

November 14, 2018



Petroteq Provides Corporate Update

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES AND DOES NOT CONSTITUTE AN OFFER OF THE SECURITIES DESCRIBED HEREIN.

SHERMAN OAKS, Calif., Nov. 14, 2018 (GLOBE NEWSWIRE) -- Petroteq Energy Inc. ("**Petroteq**" or the "**Company**") (TSXV:PQE; OTC:PQEFF; FSE: PQCF), a fully integrated oil and gas company, is pleased to provide the following corporate updates:

The Company is pleased to announce the appointment of Joseph Abrams as the newest member to the Company's Advisory Board. The Company's Advisory Board provides guidance and insight to the management team on the Company's strategic initiatives and go forward strategy as it relates to operational activities of the Company's Asphalt Ridge Plant. Pursuant to an Advisory Board Agreement, Mr. Abrams will be issued 100,000 common shares of the Company vesting in three instalments between January 1, 2019 and August 1, 2019. The share issuance has been conditionally approved by the TSX Venture Exchange (the "TSXV") and upon issuance will be subject to a four month hold period.

The Company has agreed to complete shares for debt transactions, pursuant to which it will issue an aggregate of 566,794 common shares at market price in satisfaction of US\$413,760 of indebtedness currently owed to two arm's length service providers. The Company determined to satisfy the indebtedness with common shares in order to preserve its cash for use on its extraction technology in Asphalt Ridge, Utah, and for working capital. The shares will be issued upon acceptance by the TSXV and approval by the directors of the Company. The common shares issued in satisfaction of the indebtedness will be subject to a four month hold period from the date of issuance.

The Company has entered into a consulting agreement with ICR, LLC ("ICR") to provide general investor relations consulting services for an initial term of October 15, 2018 to February 15, 2019, at which time either party may terminate the agreement upon 60 days' notice. ICR, based in New York City, has five offices in the U.S. and one in Beijing. ICR will be paid a monthly fee of US\$8,000. The Company and ICR act at arm's length, and ICR has no present interest, directly or indirectly, in the Company or its securities. The fee paid by the Company to ICR is for services only. The consulting agreement has been conditionally approved by the TSXV.

The Company announces the issuance of an aggregate of 320,408 common shares to two arm's length parties for gross proceeds of an aggregate US\$169,000 (20,408 shares at US\$0.49 and 300,000 at US\$0.53). The net proceeds will be used by the Company on its extraction technology in Asphalt Ridge, Utah, for potential acquisitions of new oil sands resources, and for working capital. The issuances are subject to final approval of the TSXV. The common shares issued are subject to a four month hold period from the date of issuance.

The Company also announces a proposed private placement of up to 5,555,555 common

shares and warrants exercisable for up to up 5,555,555 common shares for gross proceeds to the Company of up to US\$3 million. Any shares issued pursuant to the private placement will be issued at a price equal to or greater than US\$0.54 and any warrants issued will be exercisable at a price equal to or greater than US\$0.67. To date, the Company has received irrevocable subscriptions from 22 arm's length subscribers for 2,113,267 common shares at prices ranging from US\$0.54 to US\$0.85 and warrants exercisable at US\$1.50 for 1,762,439 common shares for gross proceeds to the Company of US\$1,325,000. The net proceeds will be used by the Company on its extraction technology in Asphalt Ridge, Utah, for potential acquisitions of new oil sands resources, and for working capital. The issuances are subject to approval of the TSXV and upon issuance all securities issued will be subject to a four month hold period.

