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PIERIDAE ANNOUNCES SECOND QUARTER RESULTS

*Solid Results During Ongoing Pandemic &
Challenging Market Conditions*

Highlights:

- Revenue of \$68.6 million in Q2 2020, an increase of \$55.2 million or 412% compared to Q2 2019
- Net operating income¹ (“NOI”) increased by \$21.2 million or 1,101% compared to Q2 2019
- Adjusted Funds Flow From Operations¹ (“AFFO”) increased by \$19.0 million or 291% compared to Q2 2019
- Q2 2020 average production was 43,791 barrels of oil equivalent per day (“boe/day”), an increase of 28,423 boe/day or 185% compared to Q2 2019

CALGARY, ALBERTA – August 12, 2020 - Pieridae Energy Limited (“Pieridae” or the “Company”) (PEA.TO) released its Q2 2020 results today, highlighted by the fact the Company continues to deliver solid results quarter after quarter, achieving strong metrics in overall revenue, NOI, AFFO and daily production. Pieridae's unaudited condensed interim financial statements and MD&A are available on our website at www.pieridaeenergy.com and are filed on SEDAR at www.sedar.com.

“We achieved these strong results through our positive hedging strategy, limiting non-essential capital and operating spending and taking active steps to reduce administrative costs,” said Pieridae’s Chief Executive Officer Alfred Sorensen. “As a result of the Alberta Foothills asset acquisition, revenue was up more than 400% year over year on a Q2 basis, production climbed 185%, and we continued to operate our assets safely and reliably.

“I am also pleased to report that we have reached a resolution with KBR following its earlier announcement that it was no longer prepared to negotiate and conclude a lump sum turnkey engineering, procurement, construction and commissioning (“EPCC”) contract for our Goldboro LNG Facility,” added Sorensen. “As part of the resolution, Pieridae acquires the right to transition all of KBR’s work product created to date to a replacement EPCC contractor. We are in the midst of discussions with other firms that have expressed strong interest in concluding a lump sum turnkey EPCC contract for the LNG Facility with Pieridae.”

¹ NOI and AFFO are non-IFRS measures. They do not have any standardized meaning under IFRS and therefore may not be comparable to similar measures presented by other issuers. See pages 20 and 21 in the Company's Q2 2020 MD&A.

Sorensen concluded by saying that progress is also being made for Shell and Pieridae to re-apply to the Alberta Energy Regulator (“AER”) for the license transfers of its Southern Alberta Foothills assets to Pieridae.

“We continue to build our solid base business as one of the largest Foothills producers in North America,” said Sorensen. “Layer on our multi-billion-dollar Goldboro LNG Project, which remains a shovel-worthy, significant Canadian job-creator that will help our country recover economically post COVID-19, and you have an upstream/midstream company with a large upside.”

Q2 2020 Financial & Operations Highlights

Revenue (net of royalties) of \$68.6 million in the three months ended June 30, 2020 increased by \$55.2 million or 412% as compared to the same period in 2019 (\$13.1 million). This includes NGL and condensate revenue of \$16.9 million, as well as third party processing fees of \$6.9 million. Petroleum and natural gas revenue in the second quarter of 2020 increased by \$42.0 million or 341% compared to the same quarter in 2019. On a year-to-date basis, petroleum and natural gas revenue increased by \$83.4 million or 234% compared to the same period in 2019.

Similarly, revenue (net of royalties) of \$142.6 million in the six months ended June 30, 2020 increased by \$106.2 million or 292% as compared to the same period in 2019. Increases in both the three and six months ended June 30 when compared to the same period in 2019 are due to full quarters of operations, including expanded production of natural gas, condensate and NGL from the Southern Alberta Foothills assets and the addition of third party processing revenue of \$6.9 million for the current quarter and \$13.7 million on a year to date basis.

NOI increased by \$21.2 million or 1,101% compared to Q2 2019 due to the acquisition of the Southern Alberta Foothills assets in October 2019. Q2 2020 NOI of \$19.3 million was consistent with NOI in the previous quarter. Similarly, AFFO increased by \$19.0 million or 291% year-over-year, and working capital increased 119% from a deficit of -\$77.9 million in Q2 2019 to \$15.1 million in Q2 2020, providing further financial flexibility.

Operating netback in Q2 2020 increased by \$6.26/boe or 441% (to \$4.84/boe) as compared to Q2 2019 (-\$1.42). This was the result of a combination of higher average realized pricing and more diversified revenue streams, offset by higher operating expenses primarily because of our complex gas processing facilities.

This continuation of the transformational growth demonstrated in the year ended December 31, 2019 will provide Pieridae the liquidity it needs to continue to operate its assets, as well as to further de-risk the development work required for the Goldboro LNG Project to get to a positive final investment decision.

