

Press release 2011-12-21

Report from the Extraordinary General Meeting in Svenska Capital Oil on December, 21 2011

At the Extraordinary General Meeting in Svenska Capital Oil AB commencing today at 15.00 the CEO Leif Larsson made the following summarised statement to the attendants at the meeting:

”Before the start of the meeting I would like to inform the shareholders present about the current situation in the company:

- As we have made public in a separate press release we will in our interim full year report for 2011 report a profit for the Capital Oil Group. This is owed to the activities in the current Joint Activity between Misen-Karpatygaz and Ukgazvydobuvannya.

Production of gas and oil is today approximately 29 million SCF (Standard cubic feet) corresponding to about 4 800 BOE per day (Barrel of oil equivalent). This production is the present total production for the Joint Activity Agreement entered into with the largest publicly owned gas producer in Ukraine, Ukgazvydobuvannya, which is giving the Capital Oil Group the right to 50,01 % of this production. The production assets are defined and regulated in the Joint Activity Agreement.

- The EGM will today be proposed to elect a new Board of Directors which will add professional governance to Capital Oil with a great experience from the energy sector.
- Further the board proposes to the EGM to resolve on a reverse share split making the number of shares being more feasible.”

The EGM thereafter resolved according to the proposition by the board to change the Articles of Association regarding the registered office of the company to be Stockholm in stead of Göteborg and resolved further that the number of shares should be between 100 000 000 and 400 000 000 and that the number of members in the board of directors be minimum three and maximum nine without any deputies.

As new members of the board were elected:

- Tore Sandvold, also appointed as chairman of the board.
Tore Sandvold has a profound experience from the energy sector among others as Director General in the Norwegian Ministry of Oil & Energy and as

chairman alternatively member of the board in several companies in the energy sector such as Schlumberger Ltd, Houston, Texas since 2004. Schlumberger Ltd is one of the largest service organisations within oil and gas in the world.

Hans Lundgren

Hans Lundgren is Investment director at the Sustainable Technologies Fund and has prior to that been active at Vattenfall responsible for corporate strategy and development.

- Knud Nörve

Knud Nörve is Senior Partner at Rystad Energy, the leading oil and gas experts in Norway and he has totally more than fifteen years of experience of the energy sector from various positions in among others Norsk Hydro and Neste.

- Henry Cameron

Henry Cameron was former CEO in Sibir Energy plc dedicated to the exploitation of oil opportunities in Russia and he is further chairman of Pentax Oil Ltd.

Detailed information about all the members of the board is updated on our web site.

Nils Wärgården, Irina Kratzik and Mykhaylo Siryy are leaving the board and from the earlier board Dimitrios Dimitriadis was re-elected.

The EGM further resolved, in accordance with the proposition by the board, to consolidate shares 1:100. Thereby the number of shares in the company will be reduced from present 14 506 822 223 to 145 068 222 and the quota value is moving from 0,02 SEK to approximately 2,00 SEK.

The EGM took place at the company premises at Engelbrektskatan 32 in Göteborg and was attended by totally 19 people whereof 11 shareholders with voting rights representing slightly more than 59 per cent of total shares and votes in the company.

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Capital Oil is a Swedish oil and gas exploration and extraction company with operations in Ukraine. Capital Oil was founded in 2004 and the Capital Oil share is since 12 June 2007 traded on NasdaqOMX First North.

In 2011 Svenska Capital Oil AB acquired Misen Enterprises AB and its Ukrainian subsidiary, KarpatyGaz, including the rights of 50,01 % of the revenue and profit from a gas production project in Ukraine, which will provide Capital Oil with essential gas and oil assets. As consideration of this acquisition a new share issue was performed.

The gas extraction assets are acquired by production cooperation via a joint activity project governed by a Joint Activity Agreement (the "JAA") between the wholly owned subsidiaries of Capital Oil, i.e. Misen Enterprises AB and Karpatygas and Ukgazvydobuvannya, the largest producer of natural gas in Ukraine and subsidiary of the publicly owned company Naftogaz Ukraine. The value of the assets has been assessed by PwC in Ukraine and is estimated to be essentially more than the purchase price for Misen.

The purpose of the project is to significantly increase production of gas and oil by implementing new technology and a large-scale investment program.

The residence of Capital Oil is in Gothenburg and the shares are traded on First North under identification COIL. The Certified Adviser of the company at NasdaqOMX First North is Thenberg & Kinde Fondkommision AB.

For further information please visit our web site www.capitaloil.se.

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