

May 13, 2019

Pacific Oil & Gas Ltd. To Acquire Canbriam Energy Inc.

CALGARY, AB, May 13, 2019 (Cision) — Canbriam Energy Inc. (“Canbriam”) and Pacific Oil and Gas Ltd. (“PO&G”) today jointly announce the signing of definitive documents for the acquisition by PO&G of all of the issued and outstanding shares of Canbriam for cash consideration (the “Transaction”). Canbriam’s Board of Directors has provided unanimous approval of the Transaction, and all of the officers, directors and significant shareholders of Canbriam representing greater than 90 percent of the outstanding Canbriam shares have entered into support and lock-up agreements in favor of the Transaction.

The Transaction will result in a well-capitalized Canadian growth platform strategically positioned to develop Canbriam’s premier, highly scalable and integrated asset base in the Montney, which is currently producing approximately 200 million cubic feet per day of natural gas, including 6,000 barrels per day of associated natural gas liquids. The Transaction includes Canbriam’s 100 percent owned and operated natural gas processing plants and water handling infrastructure which is ideally situated in northeast British Columbia to support natural gas export opportunities.

Canbriam is focused on applying technology to enhance its environmental performance including significant investments in water sourcing, distribution and recycling infrastructure that has minimized trucking requirements across its operations. Canbriam’s investments in technology, which include vapor recovery, waste heat recovery, solar power for electricity and utilizing recycled water, demonstrate the responsible approach to development that Canbriam has taken to minimize GHG and fugitive emissions across its operations.

“Canada has the opportunity to become a leader in the global energy transition,” said Ratnesh Bedi, President of PO&G. “Canbriam is one of the lowest cost producers in the Montney and we look forward to partnering with Paul Myers and the entire team. We welcome the opportunity to work in Canada and produce some of the cleanest natural gas, held to the highest environmental and technical standards in the world, and sharing that resource to offset GHG emissions around the globe.”

Paul Myers, Canbriam’s President and Chief Executive Officer, stated, “This transaction supports ongoing development of our prolific Montney assets and aligns us for future natural gas export. We warmly welcome Pacific Oil and Gas as our new owner.”

The Transaction will be completed by way of an exempt takeover bid, with the offer expected to be mailed to Canbriam securityholders before May 21, 2019. Closing of the Transaction is expected to occur prior to July 1, 2019, subject to the satisfaction of customary closing conditions, including approvals required under the Competition Act (Canada). In connection with the Transaction and prior to close, Canbriam intends to deliver a redemption notice to the

holders of its Senior Notes due 2019 to redeem the notes conditional on the completion of the Transaction. This release does not constitute an offer with respect to the takeover bid or a redemption notice with respect to such Senior Notes.

Macquarie Capital Markets Canada Ltd. is acting as exclusive financial advisor to PO&G with respect to the Transaction and Bennett Jones LLP is acting as legal counsel. RBC Capital Markets is acting as financial advisor to Canbriam and Norton Rose Fulbright Canada LLP is acting as legal counsel.

About Canbriam

Canbriam Energy Inc. is a private exploration and production company with a focus on liquids rich natural gas development. Its principal producing properties and acreage positions are in the Altares and Kobes Montney regions of northeast British Columbia. Canbriam is focused on generating full cycle value creation from its Montney assets in all commodity price cycles through ownership of all processing and water handling infrastructure, maintaining a low operating cost structure. The company was founded in 2007 and is headquartered in Calgary, Alberta with an office in Fort St. John, British Columbia.

About Pacific Oil & Gas

PO&G is an independent energy resources development company focused on helping meet the increasing energy requirements of growing Asian economies. It invests, develops, builds, owns and operates innovative and cost-competitive projects throughout the energy supply chain, while maintaining constant attention to its role as a responsible corporate citizen.

In Canada, PO&G owns the planned LNG export-terminal Woodfibre LNG, a project currently in pre-construction phase. Once built, Woodfibre will be one of the world's cleanest LNG facilities, using renewable hydro electricity to power the plant.

In the upstream sector, PO&G's activities are concentrated on exploration, development and production of oil and gas on and around the island of Sumatra, Indonesia. Its midstream and downstream operations include the development of LNG receiving terminals and large-scale Combined Cycle Gas Turbine (CCGT) power plants in China.

Forward-Looking Statements & Advisory

This news release contains forward-looking statements within the meaning of securities legislation. All statements, other than historical facts, that address activities that Canbriam intends, assumes, plans, expects, believes or anticipates (and other similar expressions) will, should or may occur in the future are forward-looking statements. Forward-looking statements herein relate to business strategy and objectives; development and exploration plans, including the anticipated benefits resulting therefrom and the timing thereof; the timing and expected benefits of the Transaction with PO&G; the redemption of Canbriam's Senior Notes due 2019.

The forward-looking statements are based on management's current beliefs, based on currently available information, as to the outcome and timing of future events. These forward-looking statements involve certain risks and uncertainties that could cause the results to differ materially from those expected by the management of Canbriam. Canbriam undertakes no obligation to update or revise any forward-looking statements. Any forward-looking statements in this release are expressly qualified by this cautionary statement. Please refer to www.canbriam.com and www.po-and-g.com for more information.

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