

Bonterra Energy Corp. Announces Approval of EDC and BDC Programs by its Lending Syndicate and Extension of the Revolving Credit Facility to Finalize Banking Documentation

CALGARY, AB, Nov. 2, 2020 /CNW/ - Bonterra Energy Corp. (www.bonterraenergy.com) (TSX: BNE) ("Bonterra" or the "Company") announces it has received approval from its syndicate of lenders for the Export Development Canada ("EDC") and Business Development Bank of Canada ("BDC") programs and to extend the revolving period applicable to the Company's existing credit facility to November 13, 2020 from October 30, 2020. The purpose of this short-term extension affords Bonterra and associated parties the time required to finalize definitive documentation pertaining to the BDC second lien non-revolving four-year term facility for \$45 million (the "BDC Term Facility") and the reserve-based lending commitment from EDC of up to \$38.4 million (the "EDC Commitment").

While banking documentation related to the BDC Term Facility and EDC Commitment are finalized, Bonterra's lending syndicate has consented to the Company commencing its expanded 2020 capital expenditure program during the November extension period in an amount up to \$9 million as a draw on its existing credit facility. This consent, representing the BDC Term Facility capital expenditure budget for the period to November 13, 2020 as provided to the lending syndicate, affords Bonterra near-term liquidity to help fund its winter 2020 drilling program and the ongoing development of its high-quality, Cardium light oil asset base. The 2020 winter drilling program supports long-term, sustainable net asset value per share growth as the economy recovers.

Bonterra Recommends Shareholders Reject Obsidian's Hostile Bid

Bonterra has already received notice that more than 33 percent of the Company's shareholders will not tender their common shares to the hostile bid, including every member of the Bonterra Board and management team.

The Company continues to recommend shareholders reject the hostile bid and take no action. Bonterra is proud of its established history of working within a challenging market environment to pursue long-term sustainability and value generation. With lending syndicate approval of the BDC Term Facility, the EDC Commitment, and the funding available through Alberta's Site Rehabilitation Program, the Company is positioned to continue generating sustained value for its stakeholders through initiatives focused on increasing asset value and reducing debt and asset retirement obligations.

Shareholder Questions

Shareholders with questions are encouraged to call Bonterra's information agent, Laurel Hill Advisory Group at 1-877-452-7184 (+1-416-304-0211 outside North America) or email assistance@laurelhill.com.

About Bonterra

Bonterra Energy Corp. is a conventional oil and gas corporation with operations in Alberta, Saskatchewan and British Columbia, focused on its strategy of long-term, sustainable growth and value creation. The Company's shares are listed on The Toronto Stock Exchange under the symbol "BNE". For more information, please visit the Company's website at www.bonterraenergy.com and follow Bonterra on Twitter @Bonterra_Energy.

Forward Looking Information

Certain statements contained in this release include statements which contain words such as "anticipate", "could", "should", "expect", "seek", "may", "intend", "likely", "will", "believe" and similar expressions, relating to matters that are not historical facts, and such statements of our beliefs, intentions and expectations about development, results and events which will or may occur in the future, constitute "forward-looking information" within the meaning of applicable Canadian securities legislation and are based on certain assumptions and analysis made by us derived from our experience and perceptions. Forward-looking information in this release includes, but is not limited to: business strategy and outlook; expectations regarding the potential impact of COVID-19; expectations regarding the completion of definitive documentation relating to government support programs and the potential impact of such programs, and other such matters.

All such forward-looking information is based on certain assumptions and analyses made by us in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate in the circumstances. The risks, uncertainties, and assumptions are difficult to predict and may affect operations, and may include, without limitation: foreign exchange fluctuations; equipment and labour shortages and inflationary costs; general economic conditions; industry conditions; changes in applicable environmental, taxation and other laws and regulations as well as how such laws and regulations are interpreted and enforced; the ability of oil and natural gas companies to raise capital;

the effect of weather conditions on operations and facilities; the existence of operating risks; volatility of oil and natural gas prices; oil and gas product supply and demand; risks inherent in the ability to generate sufficient cash flow from operations to meet current and future obligations; increased competition; stock market volatility; opportunities available to or pursued by us; and other factors, many of which are beyond our control.

Actual results, performance or achievements could differ materially from those expressed in, or implied by, this forward-looking information and, accordingly, no assurance can be given that any of the events anticipated by the forward-looking information will transpire or occur, or if any of them do, what benefits will be derived there from. Except as required by law, Bonterra disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

The forward-looking information contained herein is expressly qualified by this cautionary statement.

Numerical Amounts

The reporting and the functional currency of the Company is the Canadian dollar.

The TSX does not accept responsibility for the accuracy of this release.

SOURCE Bonterra Energy Corp.

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