



Notice of extra general meeting in Crown Energy AB (publ)

The shareholders of Crown Energy AB (publ), reg. no. 556804-8598, (the “**Company**”) are hereby invited to the extra general meeting to be held on Monday 12 December 2016 at 14.00 at Baker & McKenzie’s premises on Vasagatan 7 in Stockholm, Sweden.

Registration and notification

Shareholders who wish to attend the general meeting must:

- i. on the record day, which is Tuesday 6 December 2016, be registered in the share register maintained by Euroclear Sweden AB. Shareholders whose shares are registered in the name of a nominee must no later than on Tuesday 6 December 2016 temporarily register the shares in their own name in order to be entitled to participate at the general meeting; and
- ii. notify the Company of their participation at the general meeting no later than Tuesday 6 December 2016. Notice of participation at the general meeting shall be sent by e-mail to info@crownergy.se, by telephone on +46 8 400 207 20, by facsimile to +46 8 400 207 25 or by regular mail to Crown Energy AB (publ), Norrlandsgatan 18, SE-111 43 Stockholm, Sweden. Upon notification, the shareholders should state their full name, personal identification number or corporate registration number, address and telephone number, and, where applicable, details of representative, proxy holder and advisor. A shareholder who wishes to be represented by proxy shall issue a written and dated proxy to the proxy holder. If the proxy is issued by a legal entity, a certified copy of the certificate of registration or corresponding document (“**Registration Certificate**”) shall be enclosed. The proxy in original and the Registration Certificate, if any, shall well before the meeting be sent to the Company by post (at the address above). A proxy form will be available on the Company’s website www.crownergy.se.

The proposed agenda

1. Opening of the general meeting and election of chairman of the general meeting.
2. Appointment of keeper of the minutes.
3. Preparation and approval of the voting list.
4. Approval of the agenda.
5. Election of one persons to certify the minutes.
6. Determination of whether the general meeting has been duly convened.
7. Proposal regarding amendment of the articles of association with respect to, e.g., introduction of new share classes.
8. Proposal regarding amendment of the articles of association with respect to the limits of the share capital.
9. Proposal to issue new shares under the quota value.
10. Election of directors of the board.

11. Closing of the general meeting.

Proposal for resolutions

Item 1: Election of chairman of the extra general meeting

The board of directors propose that Joakim Falkner, attorney at law, at Baker & McKenzie Advokatbyrå is appointed as chairman of the extra general meeting.

Item 7: Proposal regarding amendment of the articles of association with respect to, e.g., introduction of new share classes

To enable the share issue under item 9, the board of directors proposes that the extra general meeting resolves to amend the Company's articles of association as follows:

Object of the company

It is proposed that the objects clause of the Company in the articles of association is changed in order to also include the real estate industry following the upcoming acquisition of the shares in ESI Group S.A., org. nr B 179346. The articles of association, § 3, will thereby have the following wording:

"The company shall carry out business within the oil and gas industry and real estate industry, manage real property and chattels and to conduct activities related to the aforementioned."

New share classes

It is further proposed to introduce new share classes of the Company and that a clause regarding share classes is introduced in the articles of association, whereby shares may be issued in two series, ordinary and C shares. The number of shares regardless of share class may correspond to the maximum number of shares in the Company. Ordinary shares are proposed to carry ten (10) votes and C shares are proposed to carry one (1) vote. The current shares are to be ordinary shares. C shares are proposed not to entitle to dividends or part of the Company's assets upon the Company's dissolution.

It is also proposed that a clause regulating the preferential rights at issuances is introduced in the articles of association. The articles of association, will thereby have a new clause § 6 and that the following clauses will have a new numbering. The articles of association, § 6, will thereby have the following wording:

"Shares may be issued in two classes, ordinary shares and C shares. The number of shares of the respective class may correspond to the full number of shares in the company. Ordinary shares shall entitle to ten (10) votes each, and C shares shall entitle to one (1) vote each. C shares do not entitle to dividends or part of the company's assets upon the company's dissolution."

Should the company resolve on an issue of new ordinary and class C shares, against other payment than contribution in kind, each holder of ordinary and class C shares has preferential rights to subscribe for new shares of the same class in proportion to the number of shares already held by such holder (primary preferential rights). Shares not subscribed for with primary preferential rights shall be offered for subscription to all shareholders in the company (subsidiary preferential rights). If the number of shares so offered is less than the number subscribed for with subsidiary preferential rights, the

shares shall be distributed among the subscribers in proportion to the number of already shares held, or, to the extent that this is not possible, by the drawing of lots.

Should the company resolve on an issue solely of ordinary shares or class C shares, against other payment than contribution in kind, all shareholders, irrespective of which class of shares held, are entitled to preferential rights to subscribe for new shares in proportion to the number of shares previously held.

The stipulations regarding preferential rights shall apply mutatis mutandis for new issues of warrants and convertible debt, and shall not infringe on the possibility to resolve on an issue in which the preferential rights of shareholders are waived.

