



Notice of the annual general meeting 2014 in Crown Energy (publ)

PRESS RELEASE 14/04/2014

The shareholders of Crown Energy AB (publ), reg. no. 556804-8598, (the "Company") are hereby invited to the annual general meeting to be held on Wednesday 14 May 2014 at 2 pm at the Company's office at Norrlandsgatan 18 in Stockholm, Sweden.

Registration and notification

Shareholders who wish to attend the general meeting must:

- i. on the record day, which is Thursday 8 May 2014, be registered in the share register maintained by Euroclear Sweden AB ("Euroclear"). Shareholders whose shares are registered in the name of a nominee must no later than on Thursday 8 May 2014 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 Thursday 8 May 2014. Notice of participation at the general meeting shall be sent by e-mail to info@crownergy.se, 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 representatives, proxy holders and advisors. A shareholder who wishes to be represented by proxy shall issue with a written and dated proxy to the proxy holder. If the proxy is issued by a legal entity, a certified copy of the registration certificate 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 form proxy will be available for download 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 or two persons to certify the minutes.
6. Determination of whether the general meeting has been duly convened.
7. Presentation of the annual report and the audit report and the consolidated financial statements and the audit report for the group.

8. Resolutions regarding:
 - a) adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet;
 - b) allocation of the Company's profit or loss according to the adopted balance sheet; and
 - c) discharge from liability for the board members and the managing director.
9. Determination of the number of ordinary directors and deputy directors of the board.
10. Determination of remuneration to the board of directors and the auditor.
11. Election of ordinary directors and deputy directors, if any, as well as election of chairman of the board of directors.
12. Resolution regarding guidelines for remuneration to senior executives.
13. Resolution regarding subsequent approval of issuance of 2,500,000 convertible bonds resolved by the board of directors.
14. Closing of the general meeting.

Proposal for resolutions

Item 1: Election of chairman of the annual general meeting

Shareholders representing more than app. 59 % of all the shares and votes in the Company propose that the lawyer Joakim Falkner is appointed as chairman of the annual general meeting.

Item 8(b): Resolution regarding allocation of the Company's profit or loss according to the adopted balance sheet

The board of directors proposes that all funds available to the Company shall be carried forward.

Items 9-11: Determination of the number of ordinary directors and deputy directors of the board, determination of remuneration to the board of directors and the auditor and election of ordinary directors and deputy directors, if any, as well as election of chairman of the board of directors

Shareholders representing more than app. 59 % of all the shares and votes in the Company propose the following with regard to items 9, 10 and 11:

- the number of directors elected at the general meeting shall be three (3) directors without deputy directors;
- remuneration to the board of directors shall comprise to an amount of SEK 150,000 to the chairman of the board and to an amount of SEK 75,000 to each of the non-employed directors;
- remuneration to the auditor shall be paid in accordance with approved invoices;
- the current directors Alan Simonian, Andrew Harriman and Ulrik Jansson shall be re-elected; and
- Alan Simonian shall be re-elected as chairman of the board of directors.

Note that Öhrlings PricewaterhouseCoopers AB was appointed as the Company's auditor at the extra general meeting in 2010 for the period until the end of the annual general meeting 2015, wherefore no appointment of an auditor is conducted at this year's annual general meeting. Öhrlings PricewaterhouseCoopers AB has declared that Peter Burholm will remain as responsible auditor.

Item 12: Resolution regarding guidelines for remuneration to senior executives

The board of directors proposes that the general meeting resolves to adopt the following guidelines for remuneration to senior executives. With exception of the addition of the last section, the guidelines have not been amended since last year.

The board of directors shall be entitled to deviate from the guidelines in an individual case if there are special reasons for it. In such event information regarding this and the reason for the deviation shall be presented at the next annual general meeting.

Salary and other benefits:

Remuneration to the managing director and other senior executives shall comprise of a base salary in line with current market practice. Benefits, if any, shall only be a limited part of the remuneration.

