



July 6, 2018

Strath Resources Closes Transformative Acquisition of Montney Assets

Strath Resources Ltd. (“Strath”) is pleased to announce that it has closed the previously announced acquisition from Paramount Resources Ltd. (“Paramount”) of its assets in the Resthaven/Jayar area of the Kakwa region for total consideration of \$340 million, paid 50% in cash and 50% in Strath common shares. The cash component was funded through an equity investment in Strath by Strath’s majority owner, Waterous Energy Fund, and the remaining \$170 million was funded by the issuance to Paramount of 85 million common shares in Strath and 10-year warrants to acquire 8.5 million Strath common shares. As a result, Paramount owns 15.6% of Strath and Jim Riddell, Paramount’s President and CEO, has joined Strath’s Board of Directors.

About Strath

Strath Resources Ltd. is a private intermediate exploration and production company founded in 2017 to develop condensate-rich natural gas in the Kakwa region of NW Alberta. Strath’s asset base, pro forma the acquisition, includes:

- 416 sections of land with proven development potential in the Montney, Dunvegan, and Wilrich formations
- 134 sections of Montney rights
- Firm processing capacity of 117 mmcf/d
- 129 mmcf/d of firm transportation capacity on TCPL, and
- Current production of approximately 21,300 boe/d (48% liquids)

Further information can be found on the company’s website at www.strathresources.com or by contacting Steve Fagan, President and CEO of Strath, at 587-393-7286 or by email at sfagan@strathresources.com.