Summary of Quarterly Results

<i>(\$ 000s, except per share amounts)</i>	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Revenue (net of royalties)	68,579	73,974	60,451	13,130	13,387	22,982	2,432	215
Operating expenses	45,422	50,982	32,949	14,365	13,528	16,194	5,093	2,018
Administrative expenses	6,386	6,301	8,478	3,676	3,738	4,032	3,971	1,707
Net loss attributable to equity holders ("NLAEH")	(13,365)	(11,484)	(25,873)	(13,178)	(19,530)	(12,996)	(8,848)	(20,368)
NLAEH per share (basic and diluted)	(0.09)	(0.07)	(0.18)	(0.15)	(0.23)	(0.17)	(0.17)	(0.4)
Working capital (deficit)	15,109	15,596	19,105	(88,430)	(77,892)	(66,192)	(84,061)	(52)
Net operating income (loss) ⁽¹⁾	19,301	19,239	24,425	(2,699)	(1,958)	5,158	(400)	-
Cash provided by (used in) operating activities	(2,013)	6,426	(17,748)	(238)	(16,702)	(17,084)	(4,485)	(3,171)
Adjusted funds flow from (used in) operations ⁽¹⁾	12,466	12,644	14,449	(7,665)	(6,517)	342	(4,009)	-

¹ Non-IFRS measures, refer to the "Non-IFRS measures" section on pages 20 and 21 of the Q2 2020 MD&A. The Company only had active operations commencing in Q4 2018.

As previously highlighted, Q2 2020 production increased 185% or 28,423 boe/day to 43,791 boe/day compared to Q2 2019. Production was up 6% compared to Q1 2020. This increase is primarily due to the Southern Alberta Foothills assets acquisition, partially offset by unplanned outages in the first two months of 2020 at two gas processing facilities during the coldest weeks of the year, which was rectified during Q2 2020. The significant growth in condensate and NGL production in the quarter reflects the deep cut capacity of the processing facilities acquired last fall.

The Company continues to have a strong hedging program in place to partially insulate itself from volatile commodity prices, which has proven successful at providing a degree of pricing certainty and revenue stability during these uncertain and challenging times. The pressure on realized prices was partially mitigated through our hedging program, resulting in a realized gain of \$8.2 million during the quarter, for a total of \$12.7 million on a year to date basis.

Realized natural gas prices were \$1.87/mcf compared to benchmark prices of \$1.88 during the quarter.

COVID-19 Response/Adjustments

The impact from the COVID-19 pandemic began to show early signs of recovery in the latter part of the quarter due to the easing of government restrictions to limit the spread of COVID-19, and the commitment by OPEC and non-OPEC countries to reduce production levels.

Markets are gradually recovering, and as mentioned, the Company's hedging program is continuing to help Pieridae's bottom line. As announced in the previous quarter, the Company has implemented a 20% reduction for Board of Directors and CEO compensation and has taken further steps to reduce administrative costs including temporarily reducing salaries and other discretionary spending.

Pieridae remains committed to the health and safety of all personnel and to the safety and continuity of operations. Respecting government guidelines to limit the risk of the outbreak, the Company has implemented measures such as self-quarantine policies, travel restrictions, enhanced sanitation measures and social distancing requirements, which have resulted in a majority of office staff currently working remotely. Pieridae has not suffered any significant loss of productivity for the three and six months ended June 30, 2020, and we had zero lost time incidents.

Q2 2020 Developments

Uniper Deadlines Extensions

On May 5, 2020, the Company announced that it and energy company Uniper Global Commodities agreed to extend key deadlines under their joint, 20-year agreement. The deadline extensions included expected commercial deliveries of gas to Uniper to start between August 31, 2025 and February 28, 2026; and the extension to June 30, 2021 of the deadline to make a positive final investment decision for the Company's proposed Goldboro LNG Facility. The 20-year agreement with Uniper is for all the liquefied natural gas produced at Goldboro Train 1 or 4.8 million tonnes per annum ("mmtpa").

Alberta Energy Regulator Decision

On May 13, 2020, the AER made the decision to deny Shell's application to transfer the licences associated with the Southern Alberta Foothills assets to Pieridae. This denial is due to concerns regarding the application to split the liability associated with Jumping Pound and Waterton gas processing facilities where Shell would have retained the liability associated with subsurface sulfolane contamination. Pieridae and Shell are working together to resolve the AER's concerns, and management does not anticipate any changes to its financial position or future cash flows because of this decision. The Company continues to own and operate the assets.

Subsequent to Q2: KBR Goldboro LNG EPCC Contract Resolution Reached

On July 13, 2020, Pieridae announced it had received written notice from Kellogg Brown & Root Limited ("KBR") stating KBR was no longer prepared to negotiate and conclude a lump sum turnkey EPCC contract in relation to the proposed Goldboro LNG Facility. KBR's altered position was in apparent contravention of its obligation under the terms of a March 27, 2019 signed services agreement between Pieridae and KBR.

As stated above, Pieridae and KBR have agreed in principle to amend the services agreement in order to resolve their respective claims and allow Pieridae to transition the work KBR has done on the Goldboro LNG Facility to a replacement EPCC contractor.

There are other reputable and experienced firms who have the expertise to provide EPCC services, and we are currently having positive discussions with five of them who have expressed a strong interest in negotiating a lump sum turnkey EPCC contract.

