

CGX ENERGY INC. AND FRONTERA ENERGY CORPORATION

NEWS RELEASE

CGX ENERGY AND FRONTERA ENERGY RECEIVE APPROVAL OF STRATEGIC JOINT VENTURE FROM THE GOVERNMENT OF THE COOPERATIVE REPUBLIC OF GUYANA

Toronto, Canada, May 3, 2019 - CGX Energy Inc. (TSXV: OYL) (“CGX”) and Frontera Energy Corporation (TSX: FEC) (“Frontera”) announced today that the Government of The Cooperative Republic of Guyana has approved the farm-in joint venture agreement covering two shallow water offshore Petroleum Prospecting Licenses in Guyana, the Corentyne and Demerara blocks.

Under the terms of the farm-in joint venture agreement between Frontera and a wholly owned subsidiary of CGX, CGX Resources Inc., Frontera will acquire a 33.333% working interest in the two blocks in exchanged for a US\$33.3 million signing bonus, paid by way of offset of \$24.6 million of debt payable to Frontera by CGX plus a cash payment of US\$8.7 million paid by Frontera to CGX. Frontera has agreed to pay one-third of the applicable costs under the joint ventures plus an additional 8.333% of CGX’s direct drilling costs for the initial exploratory commitment wells in the two blocks. CGX is the operator assigned to the blocks.

Professor Suresh Narine, Executive Chairman and Executive Director (Guyana), CGX, said: “CGX is one of the pioneer explorers in the Guyana basin, celebrating its 20th year in 2018; it is widely regarded as Guyana’s indigenous oil company. I would like to thank the Government of The Cooperative Republic of Guyana for the approval of this pivotal joint venture by Frontera into the Corentyne and Demerara blocks. Coupled with the recently concluded successful rights offering financing, this partnership allows CGX to significantly clean up its balance sheet and resume with vigor its exploration of the continental shelf in the Guyana basin. As oil and gas begins to play a pivotal role in the transformation of The Cooperative Republic of Guyana, CGX is delighted to be positioned to claim its place in the development of Guyana and this exciting new industry. Frontera has been carefully chosen as a partner with which CGX will continue to undertake this task: because of their financial strength, technical capacity and respect for CGX’s culture and its fundamental role in templating good corporate citizenship and corporate responsibility for E&P companies operating in The Cooperative Republic of Guyana.”

Gabriel de Alba, Chairman of the Board of Directors of Frontera, added:

“As an important next step of our strategic joint venture with CGX, we are grateful to have received this approval from the Government of The Cooperative Republic of Guyana for the development of the Corentyne and Demerara blocks. Together, our companies are well positioned to advance exploration and development of these two attractive blocks in one of the most exciting offshore basins in the world. The approval of this joint venture confirms CGX’s deep roots in the country, which when combined with Frontera’s technical depth and financial strength create great opportunities for the benefit of CGX, Frontera and the people of The Cooperative Republic of Guyana. This joint venture forms an important part of Frontera’s plans to invest in long-term growth opportunities.”

Richard Herbert, Chief Executive Officer of Frontera, commented:

“We are very excited to be moving forward with our joint venture partner CGX on this important project for both of our companies and for the people of The Cooperative Republic of Guyana. Given the strong track record of discoveries in the adjacent Starbroek block and our own technical studies of seismic and well data within the two

blocks, we are very encouraged about the opportunity on both the Corentyne and Demerara Blocks. We look forward to moving into the drilling phase to test the potential of the two blocks in the coming months.”

Corentyne Petroleum Agreement

The Corentyne block contains 1,125,000 net acres offshore The Cooperative Republic of Guyana in shallow water, adjacent to the ExxonMobil Stabroek block, which has encountered 13 discoveries since May 2015. The Utakwaaka well must be drilled by November 27, 2019 with an additional exploration well to be drilled by November 27, 2022.

Demerara Petroleum Agreement

The Demerara block contains 750,000 net acres offshore The Cooperative Republic of Guyana in shallow water, adjacent to the ExxonMobil Stabroek block which has encountered 13 discoveries since May 2015. An exploration well is required to be drilled on the block by February 12, 2021 with a further exploration well by February 12, 2023.

About CGX Energy:

CGX Energy is a Canadian-based oil and gas exploration company focused on the exploration of oil in the Guyana-Suriname Basin.

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS RELEASE.

About Frontera:

Frontera Energy Corporation is a Canadian public company and a leading explorer and producer of crude oil and natural gas, with operations focused in South America. The Company has a diversified portfolio of assets with interests in more than 30 exploration and production blocks. The Company’s strategy is focused on sustainable growth in production and reserves. Frontera is committed to conducting business safely, in a socially and environmentally responsible manner. Frontera’s common shares trade on the Toronto Stock Exchange under the ticker symbol “FEC”.

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Advisories:

Cautionary Note Concerning Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, exploration and development of the blocks, and success thereof and CGX obtaining sufficient working capital) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of Frontera or CGX, as the case may be, based on information currently available to them. Forward-looking statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the applicable company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: with respect to CGX (and as applicable Frontera), complete a financing

and successfully explore and develop the offshore blocks, and unforeseen costs and expenses; changes in equity and debt markets; perceptions of the applicable company's prospects and the prospects of the oil and gas industry in the countries where the company operates or has investments; and the other risks disclosed in the applicable continuous disclosure documents under the each company's profile on SEDAR at www.sedar.com. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, each of Frontera and CGX disclaims any intent or obligation to update any forward- looking statement, whether as a result of new information, future events or results or otherwise. Although each of Frontera and CGX believes that the assumptions inherent in the forward-looking statements applicable to it are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

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