



Jericho Oil Commences Drilling of Third STACK Well, Second in STACK's Osage Formation

After First Successful Osage Formation Test Well, Jericho Continues Drilling Momentum

Positive Results Spurring Increased Activity from Surrounding Operators in Major County

TULSA, Okla. and VANCOUVER, British Columbia, Aug. 22, 2018 -- Jericho Oil Corporation ("Jericho") (TSX-V: JCO; OTC PINK: JROOF) announces that its Oklahoma STACK Joint Venture ("STACK JV") will commence this week with the drilling of its second Osage formation well, the Trebuchet 21-23N-10W #1H, within its northern STACK acreage position further delineating the nearly 16,000 net STACK acres. This will be Jericho's third well drilled in the STACK Play in 2018 and second in the Osage formation.

This second Osage formation well follows the successful completion of the Swordspear 23-10-15 1H well located within the STACK JV's Farm-in Acreage (announced January 2018) located on the Major and Alfalfa County border, the northern boundary of the Oklahoma STACK Play. The Swordspear well, after 45 days on an electrical submersible pump ("ESP"), continues to produce at an average rate over 400 oil-equivalent barrels ("BOE") per day (55% oil). Osage formation wells commonly take 60-100 days from the start of first oil to reach peak initial production with the Swordspear benefiting from a shallow initial decline rate.

Critically, surrounding permitting and drilling activity continues to pick up around the STACK JV's position in Major County from public and private operators. New assignments, per public Oklahoma State records, for leases in the Northern STACK area have increased 1,800% year over year from July 2017 to June 2018, demonstrating the increased focus on pushing the northern boundary of the STACK Play of Oklahoma. Following on this growing interest in the northern STACK, Alta Mesa Resources ("AMR"; through its Kingfisher Midstream subsidiary) recently announced plans to significantly expand its midstream system to service Major County and its increasing level of drilling activity with a new high-pressure pipeline for oil, water and gas. The capital commitment by Kingfisher Midstream affirms the positive well results the STACK JV and others are experiencing in the area.

The STACK JV owns a 47.5% working interest in the Swordspear and a 48% working interest in the newly drilled Trebuchet. Current ultimate recovery projections place the potential rate of return at greater than 50% (assuming \$65bbl / \$3mcf and \$5mm Completed Well Cost). The northern STACK position was accumulated at very attractive per acre rates and represents hundreds of future drilling locations at compelling economics.

Brian Williamson, CEO of Jericho Oil, stated, "We continue to be incredibly encouraged with the early results of the Swordspear, successfully testing the Osage, proving the extent, both geographically and geologically, of the formation in the northern STACK Play of Oklahoma. First mover advantage in the northern STACK has allowed our Company to assemble thousands of high-quality acres at very attractive per acre prices. We have quickly moved to commence drilling on our second Osage well, hoping to further delineate and prove the vast resource available in the northern STACK," adding, "we are excited to see significant investments being made by midstream partners looking to capture the growth in drilling activity in Major County."

Jericho's Director of Geology, Shane Matson, noted, "The collaborative nature of many of the northern STACK participants is only going to serve to produce better and more consistent results across the play. The various hydrocarbon benches within the northern STACK have been tested productively for years and are a great match for current day horizontal development techniques."

The Company's 2018 development program, leveraging its recent findings and successes, will focus on the continued delineation of its acreage footprint for both the Meramec and Osage formations and adding tuck in acquisitions that complement their STACK acreage footprint.

About Jericho Oil Corporation

Jericho Oil (www.jerichooil.com) is focused on domestic, liquids-rich unconventional resource plays, located primarily in the Anadarko basin STACK Play of Oklahoma. Jericho's primary business objective is driving long-term shareholder value through the growth of oil and gas production, cash flow and reserves. Jericho has assembled an interest in 55,000 net acres across Oklahoma, including an interest in ~16,000 net acres in the STACK Play.

Jericho's current operations are focused on the oil-prone Meramec and Osage formations in the STACK. The Jericho team

applies advanced engineering analyses and enhanced geological techniques to under-developed resource areas.

Based in Vancouver, British Columbia, with operational headquarters in Tulsa, Oklahoma, Jericho trades publicly on the TSX-Venture (JCO) and OTC (JROOF). Jericho owns its net acre position in Oklahoma through, and participates in the STACK JV through, one or more wholly owned subsidiaries.

Cautionary Note Regarding Forward-Looking Statements: This news release includes certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and Canadian securities laws. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual events and results to differ materially from Jericho's expectations include risks related to the exploration stage of Jericho's project; market fluctuations in prices for securities of exploration stage companies; and uncertainties about the availability of additional financing.

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

CONTACTS:

Tony Blancato,
Director, Investor Relations
918.986.7616

or

Adam Rabiner,
Director, Corporate Communications
1.800.750.3520
investorrelations@jerichooil.com