The Goldboro LNG Project remains solid with many key elements in place: the majority of key permits, a 20-year contract with German energy company Uniper Global Commodities to buy half of Goldboro's gas, confirmation of eligibility in principle of an untied loan guarantee of up to US\$4.5 billion from the German Government, a signed benefits agreement with the Nova Scotia

Mi'kmaq, and Pieridae has the majority of the gas needed, when developed, to supply Goldboro's Train 1.

Subsequent to Q2: Guarantee Facility from Export Development Canada ("EDC")

On July 29, 2020, Pieridae announced it had received approval from EDC for a \$6 million guarantee facility as part of the EDC's Account Performance Security Guarantee ("APSG") program. This guarantee facility bears interest at 0.29% and provides a 100% guarantee to the issuing bank of certain of the Company's existing and future letters of credit ("LCs"). The APSG will allow Pieridae to release existing and future cash collateral requirements provided as security for certain existing and potential future LCs. This facility from EDC sends a strong signal to the market that we continue to gain momentum and key support for the Company and its strategic direction. It also establishes the start of what is hoped to be a strong and ongoing partnership with EDC.

Guidance

We anticipate 2020 NOI in the range of \$70 million to \$90 million, production of 40,000 to 45,000 boe/day, capital expenditures of \$15 million, and investment in Goldboro LNG development expenses of \$16 million. We anticipate commodities hedging of 40% to 60% of net production on a boe/day basis, and \$11.50 to \$13.00/boe realized operating costs, not including transportation costs of approximately \$0.90/boe.

About Pieridae

Founded in 2011, Pieridae, a majority Canadian owned corporation based in Calgary, is focused on the development of integrated energy-related activities, from the exploration and extraction of natural gas to the development, construction and operation of the Goldboro LNG facility and the production of LNG for sale to Europe and other markets. Pieridae is on the leading edge of the re-integration of the LNG value chain in North America. After completion of all the transactions disclosed in this news release, Pieridae has 162,950,597 common shares issued and outstanding which trade on the TSX ("PEA.TO").

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Forward-Looking Statements

Certain statements contained herein may constitute "forward-looking statements" or "forward-looking information" within the meaning of applicable securities laws (collectively "forward-looking statements"). Words such as "may", "will", "should", "could", "anticipate", "believe", "expect", "intend", "plan", "potential", "continue", "shall", "estimate", "expect", "propose", "might", "project", "predict", "forecast" and similar expressions may be used to identify these forward-looking statements.

Forward-looking statements involve significant risk and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking

statements including, but not limited to, risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of resources estimates, environmental risks, competition from other producers, incorrect assessment of the value of acquisitions, failure to realize the anticipated benefits or synergies from acquisitions, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources and the risk factors outlined under "Risk Factors" and elsewhere herein. The recovery and resources estimate of Pieridae's reserves provided herein are estimates only and there is no guarantee that the estimated resources will be recovered. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements.

Forward-looking statements are based on a number of factors and assumptions which have been used to develop such forward-looking statements, but which may prove to be incorrect. Although Pieridae believes that the expectations reflected in such forward-looking statements are reasonable, undue reliance should not be placed on forward-looking statements because Pieridae can give no assurance that such expectations will prove to be correct. In addition to other factors and assumptions which may be identified in this document, assumptions have been made regarding, among other things: the impact of increasing competition; the general stability of the economic and political environment in which Pieridae operates; the timely receipt of any required regulatory approvals; the ability of Pieridae to obtain qualified staff, equipment and services in a timely and cost efficient manner; the ability of the operator of the projects which Pieridae has an interest in, to operate the field in a safe, efficient and effective manner; the ability of Pieridae to obtain financing on acceptable terms; the ability to replace and expand oil and natural gas resources through acquisition, development and exploration; the timing and costs of pipeline, storage and facility construction and expansion and the ability of Pieridae to secure adequate product transportation; future commodity prices; currency, exchange and interest rates; the regulatory framework regarding royalties, taxes and environmental matters in the jurisdictions in which Pieridae operates; timing and amount of capital expenditures, future sources of funding, production levels, weather conditions, success of exploration and development activities, access to gathering, processing and pipeline systems, advancing technologies, and the ability of Pieridae to successfully market its oil and natural gas products.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect Pieridae's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com), and at Pieridae's website (www.pieridaeenergy.com). Although the forward-looking statements contained herein are based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with these forward-looking statements. Investors should not place undue reliance on forward-looking statements. These forward-looking statements are made as of the date hereof and Pieridae assumes no obligation to update or review them to reflect new events or circumstances except as required by Applicable Securities Laws.

Forward-looking statements contained herein concerning the oil and gas industry and Pieridae's general expectations concerning this industry are based on estimates prepared by management using data from publicly available industry sources as well as from reserve reports, market research and industry analysis and on assumptions based on data and knowledge of this industry which Pieridae believes to be reasonable. However, this data is inherently imprecise, although generally indicative of relative market positions, market shares and performance characteristics. While Pieridae is not aware of any misstatements regarding any industry data presented herein, the industry involves risks and uncertainties and is subject to change based on various factors.

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