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**Oyster Announces an Update to CAD\$1.5m Private Placement Financing,
the Closing of Debt Settlement Agreement and also the intention to list on the AIM
Market of the London Stock Exchange (the AIM Listing)**

Vancouver, British Columbia – June 20, 2017 – Oyster Oil and Gas Ltd. ("Oyster" or the "Company") (OY: TSXV, 13L: FSE) is pleased to announce that further to the Company's press releases dated May 31 and June 6, 2017, Oyster also announces updated terms to its previously announced private placement financing. The Company now intends to proceed with concurrent non-brokered private placements of units (the "**Units**") and convertible debentures (the "**Convertible Debentures**") pursuant to which it expects to raise aggregate gross proceeds of up to CAD\$1,500,000.

Pursuant to the Unit financing (the "**Unit Financing**"), the Company intends to do a raise of up to CAD\$632,500 by issuing up to an aggregate of 1,265,000 Units at a price of CAD\$0.50 per Unit. Each Unit will consist of one Common Share and one transferable common share purchase warrant (each, a "**Warrant**"). Each Warrant shall entitle the holder thereof to acquire one Common Share at a price of CAD\$0.55 for a period of two years from closing of the Unit Financing.

Pursuant to the Convertible Debenture financing (the "**Debenture Financing**", and together with the Unit Financings, the "**Financings**"), the Company also intends to do a raise of up to CAD\$867,500 by issuing Convertible Debentures. The Convertible Debentures shall accrue interest at the rate of 10% per annum and shall be convertible at the option of the holder into Common Shares at a deemed price of the lesser of CAD\$0.50 or a 20% discount to the AIM Listing offering price of Oyster's Common Shares, subject to compliance with TSX Venture Exchange ("**TSXV**") minimum pricing policies, at any time before one year from closing of the Debenture Financing, subject to acceleration upon completion of the AIM listing, or otherwise shall become due and payable by the Company. The subscribers to the Debenture Financing shall be issued one detachable Warrant for every CAD\$0.50 of principal Convertible Debentures subscribed for, with each Warrant entitling the holder thereof to acquire one Common Share at a price of CAD\$0.55 for a period of one year, subject to acceleration upon completion of the AIM listing. Accrued interest on the Convertible Debenture may be converted into Common Shares at a minimum conversion price of not less than the Market Price (as defined in TSX-V policies) at the time such interest becomes due and payable.

The closing of the Financings are expected to occur by no later than July 13, 2017, and remain subject to certain closing conditions, including, but not limited to, the receipt of applicable regulatory approvals and the completion of required regulatory filings with the TSXV. Commissions and/or finder's fees payable in cash or securities may be paid by the Company in connection with the Financings subject to compliance with TSXV policies. The Company intends to use the net proceeds of the Financings for costs associated with the AIM Listing and general corporate and working capital purposes.

The Company also announces that it has settled aggregate indebtedness of CAD\$205,051 (the "**Settlement**") owed to an arms' length creditor by issuing 512,627 units (each, a "**Settlement Unit**") at a deemed price of CAD\$0.40 per Settlement Unit. Each Settlement Unit consisted of one Common Share, and one Warrant exercisable at an exercise price of CAD\$0.55 until June 19, 2019. All securities issued pursuant to the Settlement are subject to a four-month statutory hold period commencing June 19, 2017 in accordance with applicable securities legislation.

The Company is also pleased to announce that it intends to list its Common Shares on the AIM Market of the London Stock Exchange. The Company is in the process of engaging a nominated advisor and one or more brokers as well as other advisors in connection with the AIM Listing and will provide a further corporate update in due course.

About: Oyster Oil and Gas Ltd.

Oyster is an upstream oil and gas company with a focus on Eastern Africa. Oyster holds production sharing contracts interests with the Government of Djibouti and the Government of Madagascar. Oyster holds four blocks comprising approximately 3.5 million acres onshore and offshore in Djibouti; and holds a 100% working interest and is the operator of an onshore block located in northwest Madagascar covering approximately 2.8 million acres.

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This news release contains statements about the Company's expectations regarding the completion of the Financings and AIM Listing that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, undue reliance should not be placed on them as actual results may differ materially from the forward-looking statements and there can be no assurance that such expectations will prove to be correct. Factors that could cause the actual results to differ materially from those in forward-looking statements include failure to complete the Financings for any reason whatsoever, including failure to obtain TSXV acceptance, or the AIM listing not occurring. The forward-looking statements contained in this news release are made as of the date hereof, and 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, except as required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

This news release does not constitute and the subject matter hereof is not, an offer for sale or a solicitation of an offer to buy, in the United States or to any "U.S. Person" (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "1933 Act")) of any equity or other securities of the Corporation. The securities of the Corporation have not been registered under the 1933 Act and may not be offered or sold in the United States (or to a U.S. Person) absent registration under the 1933 Act or an applicable exemption from the registration requirements of the 1933 Act.

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