



NEWS RELEASE

January 22, 2020

Condor receives a further US\$18.7 million for sale of oilfields in Kazakhstan

CALGARY, January 22, 2020 – Condor Petroleum Inc. (“Condor” or the “Company”) (TSX:CPI) is pleased to announce the receipt of a further US\$18.7 million of the sale proceeds for the Company’s previously announced sale of its Shoba and Taskuduk oilfields in Kazakhstan. In October 2019 the Company received an initial deposit of US\$3.8 million of the total US\$24.6 million sales proceeds. The remaining US\$2.1 million is due within ten days following the signing of the addendums to the Shoba and Taskuduk production contracts by the Government of Kazakhstan, which is expected in the first quarter of 2020. All other consents and conditions for closing the transaction have been satisfied.

Don Streu, President and CEO of Condor commented “we’re extremely pleased that the Shoba and Taskuduk sales transactions are now almost complete. Having received the majority of the Kazakhstan sales proceeds, our strong balance sheet allows us to advance the Company’s strategic initiatives that include: completing a production sharing agreement for the five producing gas fields in Uzbekistan; paying down amounts owing under our existing credit facility; conducting additional activities to increase natural gas production in Turkey; and resuming Kazakhstan exploration activities once the 630 day exploration extension is formalized for the Zharkamys Contract”.

FORWARD-LOOKING STATEMENTS

Certain statements and information in this news release constitute forward-looking information under applicable securities legislation. Such statements and information are generally identifiable by the terminology used, such as “anticipate”, “intend”, “expect”, “plan”, “estimate”, “budget”, “outlook”, “scheduled”, “may”, “will”, “should”, “could”, “would”, “in the process of” or other similar wording. Forward-looking information in this news release includes, but is not limited to, information concerning: the timing and ability to obtain signatures from the Government of Kazakhstan, receive the remaining payment and complete the transaction for the sale of the Shoba and Taskuduk oilfields; the use of proceeds from the transaction including the timing and ability to conclude a production sharing agreement in Uzbekistan; the repayment of amounts outstanding on the Company’s existing credit facility; the timing and ability to increase natural gas production in Turkey; possible outcomes regarding the Zharkamys Contract including the possibility that the term may be extended or, conversely, that it may revert back to the Ministry; the timing and ability to resume exploration activities on the Zharkamys Contract property; the timing and ability to obtain various approvals and conduct the Company’s planned exploration and development activities; and related and general business strategies and objectives.

Forward-looking statements involve the use of certain assumptions that may not materialize or that may not be accurate and are subject to known and unknown risks and uncertainties and other factors, which may cause actual results or events to differ materially from those expressed or implied by such information. Condor’s operations are also subject to certain other risks and uncertainties inherent with oil and gas operations and additional information on these and other factors that could affect Condor’s

operations and financial results. These factors are discussed in greater detail under “*Risk Factors - Risks Relating to the Company*” in Condor's Annual Information Form, which may be accessed through the SEDAR website (www.sedar.com). The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon.

Readers are cautioned that the foregoing list of important factors affecting forward-looking information is not exhaustive. The forward-looking information contained in this news release are made as of the date of this news release and, except as required by applicable law, Condor does not undertake any obligation to update publicly or to revise any of the included forward-looking information, whether as a result of new information, future events or otherwise. The forward-looking information contained in this news release is expressly qualified by this cautionary statement.

ZHARKAMYS CONTRACT

The Company's Zharkamys Contract was due to expire on December 14, 2016. Prior to this date, the Kazakhstan Chamber of International Commerce and subsequently the Kazakhstan Civil Court (“Civil Court”) confirmed that a force majeure event had occurred which, under Kazakhstan subsurface use law, can be the basis for the Zharkamys Contract validity period to be extended for a period of 630 days. In May 2017, the Kazakhstan Court of Appeal (“Court of Appeal”), pursuant to an appeal filed by the Ministry, ruled that the force majeure event was not recognized and reversed the decision of the Civil Court. The Company referred the case to the Kazakhstan Supreme Court (“Supreme Court”) and in November 2017 the Supreme Court ruling overturned both the Civil Court and the Court of Appeal rulings and referred the case back to the Civil Court for further review by a new panel of judges. In March 2018 the Civil Court ruling confirmed that the force majeure event had occurred. In April 2018 the Ministry appealed the Civil Court ruling and in May 2018 the Court of Appeal upheld the Civil Court ruling that the force majeure event had occurred. The Ministry did not appeal to the Supreme Court within the six months permitted by Kazakhstan law. The Company has submitted an application to the Ministry for the 630 day extension and expects the exploration period to the Zharkamys Contract to be extended during the first quarter of 2020.

ABBREVIATIONS

The following is a summary of abbreviations used in this news release:

US\$ United States Dollars

The TSX does not accept responsibility for the adequacy or accuracy of this news release.

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