

QUEBEC CITY, QUEBEC--(Marketwired - Jul 28, 2017) - Pétrolia Inc. (TSX VENTURE:PEA) wishes to comment on the adoption of a ministerial decree by the Quebec government that now prohibits the exploration and exploitation of oil and gas on Anticosti Island. Pétrolia also wishes to make some observations concerning the declaration by the same government that it had reached agreements with the other companies involved in Hydrocarbures Anticosti S.E.C. (hereafter "HASEC") or holding exploratory rights on Anticosti Island.

The ministerial decree

Pétrolia reminds that it was at the request of the Gouvernement of Québec that it partnered with HASEC in 2014 and that it transferred its licenses in order to explore for oil resources on the Island, in the collective interest of Quebecers. The decision by the same government today to prohibit the oil exploration on the Island must be approached and considered bearing this historical fact in mind.

Moreover, despite the ministerial decree and the announcement of agreements with other companies, this does not put an end to the contractual agreements that led to the creation of HASEC. To terminate the agreements entered into in good faith in 2014 and formalized by decree, the unanimous agreement of the partners is required, as stipulated in the aforementioned agreements.

It is in this context that Pétrolia began and is currently continuing its negotiations with the Quebec government. In this respect, it is important to remember that Pétrolia holds 21.7 % of HASEC and that to date, all of the studies conducted have been very positive regarding the oil and gas potential on Anticosti Island.

"Although we are deeply disappointed with this turn of events, we are still convinced, even more so than in 2014, of the potential and the importance of the Anticosti project for Quebec and for the Company. However, at the request of the Government of Québec, we are pursuing negotiations in good faith. For us, Anticosti is and will always be a project with great economic potential likely to generate significant benefits for Quebec," said Martin Bélanger, interim President and Chief Executive Officer of Pétrolia.

Announcement of agreements with some companies

The fact that the Government of Québec has announced that it has reached agreements with some companies, including the French company Maurel & Prom, does not in any way change the status or rights of Pétrolia.

As the only Quebec company involved in HASEC and in this oil exploration project initiated by the Government of Québec, Pétrolia is in a unique position compared to the other companies involved. Notably, it was assigned, by contract, the responsibility of acting as the project operator, which is to say that it was entrusted with carrying out and completing the exploration phase.

It is notably on the basis of this agreement and the substantial benefits resulting from it, as well as on the value that was attributed to its licenses in the context of the creation of HASEC that Pétrolia accepted to partner with the Quebec government in this large exploration project.

In these circumstances, it is clear that the Government of Québec cannot treat Pétrolia in the same way as the foreign companies with which it partnered in 2014. The differences of status, interest, involvement and responsibility are obvious, manifest and known by all.

About Pétrolia

Pétrolia is a junior oil and gas exploration company which owns interests in oil and gas licences covering 16,000 km² (4 million acres), which represents almost 23% of the Québec Territory under lease. The closing of a partnership on Anticosti Island has led to the creation of Anticosti Hydrocarbons L.P., a limited partnership in which Pétrolia holds a 21.7% interest. In order to carry out the project's operations, Pétrolia Anticosti Inc., a subsidiary of Pétrolia, was designated project operator. Pétrolia is a Quebec company whose objective is to develop oil from here, by the people here, for here. Pétrolia has 97,049,881 shares issued and outstanding.

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Certain statements made herein may constitute forward-looking statements. These statements relate to future events or the future economic performance of Pétrolia and carry known and unknown risks, uncertainties and other factors that may appreciably affect their results, economic performance or accomplishments when considered in light of the content or implications or statements made by Pétrolia. Actual events or results could be significantly different. Accordingly, investors should not place undue reliance on forward-looking statements. Pétrolia disclaims any intention or obligation to update these forward-looking statements.

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Contact

Martin Belanger, Ing. P.
President & Chief Executive Officer
418 657-1966
www.petrolia-inc.com