt, the well incurred a blow-out but it was deemed not to be the fault of Dome therefore through insurance cover the Company is fully covered for the cost of drilling the new well. The Company is required to start drilling before December 17 in order to be covered by the Company's insurance policy. The well will target the same Miocene sands that indicated outstanding potential in the previous unsuccessful well.

In Kentucky, gas production has seen several disruptions and inconsistencies over the last 12 months whilst we integrate new wells to the existing infrastructure. The Company has reviewed the production and operations. In order to boost production and regulate line pressures better, Dome is installing several new compressors in different areas of the field. To date, production has increased by 50% but we expect this to increase by over 100% once we have correct compression.

Following a technical review of the Vistatex portfolio, Dome has decided to undertake a re-completion program on the Mikeska field, Texas. The re-completion program is scheduled to be completed by the end of October with production potentially adding in excess of 100 BOEPD. The Company believes that it has located several development leads within the Vistatex portfolio and is currently accessing the next development targets.

Colorado Drilling Program

Dome understands that the Colorado drilling program, which Dome has agreed to acquire a 25% working interest, has been completed. Subject to formal approval from our bank, Dome will be assigned the leases, this is expected within the next 7 days. Thereafter, the Company expects to be able to report production to the market. Dome believes that net production will come closer to our target of 2,000 BOEPD.

Chief Executive Officer, Paul Morch, stated: "With our development programs continuing to yield good results and having received a term sheet for the merger we are taking the right steps towards our goals. We remain confident of the merger process and will endeavor to complete the process."

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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.