



## News Release

### Cub Energy Announces Update on Drilling of Wells in Western Ukraine

Houston, Texas – October 21, 2019 – Cub Energy Inc. (“**Cub**” or the “**Company**”) (TSX-V: **KUB**), a Ukraine-focused upstream oil and gas company, announced today the results of the drilling of the first well in the Uzhgorod drilling program. The Uzhgorod-101 (“**U-101**”) well showed that the prospective reservoir sands were water saturated with traces of natural gas that indicate there was gas migration, but no viable trapping mechanism in this particular prospect.

CNG LLC (“**CNG**”), Cub’s 50%-owned subsidiary which owns and operates the western Ukraine Uzhgorod licence, obtained valuable subsurface geological and petrophysical data from the U-101 well that will be used to refine the seismic mapping and geo-modelling prior to drilling additional wells on the license. This upcoming study may result in revising the drilling priorities for the identified prospect inventory. CNG has released the drilling rig while these new data are being analyzed.

The Uzhgorod licence encompasses approximately 75,000 gross acres. The licence adjoins Cub’s 100%-owned producing RK field and is near the producing Ptruksa field located on the Slovakian side of the border. The U-101 well was the first well in a planned three-well drill program for which all costs will be borne 100% by our partner.

#### **About Cub Energy Inc.**

Cub Energy Inc. (TSX-V: KUB) is an upstream oil and gas company, with a proven track record of exploration and production cost efficiency in Ukraine. The Company’s strategy is to implement western technology and capital, combined with local expertise and ownership, to increase value in its undeveloped land base, creating and further building a portfolio of producing oil and gas assets within a high pricing environment.

For further information please contact us or visit our website: [www.cubenergyinc.com](http://www.cubenergyinc.com)

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The disclosure in this press release is prepared in accordance with NI 51-101 standards.

#### **Reader Advisory**

*Except for statements of historical fact, this news release contains certain “forward-looking information” within the meaning of applicable securities law. Forward-looking information is frequently characterized by words such as “plan”, “expect”, “project”, “intend”, “believe”, “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Cub believes that the expectations reflected in the forward-looking information are reasonable; however there can be no assurance those expectations will prove to be correct. We cannot guarantee future*

*results, performance or achievements. Consequently, there is no representation that the actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information.*

*Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those anticipated in the forward-looking information. Some of the risks and other factors that could cause the results to differ materially from those expressed in the forward-looking information include, but are not limited to: general economic conditions in Ukraine, the Black Sea Region and globally; political unrest and security concerns in Ukraine including the recent introduction of Martial Law in the Company's operating regions,; industry conditions, including fluctuations in the prices of natural gas and foreign currency; governmental regulation of the natural gas industry, including environmental regulation; unanticipated operating events or performance which can reduce production or cause production to be shut in or delayed; failure to obtain industry partner and other fourth party consents and approvals, if and when required; competition for and/or inability to retain drilling rigs and other services; the availability of capital on acceptable terms; the need to obtain required approvals from regulatory authorities; stock market volatility; volatility in market prices for natural gas; liabilities inherent in natural gas operations; competition for, among other things, capital, acquisitions of reserves, undeveloped lands, skilled personnel and supplies; incorrect assessments of the value of acquisitions; geological, technical, drilling, processing and transportation problems; changes in tax laws and incentive programs relating to the natural gas industry; failure to realize the anticipated benefits of acquisitions and dispositions; and the other factors. Readers are cautioned that this list of risk factors should not be construed as exhaustive.*

*This cautionary statement expressly qualifies the forward-looking information contained in this news release. We undertake no duty to update any of the forward-looking information to conform such information to actual results or to changes in our expectations except as otherwise required by applicable securities legislation. Readers are cautioned not to place undue reliance on forward-looking information.*

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