



CEQUENCE ENERGY ANNOUNCES EXTENSION OF STAY PERIOD TO SEPTEMBER 8, 2020 AND SCHEDULED DELISTING FROM THE TORONTO STOCK EXCHANGE

CALGARY, June 8, 2020 – Cequence Energy Ltd. ("Cequence" or the "Company") (TSX: CQE) announces that it has obtained an order from the Court of Queen's Bench of Alberta (the "Court") extending the stay of proceedings previously granted by the Court on May 29, 2020 as part of Cequence's application under the *Companies' Creditors Arrangement Act* ("CCAA"). The stay of proceedings has been extended to September 8, 2020.

The extension of the stay period will allow the Company to pursue potential strategic options and alternatives to maximize the value for its stakeholders. The Company intends to work toward developing a plan of compromise or arrangement under the CCAA to be voted on by its creditors.

In addition to the Court order extending the stay period, the Company also sought and obtained an increase to certain Court-ordered priority charges against the Company's assets.

Materials publicly filed in the Company's CCAA proceedings, including copies of the initial order of the Court granted on May 29, 2020, are available on the website of the court-appointed monitor, Ernst & Young Inc., at <http://www.ey.com/ca/cequence>. During the CCAA proceedings, management of the Company will remain responsible for managing day-to-day operations under the general oversight of the monitor.

In connection with the Company's CCAA proceedings, the Toronto Stock Exchange ("TSX") has advised Cequence that it has determined to delist the Company's common shares from the TSX effective as of the close of markets on July 8, 2020. Trading in Cequence's common shares on the TSX will remain suspended until such delisting is effective.

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.

Forward-looking Statements or Information

Certain information contained in this press release may contain forward looking statements within the meaning of applicable securities laws. The use of any of the words "intend", "would", "will", "expect", and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this press release contains forward-looking statements concerning: the Company's strategic process and its potential impact and outcomes; the ability to identify and implement any sale or other restructuring alternatives in connection with the strategic process and the Company's CCAA proceedings; the Company's intended actions during the CCAA proceedings; the effect of the Company's strategic process and CCAA proceedings on the Company and its stakeholders; the additional information to be disseminated by the Company over the course of the strategic process and CCAA proceedings; and the scheduled delisting of the Company's common shares from the TSX, including the effective date of such delisting.

Forward-looking statements are necessarily based on estimates and assumptions that are inherently subject to known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those expressed or implied by such forward-looking statements. The above-mentioned forward-looking statements necessarily involve risks, including, without limitation, risks associated with: the ability of the Company to implement alternatives identified through the strategic process; the ability of the Company to find suitable buyers or investors or to obtain all necessary approvals in order to complete any sale or other restructuring transaction identified in connection with the strategic process and the CCAA proceedings; the ability of the Company to operate in the ordinary course during the CCAA proceedings, including with respect to satisfying obligations to service providers, suppliers, contractors and employees; the ability of the Company to continue as a going concern; the

Company's future liquidity position, including its ability to generate sufficient cash flow from operations and access additional capital, to fund ongoing operations and obligations; the ability of the Company to stabilize its business and financial condition; the ability of the Company to comply with its contractual obligations, including, without limitation, its obligations under debt arrangements; the general regulatory environment in which the Company operates; the general economic, financial, market and political conditions impacting the industry and markets in which the Company operates; the impact of competition; the ability of the Company to obtain and retain qualified staff, equipment and services in a timely and efficient manner (including in light of the Company's restructuring efforts); and the ability of the Company to retain members of the management team, including but not limited to, the officers of the Company.

Events or circumstances may cause actual results to differ materially from those anticipated, as a result of the risk factors set out and other known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. In addition, 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 and which have been used to develop such statements and information in order to provide stakeholders with a more complete perspective on the Company's future operations. Such information may prove to be incorrect and readers are cautioned that the information may not be appropriate for other purposes. 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 herein, assumptions have been made regarding, among other things: the impact of competition; the general stability of the economic environment in which the Company operates; and the timely receipt of any required regulatory approvals.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which have been used. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements. Additional information on these and other factors that could affect the Company's operations and financial results are included in reports, including under the heading "Business Risks" in the Company's management's discussion and analysis for the year ended December 31, 2019 that is on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com) under the Company's profile.

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.

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

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