Pension:

Pensions to the managing director and other senior executives shall be fee determined which means that the earnings are made through the parent company's yearly premium payments. The managing director's pension contributions shall amount to 35% of the salary each year. Pension to other senior executives shall follow the ITP plan.

Severance payment:

Upon termination by the Company, severance pay shall be paid to senior executives with an amount corresponding to a maximum of 24 months' salary, including base salary during the notice period.

Incentive programs:

Resolutions on share and share-price related incentive programs for senior executives should be resolved by the general meeting. Share and share-price related incentive programs should be designed with the aim of achieving greater community of interest between the participating senior executive and the Company's shareholders. Programs that involve the acquisition of shares shall be designed so that one's own shareholding in the Company is promoted. The vesting period, or the time from the conclusion of the contract until the shares may be acquired, shall not be less than three years. Directors, who are not employed by the Company, shall not participate in programs aimed at management or other employees. Stock options shall not be included in programs directed to the board of directors.

In November 2011 the extra general meeting of the Company resolved to issue 450,000 warrants to the management of the group. The warrants entitle each holder to subscribe for one share per warrant under the period until 28 November 2014. The subscription price shall amount to SEK 30 per share.

Work carried out by a director in addition to the board work

The members of the board of directors may in special cases be remunerated for services carried out within their specific area of expertise, which do not constitute board work. For such services, market compensation shall be paid, which is subject to approval by the board and to information at the annual general meeting.

Item 13: Resolution regarding subsequent approval of issuance of 2,500,000 convertible bonds resolved by the board of directors

The board of directors has on Wednesday 2 April 2014 resolved to issue a maximum of 2,500,000 convertible bonds, with deviation from the shareholders preferential rights and subject to the general meeting's subsequent approval, which may result in an increase of the Company's share capital of a maximum of app. SEK 73,498.92 (the "Issuance").

In general the following terms shall apply to the Issuance:

- The Company shall raise loans with a nominal value not exceeding SEK 25,000,000 through an issue of convertible bonds, entitling to conversion to new shares of the Company.
- Each convertible bond shall have a nominal value of SEK 10. The subscription price is SEK 8.20 per convertible bond.
- The purpose of the Issuance and the deviation from the shareholders priority right is that the convertible bonds shall be offered to certain selected investors in the Company and that the Issuance shall be made by set-off against existing loans from certain creditors to the Company.
- The loan shall carry an annual interest of 10 percent.
- Payment for the new convertible bonds can be made in cash or by set-off.
- A holder of a convertible bond shall twice annually during the periods June 1 up to and including June 30 and December 1 up to and including December 31, as well as during the period March 1, 2016 up to and including March 31, 2016, have the right to request conversion to new shares of the Company at a strike price of SEK 10 per share. The strike price may be recalculated under certain situations.
- A share created through conversion carries the right to dividend commencing from and including such record date for dividend which occurs immediately after the conversion effective date.

The board of directors proposes that the annual general meeting approves the Issuance.

Resolution in accordance with this item is only valid if supported by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the general meeting since parts of the Issuance were directed to related executives in accordance with Chapter 16 of the Swedish Companies Act.

Number of shares and votes

The total numbers of shares and votes in the Company on the date of this notice are 27,844,679. Each share represents one vote. Only one class of shares exists. The Company does not hold any own shares.

Miscellaneous

Copies of the accounting documentation, the auditor's report, proxy form and complete proposals of resolutions will be available at the Company and at the Company's website, www.crownenergy.se, at least three (3) weeks in advance of the annual 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 annual general meeting from the board of directors and the managing director in accordance with Chapter 7 Section 32 of the Swedish Companies Act.

Stockholm, April 2014

Crown Energy AB (publ)
Board of Directors

Crown Energy AB (publ) discloses above information pursuant to the Swedish Securities Market Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication on April 14, 2014, 8:30 AM.

MORE INFORMATION

Please contact Ulrik Jansson, 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.