



Altura Energy Inc. Provides an Update on its Credit Facility Renewal

July 30, 2020

Calgary, Alberta - Altura Energy Inc. ("Altura" or the "Corporation") (TSXV: ATU) provides an update on its credit facility renewal.

Altura and its lender have agreed to further extend the credit facility renewal from July 31, 2020 to August 31, 2020 to provide sufficient time to apply for the proposed federal support programs being initiated through the Export Development Bank of Canada and the Business Development Bank of Canada. In the interim, Altura's \$9.0 million credit facility that was capped at \$7.5 million on April 7, 2020 has been reduced to \$6.0 million.

Altura's net debt at June 30, 2020 is estimated to be \$5.3 million, which decreased from \$6.2 million at March 31, 2020. Altura is forecasting a reduction of net debt to approximately \$3.5 million as at December 31, 2020 from positive adjusted funds flow¹ and an asset disposition that is planned to close on September 30, 2020. Please refer to the Corporation's June 30, 2020 news release for further information on Altura's asset dispositions that are planned for September 30, 2020, January 31, 2021, and June 30, 2021.

Altura will continue to focus on protecting its balance sheet with disciplined capital expenditures, its low operating cost structure, and an active hedging program. In addition, the Corporation remains in very strong standing with an AER Liability Management Rating ("LMR") of 7.89.

ABOUT ALTURA ENERGY INC.

Altura is a junior oil and gas exploration, development and production company with operations in central Alberta. Altura predominantly produces from the Rex member in the Upper Mannville group and is focused on delivering per share growth and attractive shareholder returns through a combination of organic growth and strategic acquisitions.

READER ADVISORIES

Forward-looking Information and Statements

This press release contains certain forward-looking information and statements within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "budget", "forecast", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends", "strategy" and similar expressions are intended to identify forward-looking information or statements. In particular, but without limiting the foregoing, this press release contains forward-looking information and statements pertaining to:

- the credit facility renewal date of August 31, 2020; and

¹ Key assumptions for positive adjusted funds flow in the second half of 2020:

WTI US\$41.42/bbl, WCS diff US\$11.23/bbl, FX 0.75 \$US/\$, AECO CAD\$2.05/GJ, average production 1,000 – 1,100 boe per day, and operating and transportation costs of \$12.50 per boe

- forecasted reduction of net debt to \$3.5 million as at December 31, 2020 from positive adjusted fund flow, and an asset disposition on September 30, 2020.

The forward-looking information and statements contained in this press release reflect several material factors and expectations and assumptions of Altura including, without limitation:

- the continued performance of Altura's oil and gas properties in a manner consistent with its past experiences;
- that Altura will continue to conduct its operations in a manner consistent with past operations;
- the return of industry conditions to pre-COVID-19 levels;
- the continuance of existing (and in certain circumstances, the implementation of proposed) tax, royalty and regulatory regimes;
- the accuracy of the estimates of Altura's reserves and resource volumes;
- certain commodity price and other cost assumptions;
- the continued availability of oilfield services; and
- the continued availability of adequate debt and equity financing and cash flow from operations to, among other things, fund its planned expenditures.

Altura believes the material factors, expectations and assumptions reflected in the forward-looking information and statements are reasonable based on prior operating history but no assurance can be given that these factors, expectations and assumptions will prove to be correct particularly in the current operating environment which is unprecedented by any standard. To the extent that any forward-looking information contained herein may be considered future oriented financial information or a financial outlook, such information has been included to provide readers with an understanding of management's assumptions used for budgeted and developing future plans and readers are cautioned that the information may not be appropriate for other purposes.

The forward-looking information and statements included in this press release are not guarantees of future performance and should not be unduly relied upon. Such information and statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information or statements including, without limitation:

- the COVID-19 pandemic and related disruptions in oil and gas markets, including the duration and impacts thereof;
- changes in commodity prices including, without limitation, as a result of COVID-19 pandemic;
- changes in commodity prices including, without limitation, as a result of the COVID-19 pandemic and related disruptions in oil and gas markets;
- unanticipated operating results or production declines;
- public health crises, such as the recent outbreak of COVID-19 and the related economic disruption that can result in volatility in financial markets, disruption to global supply chains, and the ability to directly and indirectly staff the Corporation's day to day operations;
- changes in tax or environmental laws, royalty rates or other regulatory matters;
- changes in development plans of Altura or by third-party operators of Altura's properties;
- increased debt levels or debt service requirements;
- inaccurate estimation of Altura's oil and gas reserve and resource volumes;
- limited, unfavorable or a lack of access to capital or debt markets;
- increased costs;
- a lack of adequate insurance coverage;
- the impact of competitors; and
- certain other risks detailed from time to time in Altura's public documents.

The forward-looking information and statements contained in this press release speak only as of the date of this press release, and Altura does not assume any obligation to publicly update or revise them to reflect new events or circumstances, except as may be required pursuant to applicable laws.

Non-GAAP Measures

This press release contains the terms adjusted funds flow and net debt, which do not have standardized meanings under Canadian generally accepted accounting principles ("GAAP") and therefore may not be comparable with the calculations of similar measures by other companies. Altura considers adjusted funds flow to be a key measure of performance as it demonstrates the Corporation's ability to generate the necessary funds for sustaining capital, future growth through capital investment, and to repay debt. Management believes that such a measure provides a useful assessment of Altura's business on a continuing basis by eliminating certain non-cash charges, transaction costs, if any, and actual settlements of decommissioning obligations, the timing of which, in the opinion of management, is discretionary. Management views net debt as a key industry benchmark and measure to assess the Corporation's financial position and liquidity. Net debt is calculated as current assets, excluding the Fair Value of Financial Instruments less current liabilities, excluding the Fair Value of Financial Instruments, less the current portion of lease liabilities and the current portion of the decommissioning liability.

For additional information on the use of these measures including reconciliations to the most directly comparable GAAP measures, please see Altura's most recent Management's Discussion and Analysis on Altura's profile at www.sedar.com.

Oil and Gas Advisories

The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. Per boe amounts have been calculated by using the conversion ratio of six thousand cubic feet (6 Mcf) of natural gas to one barrel (1 Bbl) of crude oil. The boe conversion ratio of 6 Mcf to 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalent of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

For further information please contact:

Altura Energy Inc.
2500, 605 – 5th Avenue SW
Calgary, Alberta T2P 3H5
Telephone (403) 984-5197
www.alturaenergy.ca

David Burghardt
President and Chief Executive Officer
Direct (403) 984-5195

Tavis Carlson
Vice President, Finance and Chief Financial Officer
Direct (403) 984-5196

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.