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PENTANOVA ENERGY CORP. RESUMES TRADING

VANCOUVER, B.C., July 28, 2017 – PentaNova Energy Corp. (the “**Company**”) (TSXV: PNO), a new energy start-up with the goal of becoming the leading heavy oil producer in Argentina, is pleased to announce that its common shares will resume trading on the TSX Venture Exchange effective at the open on Monday, July 31, 2017.

The Company continues to work towards closing of its acquisition of Patagonia Oil Corp. and the concurrent financing, as detailed in its news release dated July 24, 2017.

The acquisition of Patagonia Oil Corp. provides PentaNova with an attractive footprint in Argentina, with a focus on heavy and light oil projects. Patagonia will acquire the following assets at closing:

- 39% interest in the Llancanelo heavy oil block, containing a massive heavy oil resource, in the Mendoza province of Argentina, that produced an average of 1,360 bopd in June, 2017. The Company also has an option to farm in on an additional 11% in the block. The Company plans to work with partner state oil company YPF to scale the current production up and complete a large-scale development on the field. The agreement with YPF also provides certain preferential rights to negotiate on the surrounding Llancanelo “R” block which is held 100% by YPF.
- 100% of the KM8 shallow light oil project in the Chubut province. This field has been producing for over 100 years, and has cumulative production over its life of over 38 million bbls.
- An 18% fully carried working interest in the Estancia La Mariposa gas block in the center of the San Jorge basin in the Santa Cruz province that generated over US\$1.5 million in revenue in 2016.
- An interest in the Sur Rio Deseado Este Block (54.14% of the Production Block and 7.92% of the Exploration Block) on the southern flank of the San Jorge Basin in the Santa Cruz Province. The fields are located in a heavy oil rich province. The Company plans to carry out pilot studies on the field to determine the optimal way to produce the oil.

These acquisitions add to the portfolio of gas properties that PentaNova previously acquired in Colombia:

- 80% interest in Maria Conchita, a drill-ready gas development strategically located close to the main producing infrastructure from the largest gas field in Colombia, the Chuchupa-Ballena gas complex. The Company plans to drill multiple wells in the field and bring it on production over the next twelve months.
- 80% interest in Sinu-9, a highly prospective gas exploration block adjacent to the highly productive Esperanza gas producing area and very close the regional gas trunk line.
- 60% interest in Tiburon, a high-impact gas exploration project on the north tip of the Guajira

peninsula.

PentaNova is also pleased to announce that it has opened an office in Buenos Aires to coordinate operations in the country.

The management team of PentaNova has extensive Argentina and heavy oil experience.

Serafino Iacono, Chairman, has extensive experience with heavy oil projects, most notably leading Pacific Rubiales to develop the Rubiales heavy oil fields in Colombia from a 9000 bopd to over 300,000 bopd.

Luciano Biondi, CEO, has extensive experience with heavy oil operations in Venezuela and Colombia, having been instrumental in the opening of the Faja heavy oil belt in Venezuela.

Gregg Vernon, President, was one of the founders of PetroAndina, a Canadian publicly listed company which was very successful in discovering and developing the 30,000 bopd El Corcobo heavy oil field project in the Mendoza province of Argentina, taking the field from 0 to over 30,000 bopd in five years.

Warren Levy, President Argentina Operations, was the founder of Estrella, an oilfield services company which was headquartered in Buenos Aires which he grew to have 2000 employees in 7 countries. He has worked on heavy oil projects in Venezuela, Mexico, Argentina, Canada and Malaysia.

PentaNova has secured a unique and strategic asset portfolio in Argentina, to complement the previously announced gas assets in Colombia. These projects provide PentaNova with short, medium and long-term growth opportunities.

For further information please contact:

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Information

Except for the statements of historical fact, this news release contains “forward-looking information” within the meaning of the applicable Canadian securities legislation that is based on expectations, estimates and projections as at the date of this news release. The information in this news release about the completion of the transaction described herein, and other forward-looking information includes but is not limited to information concerning the intentions, plans and future actions of the parties to the transactions described herein and the terms of such transaction.

Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, risks related to the Company’s or Patagonia’s inability to satisfy a condition precedent to the completion of the transaction (including obtaining necessary regulatory approvals), other risks related to completion of the transactions and risks related to the inability of either of the Company or Patagonia to perform their respective obligations under the transactions.

The forward-looking information in this news release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. In connection with the forward-looking information contained in this news release, the Company has made assumptions about the Company’s ability to complete the transactions and Patagonia’s ability to complete the acquisition of the Assets. The Company has also assumed that no significant events will occur outside of the Company’s normal course of business. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.