

August 31, 2017



Petroteq Energy Inc. Announces Closing of Non-Brokered Private Placement

STUDIO CITY, CALIFORNIA -- (Marketwired) -- 08/31/17 -- Petroteq Energy Inc. (the "**Company**") (TSX VENTURE:PQE)(OTCQX:PQEFF), a company focused on the development and implementation of proprietary technologies for the environmentally safe extraction of heavy oils from oil sands, oil shale deposits and shallow oil deposits, announces that it has completed a non-brokered private placement financing by issuing 42,000 common shares for gross proceeds of US\$10,080. All shares issued pursuant to the financing are subject to a restrictive US legend and a four month hold period. The financing closed on August 30, 2017, subject to final approval of the TSX Venture Exchange.

The net proceeds will be used by the Company for general corporate purposes and working capital. Including the issuance of shares detailed in this news release, there are currently 54,220,699 common shares of the company issued and outstanding.

About Petroteq Energy Inc.

The Company is engaged in the development and implementation of its proprietary, environmentally friendly heavy oil processing and extraction technologies. The Company is currently focused on oil and gas exploration and production on mineral leases located in southwest Texas held by Accord GR Energy Inc. (46% of which is owned by the Company), developing its oil sands resources and in expanding production capacity at its Asphalt Ridge heavy oil extraction facility located near Vernal, Utah.

Forward-Looking Statements

Certain statements contained in this press release contains 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 TSX Venture Exchange approval of the 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. 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

TSX Venture Exchange not approving the 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; and 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 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 for sale, 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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Source: Petroteq Energy Inc.

