
PRESS RELEASE

CORRIDOR ANNOUNCES SETTLEMENT WITH QUÉBEC GOVERNMENT REGARDING ANTICOSTI JOINT VENTURE

HALIFAX, Nova Scotia, July 28, 2017 (TSX - CDH): Corridor Resources Inc. (“Corridor”) announced today that it has reached a settlement agreement with the Government of Québec that facilitates an end to its participation in oil and gas exploration on Anticosti Island.

By way of background, on April 1, 2014, Corridor, Pétrolia Inc., Ressources Québec, a subsidiary of Investissement Québec, an affiliate of the Government of Québec, and Maurel & Prom S.A., through its subsidiary, Saint-Aubin E&P Québec Inc., formed Anticosti Hydrocarbons L.P. as a joint venture to pursue hydrocarbon exploration and development on Anticosti Island. Corridor holds a 21.67% interest in Anticosti Hydrocarbons L.P.

Pursuant to the settlement agreement, Corridor has agreed to proceed with the cessation of all hydrocarbon exploration activities on Anticosti Island, and to cooperate with the Government of Québec in giving effect to the cessation of all such exploration activities. In consideration for, amongst other things, the prejudice suffered by Corridor in connection with its interests in Anticosti Hydrocarbons L.P., the Government of Québec has agreed to pay \$19.5 million to Corridor. The Government of Québec has also agreed to reimburse Corridor for any further amounts expended prior to its departure from Anticosti Island, and to assume all abandonment and reclamation obligations of Corridor in respect of three Anticosti wells in which Corridor has an interest outside of Anticosti Hydrocarbons L.P.

In early 2017, with the support of the Government of Québec, the Municipality of Anticosti Island filed an application proposing the inclusion of Anticosti Island on Canada's Tentative List for World Heritage Sites under UNESCO's Convention Concerning the Protection of the World Cultural and Natural Heritages. Corridor has subsequently been advised that the Government of Québec intends to prohibit future exploration work relating to hydrocarbons and underground reservoirs on Anticosti Island. In Corridor's view, these actions will result in an end to the project and the business of Anticosti Hydrocarbons L.P. Notwithstanding our continued commitment to and belief in the project, given the position of the Government of Québec and the lack of viable alternatives available to Corridor, negotiating a settlement was considered to be in the best interest of our shareholders.

Corridor is a Canadian junior resource company engaged in the exploration for and development and production of petroleum and natural gas onshore in New Brunswick and offshore in the Gulf of St. Lawrence. Corridor currently has natural gas production and reserves in the McCully Field near Sussex, New Brunswick. In addition, Corridor has a shale gas prospect in New Brunswick and an offshore conventional hydrocarbon prospect in the Gulf of St. Lawrence.

For further information:

Contact: Steve Moran, President and CEO

Corridor Resources Inc.

#301, 5475 Spring Garden Road, Halifax, Nova Scotia B3J 3T2

Ph: (902) 429-4511 F: (902) 429-0209

Web: www.corridor.ca