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Petroteq Announces New Licensee

SHERMAN OAKS, CA / ACCESSWIRE / December 1, 2021 /Petroteq Energy Inc. ("Petroteq" or the "Company") (TSXV:PQE)(OTC PINK:PQEFF)(FSE:PQCF), an oil company focused on the development and implementation of its proprietary oil-extraction and remediation technologies, is pleased to announce the signing of a technology license agreement for the use of its proprietary oil sands extraction technology.

The Company has entered into a non-exclusive, non-transferable technology licensing agreement dated for reference October 27, 2021 (the "**Agreement**") with Big Sky Resources LLC ("**Big Sky**"), a company based in Rye, New York. The Agreement grants to Big Sky the right to use Petroteq's proprietary patented technology to design, construct, operate and finance oil sands extraction plants for up to two locations in the continental United States. Under the Agreement, Big Sky has agreed to pay Petroteq a one-time, non-refundable license fee of US\$2 million, which will become payable upon the commencement by Big Sky of construction of its first plant. The Agreement further provides that Big Sky will pay Petroteq a five percent (5%) royalty on the net revenue received by Big Sky from the production, sale or other disposition of licensed product from the plants, for so long as Petroteq continues to hold enforceable and protected intellectual property rights in the licensed technology in the United States.

Pursuant to the Agreement, Big Sky is obligated to engage Valkor LLC (or an affiliate named by Valkor) as the sole and exclusive provider of engineering, planning, and construction services for all oil sands plants built by or under the direction or on behalf of Big Sky. Big Sky has indicated it will work closely with Valkor to identify plant locations in the State of Utah.

Dr. Gerald Bailey, Petroteq CEO, commented, "If Big Sky successfully advances its plans to develop, build and operate up to two oil sands plants utilizing our technology, the Company would have a potential long-term revenue stream through a royalty. I believe that our technology offers an eco-friendly means of oil production. This is a sound environmental approach to be a green energy solution for extracting the oil from the soil. Our ability to license this technology provides us with the opportunity to potentially realize non-disruptive sources of income for the Company, while giving licensees like Big Sky the ability to develop attractive oil sources for the benefit of the communities being served".

About Petroteq Energy Inc.

Petroteq is a clean technology company focused on the development, implementation and licensing of a patented, environmentally safe and sustainable technology for the extraction and reclamation of heavy oil and bitumen from oil sands and mineable oil deposits. The versatile technology can be applied to both water-wet deposits and oil-wet deposits - outputting high-quality oil and clean sand.

Petroteq believes that its technology can produce a relatively sweet heavy crude oil from deposits of oil sands at Asphalt Ridge without requiring the use of water, and therefore

without generating wastewater which would otherwise require the use of other treatment or disposal facilities which could be harmful to the environment. Petroteq's process is intended to be a more environmentally friendly extraction technology that leaves clean residual sand that can be sold or returned to the environment, without the use of tailings ponds or further remediation.

For more information, visit www.Petroteq.energy.

Forward-Looking Statements

Certain statements contained in this press release contain forward-looking statements within the meaning of the U.S. and Canadian securities laws. Words such as "may," "would," "could," "should," "potential," "will," "seek," "intend," "plan," "anticipate," "believe," "estimate," "expect" and similar expressions as they relate to the Company, including statements concerning Big Sky's plans to develop, build and operate up to two oil sands plants utilizing Petroteq's technology, and the anticipated license fee and royalty stream, are intended to identify forward-looking information. Readers are cautioned that there is no certainty that it will be commercially viable to produce any portion of the resources. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, based on information available to the Company, and are subject to certain risks, uncertainties and assumptions, including, without limitation: the technology performing as expected; availability of labor and parts; adequate capital raising efforts; and Big Sky's ability to execute on its operational plans. Material factors or assumptions were applied in providing forward-looking information. While forward-looking statements are based on data, assumptions and analyses that the Company believes are reasonable under the circumstances, whether actual results, performance or developments will meet the Company's expectations and predictions depends on a number of risks and uncertainties that could cause the actual results, performance and financial condition of the Company to differ materially from its expectations. Certain of the "risk factors" that could cause actual results to differ materially from the Company's forward-looking statements in this press release include, without limitation: the risk that Big Sky will be unable to execute the construction of a plant; that full scale commercial production may engender public opposition; changes in laws or regulations; the ability to implement business strategies or to pursue business opportunities, whether for economic or other reasons; status of the world oil markets, oil prices and price volatility; oil pricing; litigation; the nature of oil and gas production and oil sands mining, extraction and production; uncertainties in exploration and drilling for oil, gas and other hydrocarbon-bearing substances; unanticipated costs and expenses; loss of life and environmental damage; risks associated with compliance with environmental protection laws and regulations; and directors; risks related to COVID-19 including various recommendations, orders and measures of governmental authorities to try to limit the pandemic, including travel restrictions, border closures, non-essential business closures, quarantines, self-isolations, shelters-in-place and social distancing, disruptions to markets, economic activity, financing, supply chains and sales channels, and a deterioration of general economic conditions including a possible national or global recession; and other general economic, market and business conditions and factors, including the risk factors discussed or referred to in the Company's disclosure documents, filed with United States Securities and Exchange Commission and available at www.sec.gov (including, without limitation, its most recent annual report on Form 10-K under the Securities Exchange Act of 1934, as amended), and

with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward- looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release, and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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