



PETROFRONTIER CORP. ANNOUNCES CLOSING OF MAJOR RESOURCE PROPERTY ACQUISITION IN ALBERTA

Calgary, July 21, 2016 - PetroFrontier Corp. ("**PetroFrontier**") (TSX-V: **PFC**) is pleased to announce that it has closed its previously announced acquisition of certain resource assets (the "**Assets**") in the Cold Lake area of northeastern Alberta (the "**Acquisition**") from Kasten Energy Inc. ("**Kasten**").

The Acquisition price was approximately \$17.49 million for the Assets payable as follows:

- (a) by the issuance of 70 million common shares of PetroFrontier ("**PetroFrontier Shares**") at a deemed value of \$0.157 per share;
- (b) by the payment of \$3.5 million in cash at closing, net of the secured loan in the amount of \$525,000 which was advanced to Kasten prior to closing; and
- (c) by the issuance by PetroFrontier of a secured debenture (the "**Debenture**") in the amount of \$3 million in favor of Kasten, which may be convertible into PetroFrontier Shares at a price of \$0.157 per common share under certain conditions.

The Acquisition closed on July 21, 2016 and is effective as of June 1, 2016.

Concurrent with the completion of the Acquisition, certain officers of Kasten were added to PetroFrontier's management team. PetroFrontier's new officers are Kelly Kimbley as President, Ulrich Wirth as Vice-President Exploration, Omar El-Hajjar as Vice-President Operations and David Orr as Vice-President Business Development. In addition, Robert J. Iverach will continue as Chief Executive Officer and Robert Gillies will continue as Vice-President Finance, Chief Financial Officer and Secretary of PetroFrontier.

The completion of the Acquisition has received conditional approval of TSX Venture Exchange and is subject to its final approval, which PetroFrontier expects to receive after completion of the required filings. Trading in PetroFrontier Shares on the TSX Venture Exchange is expected to resume on July 25, 2016.

GMP Securities LP acted as financial advisor to PetroFrontier on this transaction.

PetroFrontier also announces that in connection with the closing of the Acquisition, its board of directors has approved the grant of 12,800,000 stock options to directors, officers and employees of PetroFrontier. The stock options were issued with an exercise price of \$0.16 per share, have a five year term, and vest as to 40% on the date of grant and 30% on each of the first and second anniversaries of the grant.

Outlook

PetroFrontier has maintained a disciplined approach over the past 15 months while considering numerous opportunities in the recent industry downturn, with the goal of protecting its balance sheet while seeking out a transaction that would involve high quality assets with significant future development potential. The Acquisition meets those criteria.

Robert Iverach, PetroFrontier's CEO commented: "I am extremely pleased to welcome the new members to our management team. PetroFrontier now has a full technical team with extensive

heavy oil experience. It is very exciting that PetroFrontier now has access to an extensive inventory of re-entry and development drilling locations to be developed by a combination of conventional (vertical) and horizontal wells. In addition, we are working with a significant proven reserve position.”

Kelly Kimbley, PetroFrontier’s new President added: “PetroFrontier now has a large and highly contiguous land base with potential for a considerable number of multi-zone drilling opportunities. Our development program has been well defined and will commence immediately. Our production is multi-zone “cold heavy oil production with sand” (or “CHOPS”), not requiring the expensive up front infrastructure involved with steam-assisted gravity drainage (or “SAGD”) projects. I am confident that meaningful production and reserve additions will be achieved as a result of this program, which will continue well into the future via continued development initiatives. We are also encouraged by the drilling results of several large industry players nearby.”

About PetroFrontier Corp.

PetroFrontier’s head office is in Calgary, Alberta and its common shares are listed for trading on the TSX-V under the symbol "PFC".

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 obtaining necessary approvals from the TSXV 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. 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.

Investors are cautioned that, except as disclosed in the Filing Statement, any information released or received with respect to the Acquisition may not be accurate or complete and should not be relied upon. Trading in the securities of PetroFrontier should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the Acquisition and has neither approved nor disapproved the contents of this press release.

For More Information Contact

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