

**CEQUENCE ENERGY LTD. ANNOUNCES THE COMPLETION OF ITS PRIVATE PLACEMENT, DEBT TRANSACTION AND RESULTS OF ITS ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS**

CALGARY, June 27, 2019 – Cequence Energy Ltd. ("Cequence" or the "Company") (TSX: CQE) is pleased to announce the successful completion today of its previously announced private placement of common shares (the "Private Placement"), \$10 million principal repayment on its \$60 million term loan, as well as the results of its Annual General and Special meeting of shareholders.

Private Placement

Under the Private Placement, Cequence issued a total of 17,230,769 flow-through common shares (the "Common Shares") at a subscription price of \$0.65 per Common Share for gross proceeds of \$11.2 million. The Company intends to use the proceeds to incur "Canadian development expenses" as defined in the *Income Tax Act* (Canada) ("CDE"). The subscribers of the Common Shares issued under the Private Placement will be entitled to renunciations from the Company of CDE with an effective date on or prior to June 27, 2021.

In connection with the Private Placement, Mr. G.A. Cumming subscribed for 7,737,108 Common Shares and now holds a total of 8,338,584 Common Shares of Cequence, representing 19.96% of the total number of issued and outstanding common shares following the Private Placement.

The Private Placement was subject to approval by a majority of the Company's shareholders, excluding votes cast by shareholders and their affiliates who participated in the Private Placement.

Debt Prepayment and Amendment

In accordance with the terms of the first amending agreement dated May 23, 2019 (the "Amending Agreement") between Cequence and the holders of its \$60 million term loan, the Company has also completed the prepayment of \$10.0 million of principal, plus accrued interest, on the Term Loan. The Amending Agreement amends certain provisions of the Term Loan, as described in more detail in the Company's press release dated May 23, 2019.

Annual General and Special Meeting of Shareholders

Cequence held its Annual General and Special Meeting of shareholders (the "Meeting") in Calgary today. A total of 9,456,068 common shares of the Company, representing approximately 39% of the issued and outstanding common shares, were represented in person or by proxy at the Meeting.

At the Meeting, each of the six nominees proposed by management was elected to serve as a director of the Company, to hold office until the close of the next annual meeting of shareholders or until his successor is elected or appointed. The directors were elected by ballot at the meeting. The proxies and in person votes received were as follows:

	Votes For		Votes Withheld	
	Number	Percent (%)	Number	Percent (%)
Donald Archibald	6,986,365	96.7%	241,742	3.3%
Peter Bannister	6,793,221	94.0%	434,886	6.0%
Todd Brown	6,758,068	93.5%	470,039	6.5%
Howard Crone	6,969,056	96.4%	259,051	3.6%
Brian Felesky	6,856,662	94.9%	371,445	5.1%
Dan O'Neil	6,864,598	95.0%	363,509	5.0%

Cequence's shareholders also voted in favour of all other items of business put forward at the meeting, including the Private Placement, the approval of all unallocated stock options and restricted share units issuable pursuant to the Company's Stock Option Plan and Restricted Share Unit Plan, and the re-appointment of Deloitte LLP as the Company's auditors, with each resolution receiving 90% or more of the votes cast in person or by proxy at the meeting :

## **OVERVIEW OF CEQUENCE**

Cequence is engaged in the exploration for and the development of oil and natural gas reserves. The Company's primary focus is the development of its Simonette asset in the Alberta Deep Basin with other non-core assets in Northeast British Columbia and the Peace River Arch of Alberta. Further information can be found at [www.cequence-energy.com](http://www.cequence-energy.com).

*The TSX has neither approved nor disapproved the contents of this news release.*

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### *Forward-looking Statements or Information*

*The statements included in this press release relating to the use of the proceeds from the Private Placement and the renunciation of CDE by Cequence in favour of the subscribers to the Private Placement constitute forward-looking statements or forward-looking information under applicable securities legislation. Such forward-looking statements or information are provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes, such as making investment decisions. Forward-looking statements or information are based on a number of factors and assumptions which have been used to develop such statements and information, but which may prove to be incorrect. Although the Company believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because the Company can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this press release, assumptions have been made regarding, among other things: the impact of increasing competition; the timely receipt of any required regulatory approvals; the ability of the Company to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects which the Company has an interest in to operate the field in a safe, efficient and effective manner; the ability of the Company to obtain financing on acceptable terms;*

*field production rates and decline rates; the ability to replace and expand oil and natural gas reserves through acquisition, development of exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of the Company to secure adequate product transportation; future oil and natural gas prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters; and the ability of the Company to successfully market its oil and natural gas products. Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used.*

*Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by the Company and described in the forward-looking statements or information. These risks and uncertainties may cause actual results to differ materially from the forward-looking statements or information. The material risk factors affecting the Company and its business are contained in the Company's Annual Information Form which is available on SEDAR at [www.sedar.com](http://www.sedar.com).*

*The forward-looking statements or information contained in this press release are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise unless required by applicable securities laws. The forward-looking statements or information contained in this press release are expressly qualified by this cautionary statement.*