



PRESS RELEASE

LEUCROTTA ANNOUNCES 2,700 BOEPD UPPER MONTNEY TEST RATE AT MICA

Calgary, Alberta, May 1, 2019 – Leucrotta Exploration Inc. (“Leucrotta” or the “Company”) (TSXV - LXE) is pleased to announce the following update:

Leucrotta drilled and completed an Upper Montney horizontal multi-frac well at 8-22-81-14W6 (“8-22”) in the Mica area of north east British Columbia. The well was considered a major step-out given it was approximately 7.5 miles from the closest producing horizontal Upper Montney well. This well confirms that a large portion of our land base that has previously been delineated as highly productive in the Lower Montney is also highly productive in the Upper Montney, effectively significantly increasing the size of the potential development of the resource. The well was tested on initial flow back for 5 days and had a final flow rate of 2,700 boe/d comprised of 13.9 mmcf/d of natural gas (0.64% H₂S), 50 bbls/d of 42 API light oil, and estimated potential NGL (C₃+) recovery of 338 - 676 boe/d depending on gas plant efficiency. The well was continuing to increase in flow rate with a stable flowing pressure at the end of the test. The well was materially above expectation and adds significant Upper Montney development potential above the Lower Montney zone where Leucrotta had previously focused development in the Mica area.

Leucrotta considers this a major development for the Company when considering the following:

- Well is a 7.5 mile step-out from the closest Upper Montney development (Leucrotta Doe) and proves productivity in a large mappable area (minimum 50 sections).
- Upper Montney overlays Leucrotta’s lower Montney development at Mica thereby reducing per well future infrastructure costs as multiple horizons can be developed from the same pads.
- Material increase in overall potential scale and scope of Doe/Mica Project with the Upper Montney adding to the 140 net sections Leucrotta has already delineated in the Lower Montney.

Leucrotta is evaluating various alternatives to handle the small amount of H₂S present in the gas and expects the well to be placed on production later this year or early in 2020.

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 B8-22-81-14W6 well was production tested for an additional 4 days after the initial cleanup and produced at an average rate of 907 boe/d (81% gas, 19% Oil and Condensate) over that period, excluding load fluid and energizing fluid. This average flow rate includes periods where the well was significantly restricted due to operational constraints. The well was continuing to increase in flow rate with a stable flowing pressure at the end of the test.

A pressure transient analysis or well-test interpretation has not been carried out on this well 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

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

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