



PRESS RELEASE

LEUCROTТА ANNOUNCES LOWER MONTNEY TEST RATES

Calgary, Alberta, November 22, 2018 – Leucrotta Exploration Inc. (“Leucrotta” or the “Company”) (TSXV - LXE) is pleased to announce the following update:

LOWER MONTNEY DELINEATION

Leucrotta drilled and completed a Lower Montney horizontal multi-frac well at 5-19-82-14W6 (“5-19”) to further delineate Leucrotta’s assets northwest of Mica and north of the Peace River. The well was considered a major step-out given it was approximately 4 miles from any production or tests in the Lower Montney and helps confirm productivity in a material land block owned by Leucrotta north of the Peace River. The well was tested on clean-up for 9 days and had an average flow rate over the last three days of the test of 1,082 boe/d comprised of 458 bbl/d of 41 API light oil, 3.2 mmcf/d of sweet gas and estimated potential NGL (C3+) recovery of 85 - 168 boe/d depending on gas plant efficiency. The well was above expectation and adds significant development potential to Leucrotta.

Leucrotta also drilled and completed a Lower Montney horizontal multi-frac well at 1-24-81-14W6 to further delineate Leucrotta’s asset in the Mica area of British Columbia. The well was considered a minor step-out and is in close proximity to several highly productive wells. The well was tested on clean-up for 31 days and had a stabilized 5 day average flow rate of 440 boe/d comprised of 110 bbl/d of 42 API light oil, 1.7 mmcf/d of sweet gas and estimated potential NGL (C3+) recovery of 45 - 93 boe/d depending on gas plant efficiency. Due to the rate being below expectation, Leucrotta performed various additional analysis on the well and determined that a large portion of the well is not contributing and that several ports during completion did not open. Given many prolific Lower Montney wells in the area, Leucrotta believes the result is not indicative of future wells.

Based on the 5-19 result, Leucrotta has substantially completed the delineation of the Lower Montney with approximately 140 net sections mapped where productivity has been established and is now development-ready. An additional 50 sections of land to the west of 5-19 mapped in the Lower Montney remain untested and represent future potential.

UPPER MONTNEY AND BASAL MONTNEY DELINEATION

Due to the success of the A10-08-83-16W6 Upper Montney light oil well at Two Rivers (previously announced test rate of 1,842 boepd comprised of 685 bopd, 5.6 mmcf/d of gas and estimated NGL recovery of 224 boepd), Leucrotta drilled a major step-out well south of the Peace River in a similar porosity trend to establish productivity closer to Leucrotta’s infrastructure. Details of the results will be available early in the new year.

Leucrotta is also drilling a vertical strat test to evaluate the Basal Montney to confirm petrophysical properties in a large mapped area on Leucrotta’s land base. If successful, Leucrotta plans to drill a horizontal well into this zone in 2019 to establish productivity. Leucrotta has been very encouraged by productivity in this zone by other operators and is looking forward to the results.

Forward-Looking Information

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words “expect”, “anticipate”, “continue”, “estimate”, “may”, “will”, “should”, “believe”, “intends”, “forecast”, “plans”, “guidance” and similar expressions are intended to identify forward-looking statements or information.

More particularly and without limitation, this document contains forward-looking statements and information relating to the Company’s production and capital programs. The forward-looking statements and information are based on certain key expectations and assumptions made by the Company, including expectations and assumptions relating to prevailing commodity prices and exchange rates, applicable royalty rates and tax laws, future well production rates, the performance of existing wells, the success of drilling new wells, the availability of capital to undertake planned activities and the availability and cost of labour and services.

Although the Company believes that the expectations reflected in such forward-looking statements and information are reasonable, it can give no assurance that such expectations will prove to be correct. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with the oil and gas industry in general such as operational risks in development, exploration and production, delays or changes in plans with respect to exploration or development projects or capital expenditures, the uncertainty of estimates and projections relating to production rates, costs and expenses, commodity price and exchange rate fluctuations, marketing and transportation, environmental risks, competition, the ability to access sufficient capital from internal and external sources and changes in tax, royalty and environmental legislation. The forward-looking statements and information contained in this document are made as of the date hereof for the purpose of providing the readers with the Company’s expectations for the coming year. The forward-looking statements and information may not be appropriate for other purposes. The Company undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

BOE Conversions

BOE’s may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf: 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.

Production Rates

Any references to peak rates, test rates, IP30, IP90, IP180 or initial production rates or declines are useful for confirming the presence of hydrocarbons, however, such rates and declines are not determinative of the rates at which such wells will commence production and decline thereafter and are not indicative of long term performance or ultimate recovery. IP30 is defined as an average production rate over 30 consecutive days, IP90 is defined as an average production rate over 90 consecutive days and IP180 is defined as an average production rate over 180 consecutive days. Readers are cautioned not to place reliance on such rates in calculating aggregate production for the Corporation.

Test Rates

The 5-19-82-14W6 well was production tested for 7 days after the original cleanup and produced at an average rate of 920 boe/d (44% gas, 56% Oil and Condensate) over that period, excluding load fluid and energizing fluid. At the end of the test, flowing wellhead pressure and production rates were stable.

The 1-24-81-14W6 well was production tested for 12 days after the original cleanup and produced at an average rate of 540 boe/d (66% gas, 34% Oil and Condensate) over that period, excluding load fluid and energizing fluid. At the end of the test, flowing wellhead pressure and production rates were declining.

The A10-08-83-16W6 well was production tested for 6 days after the original cleanup and produced at an average rate of 1,100 boe/d (48% gas, 52% Oil and Condensate) over that period, excluding load fluid and energizing fluid. At the end of the test, flowing wellhead pressure and production rates were stable.

A pressure transient analysis or well-test interpretation has not been carried out on these wells and thus certain of the test results provided herein should be considered to be preliminary until such analysis or interpretation has been completed. Test results and initial production rates disclosed herein may not necessarily be indicative of long term performance or of ultimate recovery.

Abbreviations

<i>bbl</i>	<i>barrel</i>
<i>bbl/d</i>	<i>barrels per day</i>
<i>mmcf</i>	<i>million cubic feet</i>
<i>mmcf/d</i>	<i>million cubic feet per day</i>
<i>boe</i>	<i>barrel of oil equivalent</i>
<i>boe/d</i>	<i>barrel of oil equivalent per day</i>

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