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NEWS RELEASE

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TWO WELL DRILLING PROGRAM SUCCESSFULLY COMPLETED / BOTH HM-5 WELL AND HM-12 WELL, REACHING BOTH TARGET ZONES AT THE WITTER FIELD OIL AND GAS DISCOVERY IN CENTRAL CALIFORNIA

VANCOUVER, BC - Arctic Hunter Energy Inc. (TSXV: AHU) (“Arctic Hunter”) or the “Company” announces that the two well drilling program has now been successfully completed having reached the target zones at the newly discovered light sweet oil target in the Witter Field oil & gas discovery. The Company has been notified by Temblor Petroleum that drilling of this second directional well with a vertical completion, has now been successfully completed and the Paul Graham Drill Rig # 6 has been rigged-down and is expected to be off location at Witter Field shortly.

Temblor has now successfully completed drilling and casing, logging and finalizing the completion of the second successfully drilled HM-12 well. Preliminary Log data provided to the Company from Halliburton indicate another productive oil and gas hydrocarbon-bearing zone exists, and is seismically defined, similar in size and analogous to the other two producing light sweet oil and gas wells, KCDL -2 and the HM-3, and the newly drilled HM-5 discovery wells, recently drilled at the Witter Field oil & gas discovery. The new HM-12 well is now being fully completed, with subsequent logging data, and interpretation analysis now being received by Temblor’s management team. Once the HM-12 has been fully completed, both wells will be brought online, whereby well flow testing will begin concurrently, on both the newly drilled HM-5 well and the HM-12 well. The results of the flow testing on the two wells will be released when received by the Company. Both newly drilled wells HM-5 and HM-12, are expected to be brought online with the Witter Field oil and gas production facility operations sometime early in the new year.

WITTER FIELD OIL & GAS DISCOVERY / FACILITY AND PIPELINE

The Witter Field Oil & Gas Facility and pipeline is now completed, fully automated, tied in and now fully operational. The facility includes two 2,200 barrel oil tanks with a production capacity of up to 2,000 barrels a day, a fully operational gas pipeline, and a natural gas processing facility. The Company is currently shipping premium light sweet crude oil with a 38% API combined with high quality gas to the local California markets and receiving a cash premium for the oil. The high BTU content of the Witter field gas (1265 BTU), required the construction of a new state of the art, gas separation processing facility to remove natural gas liquids and reduce the BTU content of the gas from 1280 to 1080 for integration and input into California’s Pacific Gas & Electric (PG&E) gas system. This gas processing facility is located 7 miles from the Witter field discovery at the Helm Station.”

The Temblor/Witter Field project is situated in the San Joaquin Valley, in Central California and was drilled and discovered by Temblor Petroleum and its working interest partners in 2015. Since its discovery Temblor and its partners have invested significant capital in developing a fully completed production facility and gas pipeline with liquid processing facilities. The Witter Field project is now fully commissioned and has begun full commercial oil & gas production. In addition to the development of the new wells and the newly completed processing facilities, Temblor has received a conditional use permit from Fresno County for the drilling and development of 2 other wells and expanded facilities to accommodate the full development and maximization of the field, of which drilling has just been completed in early December. Development and expansion of the discovery field is expected to continue for many years. The well was drilled and completed in 2015. The current operator, Temblor Petroleum LLC has now completed its lease obligations to drill an additional 2 deep vertical wells this year and integrate the new oil and gas production to the newly installed facilities operation which can handle over 2,000 BOPD of light sweet oil. Additional drilling and exploration growth activity has been planned for the project in 2018-2025, with its working interest partners.

The Witter Field Oil & Gas transaction (see Company news release dated September 18, 2018) represents the Company's initial diversification into the United States and the California oil and gas resource sector by acquiring and securing monthly light oil production revenue and allowing the Company to access advanced oil exploration and drilling and revenue opportunities. This strategic acquisition of additional revenue producing resource assets will also allow the Company to access a wide portfolio of oil exploration opportunities situated in this oil region. The Temblor/Witter Field Oil project will also help to compliment the Company's existing heavy oil production in Alberta and Saskatchewan and provides the Company with reputable American working interest partners seasoned in light oil & gas production, which will allow the Company access to future expansion opportunities in the oil and natural gas resource sector in this region of California.

THE "TORRI" – OIL & GAS TERM OVERRIDING ROYALTY INTEREST

The TORRI is a non-operating overriding royalty interest that does not bear production expenses and is created out of and burdening leasehold working interest in the Witter Field Leases. The TORRI has a limited term which commences at the effective time and automatically terminates and ends on that date when the purchaser has received the purchaser's proportionate share of oil and gas produced from the Leases attributable to a portion of Temblor's working interest therein. The transaction has no up-front capital requirements and the production cash flow is expected to be immediately accretive to earnings upon the effective date.

The Arctic Hunter light Oil & Gas transaction (see Company news release dated September 18, 2018), "The Torri" represents the Company's initial diversification into the United States and the California oil and gas resource sector by acquiring and securing monthly light oil production revenue and allowing the Company to access advanced oil exploration and drilling and revenue opportunities. This strategic acquisition of additional revenue producing resource assets will also allow the Company to access a wide portfolio of oil exploration opportunities situated in this oil region. The Temblor/Witter Field Oil project will also help to compliment the Company's existing heavy oil production and cash flow, in Alberta and Saskatchewan and provides the Company with reputable American working interest partners seasoned in light oil & gas production, which will allow the Company access to future expansion opportunities in the oil and natural gas resource sector in this region of central California.

NATIONAL INSTRUMENT NI 51-101 OIL & GAS RESERVE REPORT –COMPLETED

The Company has completed a comprehensive NI 51-101 Oil & Gas Reserve Report prepared by Petrotech Engineering Ltd., for the Witter Field Oil & Gas discovery situated in the San Joaquin Valley, California. Pursuant to the Royalty purchase Agreement, the Company will acquire 4,250 barrels of oil and 18,750 mcf of gas from interests in oil and gas situated in the San Joaquin Valley, in central California for the purchase price of 2,249,100 shares of Arctic Hunter at a deemed price of \$0.10 cents per share.

ABOUT ARCTIC HUNTER ENERGY

The Company is a Canadian Oil & Gas exploration and development company that identifies, and finances the acquisition, exploration and development of oil and gas assets primarily situated in Western Canada. The Company is a junior heavy oil producer in the greater Lloydminster area of Alberta & Saskatchewan. The Company is constantly reviewing future production and exploration opportunities and selective property acquisitions and identifying low risk exploration drilling opportunities situated in Canada, the United States and abroad. The Company has qualified management and has an Oil & Gas team of professionals seasoned in production, field exploration and drilling. The Company has the necessary manpower in place to develop its natural resource properties and manage its production properties. The Company is committed to minimizing risk through the selective acquisition, exploration and development of petroleum and natural gas resource assets.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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