



Cor4 Oil Corp.

July 9th, 2018

Cor4 Oil Corp. Statement Regarding Pipeline Incident Reported on July 7, 2018

At approximately 1:30 pm on Saturday July 7th, 2018 a release of produced emulsion (crude oil and produced water mixture) was detected from a Cor4 Oil Corp. operated pipeline system located at the Company's 05-08-021-08 W4 facility site. This site is located approximately 7 km north-east of Jenner Alberta.

The failure was isolated shortly after it was discovered and there were no injuries associated with the incident. Cor4's Corporate Emergency Response Plan was activated and the Alberta Energy Regulator (AER) was immediately notified of the incident. The AER has been on-site, working in conjunction with Cor4 personnel and environmental, wild-life and biological consultants active in the response, assessment, and clean-up activities to date.

The release has travelled off-site, with a portion of the released fluids contacting a low-lying slough / grassy bog area. The current estimate of the volume of released fluid is 100 – 200 m³ (revised from an initial estimate of 250 m³). Impact on wildlife is currently being assessed by specialists on-site, but appears to have been minimal. Crews have physically contained the spilled fluids from causing further contamination, and have already recovered a significant volume of the released fluid from the surface.

The affected area is situated on privately-owned agricultural land (not currently being actively used for pasture). There has been no impact to the public and the affected land-owner has been notified and visited the site.

The cause of this incident has not yet been determined, however Incident prevention is an integral part of Cor4's operational focus and this incident is subject to a comprehensive investigation.

Cor4's primary focus at this time is to ensure the safety of all those involved in the incident response, to work closely and cooperatively with all regulatory agencies involved, and to fully address all environmental impacts.

For further information, please contact:

Colin Davies

President & CEO

Cor4 Oil Corp.

Direct: (587) 794-4310

Email: cdavies@cor4oil.com