If the share capital is increased by a bonus issue, where new shares are issued, new shares shall be issued in relation to the number of shares of the same classes already held. In such cases, old shares of a specific class shall entitle to new shares of the same class. Following a requisite amendment in the articles of association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.”

Conversion of C shares

It is further proposed that a clause for conversion of C shares to ordinary is introduced in the articles of association. The articles of association will thereby have a new § 7 with the following wording:

*“As of the day, however not later than 30 June 2017, when the company has acquired the all shares of ESI Group S.A., reg. no. B 179346, from YBE Ventures Ltd, reg. no. C 62356 (the **“Transaction”**), the board of directors shall resolve to convert C shares to ordinary shares after request from a holder of C shares.*

The number of C shares that may be converted shall correspond to a conversion ratio based on, after the Transaction, an agreed value of the respective party, where the company’s value will be based on SEK 2.50 per C share and the shares of ESI Group S.A. will be based on a valuation of maximum SEK 908,504,559. One (1) C share entitles to one (1) ordinary share. The conversion ratio is to be established in accordance with the share purchase agreement entered into between the parties no later than 31 July 2017, or if the parties do not agree on the conversion ratio by 31 July 2017, the date when the accounting expert, in accordance with the share purchase agreement, establishes the final purchase price for the shares of ESI Group S.A.

A request of conversion shall be made in writing and been received by the company’s board of directors no later than on 10 August 2017, or no later than ten (10) business days after the purchase price has been established in accordance with the above. Thereafter, the board of directors shall immediately submit a notification to the Companies Registration Office for the registration of the conversion. The conversion shall be executed at the time for registration and when it has been noted in the Central Securities Depository Register.”

Redemption of C shares

It is further proposed that a clause for redemption of C shares through reduction of the share capital is introduced in the articles of association. The

articles of association, will thereby have a new § 8 with the following wording:

“Reduction of the share capital, however not below the minimum share capital, may be resolved by the company’s board of directors or general meeting, by redemption of C shares. A resolution regarding the reduction of the company’s share capital in accordance with this section may only take place not earlier than 30 April 2017.

The redemption price per C share shall be SEK 1/363,401,823.

When a resolution on reduction has been passed, an amount corresponding to the reduction amount shall be transferred to the company’s equity reserves, if the required funds are available.

Following notice of the redemption resolution, holders having requested redemption shall promptly receive payment for the share, or, if authorization from the Swedish Companies Registration Office or a court is required, following notice that the final decision has been registered.”

The auditor’s mandate period

It is also proposed to change the period for when the Company’s auditor is appointed from four years to one year. The articles of association will thereby include a new § 10 as follows:

“For the review of the company’s annual report as well as the management pursued by the board of directors and the managing director, one to two auditors with up to two deputy auditors, or a registered accounting firm shall be appointed until the end of the next annual general meeting after the auditor was elected.”

Attendance at general meetings

It is further proposed to change the clause concerning the right for shareholders to attend general meetings, whereby the articles of association will have a new § 12 with a new second paragraph with the following wording:

“A shareholder attending a general meeting may be accompanied by advisers, no more than two, only if the shareholder has given the company notice of his intentions to bring an adviser in accordance with the section above.”

Post sale purchase right for C shares

It is further proposed that a clause for post-sale purchase right for C shares is introduced in the articles of association. The articles of association, will thereby have a new § 16 with the following wording:

“If title to a C share has been transferred to a new owner, the share shall immediately be offered to the other shareholders for pre-emption through a written notification to the board of directors of the company. In this connection, the acquisition of the C share must be verified and if the share has been transferred by way of purchase, information must be given of the purchase price.

The pre-emption offer may comprise fewer than all C shares covered by offer.

Where a C share has been offered for pre-emption, the board of directors shall notify all shareholders immediately and in writing, requesting those wishing to exercise their right of pre-emption to give notice in writing to the company within two months from the board of directors' receipt of the notice of the transfer of the share.

Should several persons register for pre-emption, the priority right between them shall be decided by the drawing of lots, executed by the notary public, provided however that if several C-shares have been offered for pre-emption at the same time, the shares shall in the first place, and to the extent possible, be distributed among those who wish to exercise their right of pre-emption pro rata to their previous shareholdings.

The amount to be paid for each pre-empted C share shall be SEK 1/363,401,823. The purpose of the size of the amount to be paid for each pre-empted C shares is to reduce the transferability of the C share.

No other terms shall apply for the right of pre-emption.

Also other disputes than regarding the pre-emption price will be decided in accordance with the applicable act on arbitration.

If the purchaser and the person who has requested the right of pre-emption cannot agree on the pre-emption, the person who has requested the right of pre-emption shall, in writing, initiate arbitration within two months from the day the request to exercise the right of pre-emption was made to the company.

If no shareholder declares its intent to exercise its right of pre-emption within the prescribed time period, or if the price for the pre-empted share has not been paid within one month after the later of (a) when the time to exercise pre-emption has expired or (b) when the price was duly determined, the person who offered the C shares for pre-emption is entitled to be registered as shareholder."

