



Pinedale Energy Announces Year End 2017 Reserves, Financial and Operating Results

April 9 - Vancouver, British Columbia – Pinedale Energy Limited (“Pinedale” or the “Company”) (TSXV: MCF) is pleased to announce its reserves, financial and operational results for the year ended December 31, 2017. Pinedale’s audited consolidated financial statements, management’s discussion and analysis and statement of reserves data and other oil and gas information, as mandated by National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities of the Canadian Securities Administrators*, for the year ended December 31, 2017 are available under the Company’s profile on SEDAR at www.sedar.com

Significant 2017 Highlights

- **Acquisitions:** Successful reverse takeover transaction and name change effective June 1 with acquisition of subsidiaries owning developed and undeveloped Pinedale field natural gas assets in southwest Wyoming;
- **Financings:** The Company raised \$6.5 million in equity and mezzanine financing in 2017;
- **Capital Investments:** Pinedale invested \$6.8 million in 2017 participating with its operating partner in the successful development of 5 directionally drilled vertical infill wells (1.0625 net) and the Warbonnet 9-23-A-1H exploratory horizontal well (0.0794 net). Pinedale’s inventory of producing wells at year-end 2017 totaled 17 wells comprising 16 vertical wells (3.325 net) and 1 horizontal well (0.0794 net);
- **Horizontal Exploration Success:** Warbonnet 9-23-A-1H, developed in the fourth quarter of 2017, realized a 24-hour initial production rate of 51 MMcfe/day and a 30-day initial production rate of 36 MMcfe/day, producing a Pinedale field record 1.1 Bcfe in its first 30-days of production;
- **Reserves:** December 31, 2017 proved (“1P”) reserves of 46 Bcfe (77% undeveloped; 94% natural gas, 6% field condensates);
- **2017 Production:** 1.18 Bcf of natural gas and 11.2 thousand barrels of condensate for total of 1.25 Bcfe (3,418 Mcfe / day);
- **Total Assets:** \$22.9 million at December 31, 2017;
- **Balance Sheet:** \$2.96 million in cash with net working capital of \$1.55 million at December 31, 2017. Bank and mezzanine debt was \$7.32 million;
- **Q4 Production:** 0.52 Bcf of natural gas and 5.5 thousand barrels of condensate for a total of 0.55 Bcfe (6,015 Mcfe / day);
- **Q4 Revenue:** \$2.48 million during the three months ended December 31, 2017; and
- **Q4 Field Netback:** \$2.38 / Mcfe during the three months ended December 31, 2017

Financial and Operational figures ⁽¹⁾

See below for a summary table of certain 2017 financial and operational figures:

	Three months ended December 31			Twelve months ended December 31		
	<u>2017</u>	<u>2016</u>	<u>% Change</u>	<u>2017</u>	<u>2016</u>	<u>% Change</u>
Production						
Natural gas (Mcf/d)	5,646	2,414	134%	3,233	2,895	12%
Oil & natural gas liquids (bbl/d)	61	21	197%	31	26	18%
Barrels of oil equivalent (boe/d)	1,002	423	137%	570	509	12%
Thousand cubic feet equivalent (Mcf/d)	6,015	2,538	137%	3,420	3,053	12%
Commodity prices (in CAD\$)						
Natural gas - after hedging (\$/Mcf)	4.00	4.05	-1%	3.89	3.25	20%
Natural gas - after hedging (\$/MMbtu)	3.69	3.73	-1%	3.59	3.00	20%
Henry Hub (\$/MMbtu)	3.70	4.06	-9%	3.88	3.33	16%
Oil & natural gas liquids (\$/bbl)	71.52	49.49	45%	67.86	43.37	56%
NYMEX crude oil (\$/bbl)	70.39	65.55	7%	66.08	57.16	16%
Revenue (\$000)						
Natural gas	1,950	927	110%	4,426	3,469	28%
Oil & natural gas liquids	404	94	330%	769	416	85%
Hedging gain (loss)	130	(28)	364%	165	(23)	617%
Total revenue	2,484	994	150%	5,360	3,862	39%
Netbacks						
(\$/Mcf)						
Average sale price	4.49	4.14	9%	4.29	3.44	25%
Less:						
Royalties	0.96	0.87	10%	0.85	0.73	16%
Production taxes	0.40	0.41	-3%	0.42	0.33	28%
Operating expenses	0.75	0.81	-7%	0.78	0.78	0%
Field netback	2.38	2.05	16%	2.25	1.59	41%
General and administrative	0.37	0.38	-2%	0.49	0.30	65%
Interest on long-term debt	0.26	0.21	23%	0.25	0.18	38%
Cash netback (\$/Mcf)	1.75	1.46	20%	1.51	1.12	35%
Cash netback (\$/boe)	10.51	8.75	20%	9.04	6.69	35%

Note:

(1) See the Company's 2017 financial statements and the accompanying management's discussion and analysis (the "2017 MD&A") filed on SEDAR for further discussion and disclaimers regarding the figures above.

