

January 26, 2018



Petroteq Energy Announces Update on Private Placements

STUDIO CITY, CALIFORNIA -- (Marketwired) -- 01/26/18 --

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Petroteq Energy Inc. (the "**Company**") (TSXV:PQE)(OTCQX:PQEFF)(FRANKFURT:MW4A), announces that, further to its news releases of November 8, 2017, November 23, 2017 and December 7, 2017, disclosing the receipt of subscriptions for 1,624,830 shares at US\$0.27, the Company has received final approval from the TSX Venture Exchange ("**TSXV**") for the issuance of 754,461 of such shares for gross proceeds of \$203,704.47. The balance of the shares issued pursuant to the subscriptions received did not receive final approval from the TSXV.

The Company also announces that, further to its news release of December 7, 2017, it has closed a private placement of 253,802 common shares of the Company for gross proceeds of US\$180,199.81, pursuant to a TSXV price reservation at US\$0.71. The private placement has received final approval from the TSXV. All of the shares issued are subject to a four month hold period from the date of issuance.

The net proceeds from the financings will be used by the Company for general corporate purposes and working capital. Including the foregoing issuances of shares, there will be 56,698,059 common shares of the Company issued and outstanding.

In addition, the Company announces that it has filed a TSXV price reservation at US\$1.06 to raise gross proceeds of up to US\$1,000,000 on a non-brokered basis. The shares issued pursuant to this private placement will be subject to a four month hold period from the date of issuance. The net proceeds will be used by the Company for general corporate purposes and working capital. The issuance will be subject to final approval of the TSXV.

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 oils 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 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. In addition, the

Company, through its wholly owned subsidiary PetroBLOQ, LLC, is seeking to develop the first blockchain based platform created exclusively for the supply chain needs of the oil & gas sector. For more information, visit www.Petroteq.energy and PetroBLOQ.com.

Forward-Looking Statements

Certain statements contained in this news 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 the Company closing all or any portion of the US\$1.06 financing, 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 Company receiving and accepting subscriptions for shares at US\$1.06 per share. 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 depend 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 TSXV not approving the US\$1.06 financing; 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; 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, 2017, 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.

Petroteq Energy Inc.
Alex Blyumkin
Chief Executive Officer
Tel: (800) 979-1897

Source: Petroteq Energy Inc.