Other

It is also proposed certain minor technical changes of the clauses regarding the agenda at the annual general meeting and the central securities depositary respectively. Thus, in the new § 12 it is proposed to remove the last section and references to "if any" with respect to the Company group financials. It is further proposed that the new § 15 is amended following a change of name of the applicable legislation.

It is finally proposed that the board of directors or a person appointed by the board of directors be authorized to make such minor adjustments in the above resolution that may be required in connection with the registration with the Swedish Companies Registration Office and Euroclear Sweden AB.

A resolution according to this item shall be conditional upon that the extra general meeting also resolves to amend the articles of association, item 8 and the issuance under item 9.

Item 8: Proposal regarding amendment of the articles of association with respect to the limits of the share capital.

To enable the bonus issue under item 8 **Fel! Hittar inte referenskölla.**, the board of directors proposes that the extra general meeting resolves to amend the Company's articles of association as follows:

Limits for the share capital

The limits for the share capital in the articles of association are changed from a minimum of SEK 1,200,000 and a maximum of SEK 4,800,000 to a minimum of SEK 4,277,264 and a maximum of SEK 17,109,056. The articles of association, § 4, will thereby have the following wording:

“The share capital shall be at least SEK 4,277,264 and no more than SEK 17,109,056.”

Limits of the number of shares

Further, it is proposed that the limits of the number of shares are amended from a minimum of 50,000,000 shares and a maximum of 200,000,000 shares to a minimum of 145,487,301 shares and a maximum of 581,949,204 shares. The articles of association, § 5, will thereby have the following wording:

“The number of shares shall be at least 145,487,301 and no more than 581,949,204.”

Other

It is finally proposed that the board of directors or a person appointed by the board of directors be authorized to make such minor adjustments in the above resolution that may be required in connection with the registration with the Swedish Companies Registration Office.

A resolution according to this item shall be conditional upon that the extra general meeting also resolves to amend the articles of association, item 7 and the issuance under item 9.

Item 9: Proposal to issue new shares under the quota value

The board of directors proposes that the extra general meeting resolves to issue a maximum of 363,401,823 C shares, in accordance with the following:

- *The total increase of the Company's share capital can amount to a maximum of SEK 1.00. The share issue is made below the quota value of the shares whereby an amount of app. SEK 10,683,855.205284, corresponding to the difference between the subscription price and the shares' quota value, must be covered through transfer from unrestricted equity in accordance with the Swedish Companies Act, so that the share capital of the Company through the share issue and the transfer from unrestricted equity may be increased by app. SEK 0.02939956414 per subscribed, allotted and paid shares. The transfer from unrestricted equity must be carried out prior to the share issue under this exhibit is registered with the Swedish Companies Registration Office.*
- The subscription price for the new shares is SEK 1/363,401,823 per share, in total SEK 1.00 if all shares are subscribed for.
- The right to subscribe for the shares shall, with deviation from the shareholders' priority right, be attributed to YBE Ventures Ltd, reg. no. C 62356.
- Subscription for the shares shall be made by payment in cash and may not take place before the new articles of association are registered with the Companies Registration Office in accordance

with item 7 and on 30 December 2016 at the latest. The board of directors has the right to extend the subscription period.

- The new C shares will entitle to dividend for the first time on the record date for dividend that occurs following the registration of the new shares with the Swedish Companies Registration Office and Euroclear Sweden AB.
- The reason for the deviation from the shareholders' priority right is that the shares shall be offered to YBE Ventures Ltd. as payment for all shares in ESI Group S.A., org. nr B 179346.
- The new shares will be subject to post sale purchase right, redemption right and conversion right.
- The decision requires an amendment of the articles of association.
- The board of directors or anyone appointed by the board of directors is given the right to make the adjustments necessary in connection with the registration of the resolution at the Companies Registration Office and Euroclear Sweden AB.

A resolution according to this item shall be conditional upon that the extra general meeting also resolves amend the articles of association, item 7 and item 8.

Item 10: Election of directors of the board

A proposal regarding the election of directors of the board will be presented no later than at the extra general meeting.

Number of shares and votes

The total numbers of shares and votes in the Company on the date of this notice are 92,547,379. Each share represents one vote. Only one class of shares exists. The Company does not hold any own shares.

Majority rules

The resolutions in accordance with items 7-9 are only valid if supported by shareholders holding not less than two thirds of both the shares voted and of the shares represented at the general meeting

Miscellaneous

The complete proposals of resolutions and proxy form together with other required documents under the Swedish Companies Act will be available at the Company and at the Company's website, www.crownenergy.se, at least three weeks in advance of the extra general meeting. The documents will also be sent to shareholders upon request provided that the shareholders state their postal address.

The shareholders are reminded of their right to request information at the extra general meeting from the board of directors and the managing director in accordance with Ch. 7 Section 32 of the Swedish Companies Act.

Stockholm in November 2016

Crown Energy AB (publ)

The board of directors

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 08:15 CET on 10 November 2016.

MORE INFORMATION

Please contact Andreas Forssell, CEO, Crown Energy AB

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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.