



PETROFRONTIER CORP. INITIATES A STRATEGIC REVIEW PROCESS AND PROVIDES AN UPDATE ON ITS OWEN-3H WELL

Calgary, Alberta – December 4, 2012 (TSX-V: PFC) – PetroFrontier Corp. (“PetroFrontier” or the “Corporation”) announces that its Board of Directors has commenced a strategic review process to identify, examine and consider strategic alternatives for the Corporation. Such strategic alternatives could include a recapitalization of the Corporation, a merger or other business combination of the Corporation with another entity or the sale of the Corporation as a whole.

On June 20, 2012, the Corporation announced that it had entered into both a farm-in agreement with Statoil Australia Oil & Gas AS (“Statoil”) and an underwriting agreement with a large investment bank for the purchase on a “bought deal” basis of 15,000,000 subscription receipts at a price of \$1.00 per subscription receipt.

On July 11, 2012, the Corporation announced that it had received a notice from the investment bank terminating the “bought deal” financing. Despite raising some funds in September 2012, the Corporation still has a need for additional financing to fulfill its ongoing obligations.

Given the challenging state of the capital markets and the Corporation’s recent operational results, the Board of Directors decided to initiate this process.

Owen-3H Update

After 20 days of testing, the Owen-3H well flowed back fluids approximately equal to the amount injected during stimulation and 90% of the amount lost during drilling. However, no hydrocarbons were recovered. As a result the test was stopped and the well shut in pending a further review of the data obtained.

During the hydraulic stimulation of this well, PetroFrontier utilized an advanced chemical tracer application to allow subsequent flow differentiation from each of the ten ports. The analysis of these tracer samples is ongoing and once they have been fully evaluated, a remedial work over program may be developed and risk assessed for implementation.

Laboratory analysis of the Owen-3 core indicated porosities ranging from 1.6% to 6.7% and low permeability, all as expected. This analysis also indicated that the core fluids contained 90% oil and 10% water. Oil was observed dripping from the core which indicated that it is “movable”. Furthermore, no water was apparent on the logs in either the Owen-3 pilot hole or the Owen-3H well.

The crew and equipment used to flow test Owen-3H is now contracted to another operator and has demobilized from the Southern Georgina Basin. PetroFrontier has made every effort to source alternative equipment from other Australian service companies to allow operations to continue during the wet season but none is currently available until Q1/Q2 of 2013.

The Board of Directors and senior management are frustrated with the recent operational results and would prefer to have achieved proof of concept at this early stage of exploration. However, PetroFrontier and Statoil remain positive about the prospectivity of PetroFrontier's massive exploration acreage, which is supported by the favourable Owen-3 core analysis and the recent Total/Central Petroleum farm-in announcement.

The Corporation's 2013 exploration program is currently being planned in conjunction with Statoil and is expected to be finalized in the near future.

About PetroFrontier Corp.

PetroFrontier is an international oil and gas company engaged in the exploration, acquisition and development of both conventional and unconventional petroleum assets in Australia's Southern Georgina Basin, where it has an approximate 85.5% working interest in 14.1 million gross acres. PetroFrontier's common shares are listed on the TSX Venture Exchange under the symbol "PFC". Founded in 2009, PetroFrontier is one of the first companies to undertake exploration in the Southern Georgina Basin in Australia's Northern Territory. PetroFrontier's head office is based in Calgary, Alberta and operations office is in Adelaide, South Australia.

Forward-Looking Statements

This press release may contain forward-looking information that involves substantial known and unknown risks and uncertainties, most of which are beyond the control of PetroFrontier, including, without limitation, statements pertaining to the potential timing and results of the search for strategic alternatives and to management's future plans and operations. All statements included herein, other than statements of historical fact, are forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in PetroFrontier's disclosure documents on the SEDAR website at www.sedar.com. Any forward-looking statements are made as of the date of this release and, other than as required by applicable securities laws, PetroFrontier does not assume any obligation to update or revise them to reflect new events or circumstances.

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