

November 30, 2017



Petroteq Energy, Inc., Pioneering Technologies in the Energy Industry

LOS ANGELES, CA -- (Marketwired) -- 11/30/17 -- [Petroteq Energy, Inc.](#) (the "Company") (TSX VENTURE: PQE) (OTCQX: PQEFF) (FRANKFURT: A2DYWC)

Dear Shareholders:

In response to questions from many of you I wanted to talk about the strategic direction of [Petroteq](#) (TSX VENTURE: PQE) (OTCQX: PQEFF) (FRANKFURT: A2DYWC) and explain how I believe all of our current efforts will work together to deliver long term shareholder value.

First and foremost, Petroteq is a technology company. Since we began operations we have moved away from commodity businesses to high margin businesses at the cutting edge of technology. That is our mission and we are striving for that goal at Petroteq. Currently, we happen to be a **Technology** company that is building a substantial production facility on site of an 87 million barrel oil equivalent resource.

The first technology we have brought to the market is our unique patented technology for extracting oil from [Oil Sands](#), in a clean way. We have successfully extracted 10,000 barrels from our original plant and are in the process of expanding and upgrading that facility at our new location with a capacity of 1,000 barrels a day.

Of course we expect our Asphalt Ridge plant to be profitable, but that doesn't make us "just" an Oil Production company. We had to build and operate the plant because most of our strategy is driven off of proving our technology and then distributing that technology and licensing it worldwide.

Our recent announcement regarding a Joint Venture with Deloro is proof that our technology is disruptive and helps generate rates of return that most other aspects of the energy industry cannot achieve.

I intend to continue to work diligently to bring additional partners into the fold for Petroteq to unlock value across dozens of locations worldwide and billions of barrels of oil that can be accessed in a clean, environmentally friendly way, by selling and licensing our **TECHNOLOGY...**

I am writing you today to explain the logic behind embarking on developing blockchain technology for the energy Industry -- which we have named [Petroblog](#).

I have enjoyed a 50-year career in the Oil Patch, rising to the level of President of Exxon operations in the Arabian Gulf. Over that career, both domestically and overseas, both upstream and downstream, I have handled very large budgets and a considerable multi-national workforce, while managing multimillion dollar projects.

Few people outside of the energy industry understand the complexity of the transactions that need to happen between getting crude oil from the ground to ultimately ending up as gasoline in your automobile. There are land lease agreements, royalty agreements, taxes, revenue shares, profit shares, among other ways to slice up the revenues we receive. Further there are government and political relationships that govern the transition of product across borders and tax jurisdictions. It is an extremely complicated business as any group of auditors and accountants will attest, along with the many engineers and operators that handle the hardware.

The Blockchain holds the promise of unlocking billions of dollars in profits for the Energy Industry by reducing the friction inherent in the business processes we need to control.

Petroteq is uniquely positioned to participate in this tidal transition for the energy industry because we can work with and partner with all of the majors and juniors and not be seen as a threat. Further, our organizational structure is such that we are nimble. Our organization is designed and dedicated to be flexible and innovative, while challenged to create a new opportunity. Blockchain is poised to be the biggest gamechanger for the energy industry for the next several decades. I am not a blockchain expert, but I will become one, and I am pleased to lead this venture. We have the resources and access to work with the leaders in the industry from our headquarters in California.

We are working with the team at [First Bitcoin Capital](#) (OTC: BITCF) to begin this effort and develop tools that we feel will bring value to the industry. It might be through a ledger structured blockchain product or it could be through a

coin, or maybe both. We intend to then package up that technology and deliver it to the majors, so they don't have to do it themselves. We can create a network where all the players in the energy industry can send and receive crucial production, transportation, and accounting information in real time and save billions in costs. By developing these technologies and providing them as a service to the industry we feel we will be able to generate a new revenue stream for our company as well as benefit from the efficiencies of the platform ourselves.

So remember that we are a **technology** company -- developing and monetizing all kinds of technologies for the benefit of the industry and everyone whose quality of life depends on oil and energy. Watch us as we progress in this mission. By the way, I am presenting at LD Micro's conference in Bel Air in case you're in California next week.

Sincerely,
Jerry Bailey, Director & President

About Petroteq Energy, Inc.

The Company is engaged in the development and implementation of its proprietary 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 facility located near Vernal, Utah. The company also owns a minority stake in an exploration and production play located in southwest Texas held by Accord GR Energy Inc. Under a joint venture agreement with Recruiter.com and Oilprice.com, we anticipate that the website offering employment opportunities in the Energy sector will be launched in the month of November 2017. Petroteq is also developing technologies to optimize petrochemical industry workflow processes and will bring a team of professionals to expedite the process. For this purpose, Petroteq is developing an advanced blockchain solution for the Energy industry, this project is named PetroBloq.

For more information about Petroteq Energy Inc. visit: <https://petroteq.energy/>. For more on Petrobloq visit: <https://petrobloq.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, and the Company successfully increasing production capacity of its extraction plant from 250 to 1,000 barrels per day, are intended to identify forward-looking information. 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. Material factors or assumptions were applied in providing forward-looking information, including: the TSX Venture Exchange providing final approval of the loan; Mr. Blyumkin advancing the balance of the loan; and the Company having the funds necessary to complete the expansion of the production capacity from 250 to 1,000 barrels per day. 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: the TSX Venture Exchange not providing final approval of the loan; Mr. Blyumkin not advancing the balance of the loan; 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 ability by the Company to raise capital; litigation; the commercial and economic viability of the Company's oil sands hydrocarbon extraction technology, the SWEPT technology, the S-BRPT technology, and other proprietary technologies developed or licensed by the Company or by Accord, which are of 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 and Accord to maintain their respective 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 annual Management's Discussion and Analysis for the year ending August 31, 2016, 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.

The securities referred to in this news release have not been, nor will they be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from the U.S. registration requirements. This news release does not constitute an offer for sale of securities, nor a solicitation for offers to buy any securities. Any public offering of securities in the United States must be made by means of a prospectus containing detailed information about the company and management, as well as financial statements.

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