

LUND ENTERPRISES CORP. PROVIDES UPDATE ON REVERSE TAKEOVER

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VANCOUVER, Canada, December 7, 2018 - Lund Enterprises Corp. (TSXV: LEN), (the "**Company**" or "**Lund**") and 1163631 B.C. Ltd. ("**116**") wish to provide an update with respect to the previously proposed reverse takeover transaction (the "**RTO**"). As announced on November 7, 2018, the Company and 116 entered into of an arm's length, non-binding letter of intent (the "**LOI**") pursuant to which, among other things, Lund agreed to acquire all of the issued and outstanding shares in the capital of 116.

Under the terms of the LOI, the RTO is expected to be completed by way of a share exchange (or such other form of transaction determined by the legal and tax advisors to each of Lund and 116, acting reasonably) pursuant to which the shareholders of 116 will exchange all of their common shares of 116 (the "**116 Shares**") for common shares of Lund (the "**Lund Shares**") on the basis of one Lund Share for each 116 Share, resulting in 116 becoming a wholly-owned subsidiary of Lund.

Lund and 116 have entered into an amendment to the LOI to extend the "exclusivity period" to December 31, 2018. In the interim, the parties continue to work towards negotiating a definitive share exchange agreement (the "**Definitive Agreement**") and preparing the necessary disclosure documents, including a management information circular (the "**Circular**") and audited financial statements of 116, required to complete a "reverse takeover" in accordance with the policies of the TSX Venture Exchange (the "**TSXV**").

Each of Lund and 116 remain committed to consummating the RTO and expect that the Definitive Agreement will be executed imminently, and that the Circular will be mailed on or before December 21, 2018.

Trading Halt

Since announcing the Transaction on November 7, 2018, trading of the shares of the Company has been halted. The Company expects trading to remain halted until, at the earliest, the RTO has completed.

About the Parties

Lund

Lund is a junior exploration company established in 1978 focussed on the search for gold and base metal deposits in highly prospective mineral districts of Canada. Lund owns a 100% interest in the Black Fox Property within the Schreiber-Hemlo Greenstone Belt in the Province of Ontario. In connection with the proposed RTO, Lund is endeavouring to divest its interest in the Black Fox Property such that it is expected upon completion of the RTO the business of Lund will become that of 116.

116

116 is a privately-held British Columbia incorporated company. In connection with the RTO, 116 will complete a restructuring with a group of related companies ("**Reconnaissance**"), the effect of which will be that 116 will indirectly own a 90% interest in petroleum exploration licence no. 0073 ("the **Licence**") granted by the Government of the Republic of Namibia (with the remaining 10% held by the National Petroleum Corporation of Namibia, the state oil company of Namibia). The Licence covers certain oil & gas exploration properties in Blocks 1719, 1720, 1721, 1819, 1820 and 1821 in the newly identified Kavango Basin of northern Namibia with a total area of approximately 6.3 million acres and entitles Reconnaissance to a twenty-five year production licence upon successful discovery.

Further Information

Further information regarding the RTO, and associated transactions therewith, will be included in subsequent press releases and the Circular that Lund will prepare, file and mail in due course to its shareholders in connection with the shareholders meeting to be held to consider and approve, among other things, the RTO. Any material agreements will be filed on the SEDAR profile of Lund on the SEDAR website at www.sedar.com.

Completion of the RTO is subject to a number of conditions, including but not limited to, TSXV acceptance and requisite shareholder approval. The RTO cannot close until the requisite shareholder approval is obtained. There can be no assurance that the RTO will be completed as proposed, or at all.

Investors are cautioned that, except as disclosed in the Circular to be prepared in connection with the RTO, any information released or received with respect to the RTO may not be accurate or complete and should not be relied upon. Trading in the securities of Lund should be considered highly speculative and will remain halted until further notice.

The TSXV has in no way passed upon the merits of the RTO and has neither approved nor disapproved the contents of this press release.

Neither the TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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Cautionary Statements

Certain statements contained in this press release constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words "could", "intend", "expect", "believe", "will", "projected", "estimated" and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information and are based on Lund's current belief or assumptions as to the outcome and timing of such future events. Actual future results may differ materially. In particular, this release contains forward-looking information relating to the RTO and certain associated transaction therewith, the Definitive Agreement, mailing of the Circular and obtaining the requisite approval of the TSXV. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information. Those assumptions and factors are based on information currently available to Lund. The material factors and assumptions include the parties to the RTO being able to obtain the necessary shareholder and regulatory approvals; TSXV policies not changing; and completion of satisfactory due diligence. Risk factors that could cause actual results or outcomes to differ materially from the results expressed or implied by forward-looking information include, among other things: conditions imposed by the TSXV, the failure to obtain any required shareholders' approval to the RTO; changes in tax laws, general economic and business conditions; and changes in the regulatory regulation. Lund cautions the reader that the above list of risk factors is not exhaustive. The forward-looking information contained in this release is made as of the date hereof and Lund undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.