

Calgary, June 5, 2020 - Longshore Resources Ltd. ("Longshore") is pleased to announce that it has entered into an agreement with Rifle Shot Oil Corp. ("Rifle Shot"), Steelhead Petroleum Ltd. ("Steelhead"), and Primavera Resources Corp. ("Primavera") to acquire all of their outstanding shares as part of a consolidating transaction. The transaction will further enhance Longshore's financial and operational strength by combining several of the most economically compelling oil plays in western Canada.

The pro-forma entity will have current productive capacity of over 14,000 boe/d (75% oil weighted), with a well-capitalized balance sheet and a strong hedge position. Due to Longshore's liquidity position and support from ARC Financial Corp., Canada's largest energy focused private equity manager, Longshore is well positioned to engage in further consolidation in its new and existing core assets.

The transaction is expected to close on July 1, 2020.

Advisors

National Bank Financial Inc. is acting as Financial Advisor to Longshore. Tudor, Pickering, Holt & Co. is acting as Financial Advisor to Rifle Shot. AltaCorp Capital Inc. is acting as Financial Advisor to Steelhead. Peters & Co. is acting as Financial Advisor to Primavera.

The Assets

The merger of the above entities is transformational for Longshore and will create a financially strong, oil-weighted company. Pro forma the acquisition Longshore will produce over 14,000 boe/d (75% oil). The merger brings together several top-quality oil plays that are complementary to one another. Top tier, high growth lower Charlie Lake light oil is combined with low-cost, high free-cashflow Mannville oil. These assets are further enhanced with excellent netbacks generated by the Viking in Saskatchewan as well as a block of high-potential Montney land in NE British Columbia. Longshore will continue to seek opportunities to optimize its asset portfolio in its operating areas.

Charlie Lake Oil

Longshore currently owns and operates a consolidated land position in NW Alberta in the Valhalla area. Targeting top-quality lower Charlie Lake (Braeburn) oil, Longshore has achieved significant growth since inception. This position is further enhanced by ownership in strategic infrastructure and the stacked potential of the Charlie Lake on Longshore's core lands. Future development of these lands will bring significant growth potential to the pro forma entity.

Mannville Oil

Innovative use of a multi-perf exploitation strategy has unlocked the tremendous economic potential of substantial oil resource on the Provost Mannville properties. Using this technique, recoveries of certain pools in Provost has increased from ~10% to over 60%. With full cycle capital efficiencies of <\$5,000 per bbl/d these properties generate significant free cashflow in almost all pricing environments. Maintaining and enhancing these cashflow streams will provide the merged entity tremendous financial flexibility.

Viking Oil

Longshore's Viking asset bring several consolidated blocks of land in the high-netback, low-risk Viking light oil fairway in SE Alberta and SW Saskatchewan. Viking oil drilling is viable at very low commodity prices and will allow Longshore to maintain activity levels despite the recent downturn in prices.

Montney Oil

Longshore is pleased to acquire a large, contiguous land block in the highly prolific Montney trend in NE BC. Drilling to date has yielded promising results and will hold the land indefinitely. Located between Tower, Septimus, Attachie and Inga, the company lands offer stacked Montney intervals for exploitation. Freehold surface greatly reduces the administrative burden of development on these lands. Economics of the land block are further enhanced by ownership of water disposal facilities.

Strategic Rational and Benefits

The amalgamation greatly enhances Longshore's business model. These improvements include, but are not limited to:

Scale, capital efficiency and flexibility

- The larger scale of the company will improve financial capacity with more significant cash flow
- The merged company will allow for cost savings and provide for efficiency and per unit cost improvements
- Greater flexibility in capital deployment will provide stronger returns on capital investment allowing improved future growth and returns

Strategic Optionality

- The combined company will have increased strategic optionality in adapting to operating and capital markets conditions
- The company will have a greater ability to shift between growth or shareholder distribution focus along with opportunities to optimize the asset portfolio over time

Timeliness to Market Conditions

- The transaction will be executed in a timely fashion due to the high level of common ownership between the component companies
- This will position the combined company with greater capacity to pursue opportunistic initiatives in the current market

Financial Durability

- All of the component companies have a shared philosophy of being well hedged and maintaining clean balance sheets
- The combination creates a company with a best-in-class balance sheet with a Debt to Cash flow ratio of 0.8 at current strip pricing
- Significant liquidity is available to the company to continue its strategy of consolidating its core areas

About Longshore

Longshore is a Calgary, Alberta based company engaged in oil and gas exploration and development. Founded in 2015, Longshore is led by Byron Nodwell (President and CEO) and Chris Seasons (Executive Chairman).