Summary of Corporate Reserves Data

Pinedale's independent reserve evaluator, Netherland, Sewell & Associates, Inc. ("NSAI"), completed their independent reserve evaluations effective December 31, 2017. The Company's total gross proved 1P reserves were 46,256 MMcfe and total gross proved plus probable ("2P") reserves were 54,443 MMcfe respectively having estimated before tax net present values, using a discount rate of 10%, of US\$16.0 million ("1P") and US\$17.2 million ("2P") at December 31, 2017.

A breakdown of Pinedale's reserves reported at December 31, 2017, is as follows:

	Conventional Natural Gas		Natural Gas Liquids/Condensates		Gas Equivalent	
	Gross ⁽¹⁾ MMcf	Net ⁽²⁾ MMcf	Gross ⁽¹⁾ Mbbbl	Net ⁽²⁾ Mbbbl	Gross ⁽¹⁾ MMcfe	Net ⁽²⁾ MMcfe
Proved						
Developed Producing	9,757	7,672	101	79	10,363	8,148
Developed Non-Producing	425	333	4	3	448	351
Undeveloped	33,469	26,154	329	257	35,444	27,695
Total Proved	43,651	34,159	434	339	46,256	36,194
Probable	7,594	5,950	99	77	8,187	6,412
Proved + Probable	51,245	40,108	533	416	54,443	42,605

Notes:

- 1) Gross reserves are working interest reserves before royalty deductions
- 2) Net reserves are working interest reserves after royalty deductions plus royalty interest reserves
- 3) See the Company's 2017 statement of reserves data and other oil and gas information, Form 51-101F1, for the year ended December 31, 2017 filed on SEDAR for further discussion and disclaimers regarding the figures above.

Outlook

In 2017 Pinedale participated with its operating partner in the successful development of 5 directionally drilled vertical infill wells (1.0625 net) and the Warbonnet 9-23-A-1H exploratory horizontal well (0.0794 net). Pinedale's inventory of producing wells at year-end 2017 totaled 17 wells comprising 16 vertical wells (3.325 net) and 1 horizontal well (0.0794 net). Warbonnet 9-23-A-1H, developed in the fourth quarter of 2017, realized a 24-hour initial production rate of 51 MMcfe/day and a 30-day initial production rate of 36 MMcfe/day, producing a Pinedale field record 1.1 Bcfe in its first 30-days of production and 3.7 Bcfe in its first 120-days of production. Pinedale's non-operated interest in the Warbonnet 9-23-A-1H well is approximately 7.94%. Pinedale has approximately 180 potential horizontal locations (approximately 18 net locations) identified with its leasehold.

With the success of the Warbonnet 9-23-A-1H and subsequent horizontal tests in the Pinedale field, the operator has indicated that it intends to shift its 2018 capital program from developing directional vertical wells to a focus on horizontal wells.

About Pinedale Energy Limited

Pinedale Energy Limited is an independent oil and gas exploration and production company focused exclusively on its natural gas properties situated in the prolific Pinedale field area, within the Green River Basin of southwestern Wyoming. Pinedale, through its subsidiaries, owns non-operated interests in 17 oil and gas leases with an undivided working interest ranging from 11.56% to 21.25% in approximately 11,994 acres.

The Class A common shares of Pinedale Energy Limited are listed for trading on the TSX Venture Exchange under the symbol "MCF." Additional information on Pinedale Energy Limited is available on the SEDAR website at www.sedar.com or on the Company's website at www.PinedaleEnergy.com. For further information, please contact:

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Certain information contained herein constitutes "forward-looking information" under Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "intends", "outlook", "potential" or variations of such words and phrases or statements that certain actions, events or results "will" occur. Forward-looking statements regarding the Company's potential horizontal well locations and the operator shifting its 2018 capital program to a focus on horizontal wells are based on the Company's and operator's estimates and are subject to known and unknown risks, uncertainties and other factors that may cause the actual number of horizontal wells and focus of its 2018 capital program to be materially different from those expressed by such forward-looking information, including: the actions of the operator, capital expenditures and other costs and the receipt of all necessary regulatory approvals. There is no guarantee that Pinedale will receive authorization for expenditure requests ("AFE's) for all permitted wells or that the Company will elect to participate in wells when it receives AFEs for these wells. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Pinedale will not update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.