



JOURNEY ENERGY INC. PROVIDES BANKING UPDATE

CALGARY, June 30, 2020 /CNW/ - Journey Energy Inc. (JOY – TSX; JRNGF - OTCQX) (“**Journey**” or the “**Company**”) announces an extension to the forbearance agreement with its banking syndicate.

Journey is pleased to report that it has reached an agreement with its syndicate of lenders to extend the current forbearance agreement until July 31, 2020. Journey has been diligently working with its lenders to reach an amicable solution to the reduction in its borrowing base caused by the impact of the COVID-19 pandemic on the worldwide economy and the resulting decrease in oil prices. The extension of the forbearance period will allow Journey additional time to keep pursuing a solution.

The extension to the forbearance agreement includes holding the bank line at a maximum of \$77 million until the termination of the agreement on July 31, 2020, at which time the forbearance will be re-evaluated. During the intervening period, Journey will evaluate various alternatives with the syndicate as well as continuing to pursue the Federal Government backed loan support programs for the oil and gas sector announced on April 17, 2020.

Journey is also pleased to announce that it has reached an agreement with one of its largest shareholders and term debt provider, Alberta Investment Management Corporation (“AIMCo”), to add the semi-annual interest payment and accommodation fees due today to the principal amount owing under the loan. The capitalization of \$2.3 million will provide Journey with much needed liquidity during these difficult times. Journey appreciates the ongoing support provided by AIMCo as a key investor.

About the Company

Journey is a Canadian exploration and production company focused on oil-weighted operations in western Canada. Journey’s strategy is to grow its production base by drilling on its existing core lands, implementing waterflood projects, and by executing on accretive acquisitions. Journey seeks to optimize its legacy oil pools on existing lands through the application of best practices in horizontal drilling and, where feasible, with water floods. Journey is also in the early phases of advancing development of an unconventional shale resource play in the oil window of the Duvernay, in the western shale basin of our central core area.

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FORWARD LOOKING STATEMENTS AND OTHER ADVISORIES

Information in this press release that is not current or historical factual information may constitute forward-looking information within the meaning of securities laws, which involves substantial known and unknown risks and uncertainties, most of which are beyond the control of Journey, including, without limitation, those listed under “Risk Factors” and “Forward Looking Statements” in the Annual Information Form filed on www.SEDAR.com on March 30, 2020. Forward-looking information may relate to Journey’s future outlook and anticipated events or results and may include statements regarding the business strategy and plans and objectives. Particularly, forward-looking information in this press release includes, but is not limited to, information concerning Journey’s drilling and other operational plans, production rates, the benefits of lease extensions resulting from shut ins, potential non-core asset dispositions, the temporary nature of staff and compensation reductions and the potential for further forbearance by Journey’s banking syndicate. Journey cautions investors in Journey’s securities about important factors that could cause Journey’s actual results to differ materially from those projected in any forward-looking statements included in this press release. Information in this press release about Journey’s prospective funds flows and financial position is based on assumptions about future events, including economic conditions and courses of action, based on management’s assessment of the relevant information currently available. Readers are cautioned that information regarding Journey’s financial outlook should not be used for purposes other than those disclosed herein. Forward-looking information contained in this press release is based on current estimates, expectations and projections, which Journey believes to be reasonable as of the current date. No assurance can be given that the expectations set out herein will prove to be correct and accordingly, you should not place undue importance on forward-looking information and should not rely upon this information as of any other date. While we may elect to, we are under no obligation and do not undertake to update this information at any particular time except as required by applicable securities law.

Readers are cautioned that the above list of risks and factors are not intended to be exhaustive. Additional information on these and other factors that could affect operating and financial results are, or will be, included in reports filed with the applicable securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com).

No securities regulatory authority has either approved or disapproved of the contents of this press release.