The Company has mailed its meeting materials for its Special Meeting (the "Meeting") of shareholders to be held on November 23, 2018. At the Meeting, in addition to a resolution to amend the fixed number of its option plan, shareholders will be asked to consider and vote upon a proposed share consolidation of one post-consolidation common share for up to ten pre-consolidation common shares (the "Consolidation") for the purposes of meeting the listing requirements for the NASDAQ Capital Market. As announced on September 26, 2018, the Company had originally planned for a one for five consolidation but due to the pressure on its share price it is now seeking approval for up to ten in the event it is necessary to meet the listing requirements for the NASDAQ Capital Market. The Consolidation is subject to shareholder and regulatory approval, including the approval of the TSXV. Acceptance of the listing of the common shares is subject to approval, in part, based on the Company's ability to meet minimum listing requirements for the Nasdaq Capital Market. While the Company intends to satisfy all of the applicable listing criteria, no assurance can be given that its application will be approved. The Meeting materials, including a copy of the notice of meeting and management information circular, are available under the Company's profile at www.sedar.com.

About Petroteq Energy Inc.

Petroteq is a fully integrated oil and gas company focused on the development and implementation of a new proprietary technology for oil extraction. The Company has an environmentally safe and sustainable technology for the extraction of heavy oils from oil sands, oil shale deposits and shallow oil deposits. Petroteq is engaged in the development and implementation of its patented environmentally friendly heavy oil processing and extraction technologies. Our proprietary process produces zero greenhouse gas, zero waste and requires no high temperatures. Petroteq is currently focused on developing its oil sands resources and expanding production capacity at its Asphalt Ridge heavy oil extraction facility located near Vernal, Utah. In addition, the Company, through its wholly owned subsidiary PetroBLOQ, LLC, is seeking to develop the first blockchain based platform created exclusively for the supply chain needs of the oil & gas sector. For more information, visit www.Petroteq.energy and PetroBLOQ.com.

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: completion of the

transactions noted above; completion of the Consolidation; listing on Nasdaq; and the Company successfully developing block chain technology for the oil and gas industry and the anticipated benefits of such technology, 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. Material factors or assumptions were applied in providing forward-looking information, including: applicable director, shareholder and regulatory/stock exchange approval of the transactions and the Consolidation; the Company meeting all of the listing requirements of Nasdaq; Nasdaq approving the listing of the common shares; and PetroBLOQ successfully developing and implementing a blockchain-based supply chain management system. 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. Petroteq's proprietary solvent based extraction technology is unproven to produce on a commercial basis at 1,000/bpd. Commercial production of 1,000/bpd at its existing plant is unproven and expansion at the existing plant or a new larger plant is subject to financing, development and testing to prove it is achievable and commercial. 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: uncertainties inherent in the estimation of resources including whether any reserves will ever be attributed to the Company's properties; since the Company's extraction technology is proprietary, not widely used in the industry, and has not been used in consistent commercial production, the Company's bitumen resources are classified as a contingent resource, because they are not currently considered to be commercially recoverable; full scale commercial production may engender public opposition; the Company cannot be certain that the bitumen resources will be economically producible and thus cannot be classified as proved or probable reserves in accordance with applicable securities laws; PetroBLOQ not having the expertise and/or funds necessary to develop and implement a blockchain-based supply chain management system; PetroBLOQ not being able to develop the blockchain technology to completion; blockchain technology not being adopted by the oil and gas industry; 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; state of capital markets and ability by the Company to raise capital; litigation; the commercial and economic viability of the Company's oil sands hydrocarbon extraction technology, and other proprietary technologies developed or licensed by the Company or its subsidiaries, which are of experimental nature and have not been used at full capacity for an extended period of time; reliance on suppliers, contractors, consultants and key personnel; the ability of the Company to maintain its mineral lease holdings; potential failure of the Company's business plans or model; 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, availability of financing and other capital; potential damage to or destruction of property, loss of life and environmental damage; risks associated with compliance with environmental protection laws and regulations; uninsurable or uninsured risks; potential conflicts of interest of officers and

directors; 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 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.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

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.

CONTACT INFORMATION:

Petroteq Energy Inc.
Alex Blyumkin
Executive Chairman & Founder
(800) 979-1897



Source: Petroteq Energy Inc.