

UPDATE - Petroteq Achieves Continuous Production

SHERMAN OAKS, Calif., Oct. 21, 2019 (GLOBE NEWSWIRE) -- Petroteq Energy Inc. ("**Petroteq**" or the "**Company**") (TSXV:PQE; OTC:PQEFF; FSE: PQCF), a fully integrated oil sands mining and oil production company, is pleased to announce that the Company has achieved continuous production in the quantities of oil extracted, processed and sold at its Asphalt Ridge Facility in Utah (the "**Plant**"). Following the completion of certain design changes at the Plant and the installation of additional equipment to fulfill the design changes, the Company has achieved the following milestones:

- production and sale of 1,000 barrels of oil, achieved in one work week of continuous operations at the Plant;
- a production rate of 200 barrels of oil per day utilizing an eight-hour work shift each day; and
- a higher quality of oil on a consistent basis that meets the specifications of refiners and other buyers.

We anticipate oil production rates to increase once ongoing automation of the Plant's centrifuge unit is completed and a second and then third 8-hour shifts are added, achieving around the clock 24 hour/day operations and our goal of 1,000 barrels of daily oil production. The automation of the Plant also has the potential to reduce labor costs and increase the quality of oil produced at the Plant, potentially allowing us to command a higher price in the marketplace.

According to David Sealock, CEO, "The Company has been working with Valkor Engineering, a U.S. engineering firm in charge of the project, together with Alfa Laval, a leading global provider of engineering solutions, separation and fluid handling, and a centrifuge manufacturer, in improving existing processes and installing additional equipment to achieve higher production rates and to provide increase efficiencies at our Utah facility. We believe that all production issues have been resolved and the plant is now achieving continuous and stable production rates."

The Company believes that the Plant may be the first commercial plant in the U.S. to demonstrate a technically and economically viable technology for the extraction and upgrade of crude oil from U.S. oil sands and bituminous sandstones. For more insight into the Company's proprietary technology, referred to as a "Clean Oil Recovery Technology" or "CORT", and the potential growth opportunities the Company may have using CORT, please watch the video entitled "[Petroteq Vision](#)".

About Petroteq Energy Inc.

Petroteq is a fully integrated oil and gas company focused on the development and

implementation of a new proprietary technology for oil extraction. The Company has an environmentally safe and sustainable technology for the extraction of heavy and bitumen from oil sands, oil shale deposits and shallow oil deposits. Petroteq is engaged in the development and implementation of its patented environmentally friendly heavy oil processing and extraction technologies. Our proprietary process produces zero greenhouse gas, zero waste and requires no high temperatures. Petroteq is currently focused on developing its oil sands resources and expanding production capacity at its Asphalt Ridge heavy oil extraction and processing facility located near Vernal, Utah.

www.Petroteq.com

About Alfa Laval

Alfa Laval is a leading global provider of specialized products and engineering solutions based on its key technologies of heat transfer, separation and fluid handling. The company's equipment, systems and services are dedicated to assisting customers in optimizing the performance of their processes. The solutions help them to heat, cool, separate and transport products in industries that produce food and beverages, chemicals and petrochemicals, pharmaceuticals, starch, sugar and ethanol. Alfa Laval's products are also used in power plants, aboard ships, oil and gas exploration, in the mechanical engineering industry, in the mining industry and for wastewater treatment, as well as for comfort climate and refrigeration applications. Alfa Laval's worldwide organization works closely with customers in nearly 100 countries to help them stay ahead in the global arena. Alfa Laval is listed on Nasdaq OMX, and, in 2018, reported annual sales of about SEK 40.7 billion (approx. 4.0 billion Euros). The company has about 17,200 employees.

www.alfalaval.com/

Forward-Looking Statements

Certain statements contained in this press release contain forward-looking statements within the meaning of the U.S. and Canadian securities laws. Words such as “may,” “would,” “could,” “should,” “potential,” “will,” “seek,” “intend,” “plan,” “anticipate,” “believe,” “estimate,” “expect” and similar expressions as they relate to the Company, including: oil production rates increasing, including up to 1,000; additional shifts being added; achieving 24; the automation of the Plant reducing labor costs, increasing the quality of oil produced and commanding higher prices for oil produced, are intended to identify forward-looking information. Readers are cautioned that there is no certainty that it will be the Company's facility will prove to be commercially viable. All statements other than statements of historical fact may be forward-looking information. Such statements reflect the Company's current views and intentions with respect to future events, based on information available to the Company, and are subject to certain risks, uncertainties and assumptions, including, without limitation: the Company's technology producing as expected without additional or unforeseen technical problems; oil prices remaining at or above current prices; local demand for oil remaining steady; the Company's engineers finalizing the atomization of the facility; the automation resulting in less labor requirements; and the Company's ability to continue financing existing expenses. Material factors or assumptions were applied in providing forward-looking information. While forward-looking statements are based on data, assumptions and analyses that the Company believes are reasonable under the circumstances, whether actual results, performance or developments will meet the

Company's expectations and predictions depends on a number of risks and uncertainties that could cause the actual results, performance and financial condition of the Company to differ materially from its expectations. Certain of the "risk factors" that could cause actual results to differ materially from the Company's forward-looking statements in this press release include, without limitation: uncertainties inherent in the estimation of resources, including whether any reserves will ever be attributed to the Company's properties; since the Company's extraction technology is proprietary, is not widely used in the industry, and has not been used in consistent commercial production, the Company's bitumen resources are classified as a contingent resource because they are not currently considered to be commercially recoverable; full scale commercial production may engender public opposition; the Company cannot be certain that any bitumen resources will be economically producible and thus cannot be classified as proved or probable reserves in accordance with applicable securities laws; changes in laws or regulations; the ability to implement business strategies or to pursue business opportunities, whether for economic or other reasons; status of the world oil markets, oil prices and price volatility; oil pricing; state of capital markets and the ability of the Company to raise capital; litigation; the commercial and economic viability of the Company's oil sands hydrocarbon extraction technology, and other proprietary technologies developed or licensed by the Company or its subsidiaries, which currently are of an experimental nature and have not been used at full capacity for an extended period of time; reliance on suppliers, contractors, consultants and key personnel; the ability of the Company to maintain its mineral lease holdings; potential failure of the Company's business plans or model; the nature of oil and gas production and oil sands mining, extraction and production; uncertainties in exploration and drilling for oil, gas and other hydrocarbon-bearing substances; unanticipated costs and expenses, availability of financing and other capital; potential damage to or destruction of property, loss of life and environmental damage; risks associated with compliance with environmental protection laws and regulations; uninsurable or uninsured risks; potential conflicts of interest of officers and directors; and other general economic, market and business conditions and factors, including the risk factors discussed or referred to in the Company's disclosure documents, filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

Should any factor affect the Company in an unexpected manner, or should assumptions underlying the forward- looking information prove incorrect, the actual results or events may differ materially from the results or events predicted. Any such forward-looking information is expressly qualified in its entirety by this cautionary statement. Moreover, the Company does not assume responsibility for the accuracy or completeness of such forward-looking information. The forward-looking information included in this press release is made as of the date of this press release, and the Company undertakes no obligation to publicly update or revise any forward-looking information, other than as required by applicable law.

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

CONTACT INFORMATION

Petroteq Energy Inc.
Alex Blyumkin

Executive Chairman
Tel: (800) 979-1897



Source: Petroteq Energy Inc.