

PanTerra Resource Corp. Announces Details of Rights Offering

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TSX Venture Exchange: PRC

CALGARY, July 7, 2014 /CNW/ - PanTerra Resource Corp. ("**PanTerra**" or the "**Corporation**") is pleased to announce that it has set July 18, 2014 (the "**Record Date**") as the record date for the previously announced rights offering (the "**Rights Offering**") to the holders of common shares of PanTerra ("Common Shares"). Pursuant to the Rights Offering, each holder of Common Shares on the Record Date will receive one transferable right (a "**Right**") for every Common Shares held. Every eight Rights will entitle the holder to purchase one Common Share at a price of \$0.075 until the Rights expire at 4:00 p.m. (Calgary time) on August 29, 2014 (the "**Expiry Date**"). There is no additional subscription privilege and no standby commitment in respect of the Rights Offering. The completion of the Rights Offering is not subject to PanTerra receiving any minimum amount of subscriptions from shareholders.

The Rights Offering will be made in each of the provinces of Canada (other than Québec), and in such other jurisdictions where PanTerra is eligible to make such offering (the "**Qualifying Jurisdictions**"). Details of the Rights Offering are described in the Rights Offering Circular (as defined as below) to be mailed to shareholders in connection with the Rights Offering as soon as practicable following the Record Date.

The Corporation has received conditional approval from the TSX Venture Exchange (the "**TSXV**") for posting and listing the Rights and the Common Shares issuable thereunder, subject to the Corporation satisfying certain conditions pursuant to the policies of the TSXV.

The Common Shares are expected to commence trading on the TSXV on an ex-rights basis at the opening of business on July 16, 2014. This means that Common Shares purchased on or following July 16, 2014 will not be entitled to receive Rights under the Rights Offering. At that time, the Rights are expected to be posted for trading on a "when issued" basis on the TSXV under the symbol "PRC.RT". Trading of the Rights is expected to continue until 10:00 a.m. (Calgary time) on the Expiry Date.

Subscribers in the previously announced non-brokered private placement as provided for in the reorganization agreement dated May 7, 2014 among the Corporation and Tim de Freitas, Dorothy Else, Carrie McLauchlin, Yvonne McLeod, Greg Feltham, Kavanagh Mannas and Bob Quartero and which closed on May 22, 2014 (the "**Private Placement**") have agreed not to participate in the Rights Offering and will not be entitled to exercise, sell or convey any Rights issued in respect of Common Shares acquired in the Private Placement or Common Shares issued on the exercise of warrants acquired in the Private Placement. The holders of securities to be issued pursuant to the brokered private placement of subscription receipts completed by PanTerra on June 27, 2014 will not be entitled to participate in the Rights Offering. Accordingly, a maximum of approximately 3.9 million Common Shares will be issued pursuant to the Rights Offering for maximum gross aggregate proceeds of approximately \$295,000. PanTerra will use the proceeds of the Rights Offering for capital expenditures and general corporate purposes.

Pursuant to the requirements under applicable securities legislation, a rights offering circular of the Corporation dated July 3, 2014 (the "**Rights Offering Circular**") has been accepted for filing by the securities regulatory authorities in the Qualifying Jurisdictions. The Rights Offering Circular and related materials will be delivered to all shareholders of the Corporation as of the Record Date. Rights certificates

will be issued and forwarded by PanTerra only to holders of Common Share who are resident in one of the Qualifying Jurisdictions.

Registered shareholders wishing to exercise their rights must forward the completed rights certificates along with the applicable funds to the subscription agent for the Rights Offering, Alliance Trust Company (the "**Subscription Agent**"), by the Expiry Date. Shareholders who own their Common Shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

Rights certificates will not be issued and forwarded by PanTerra to holders of Common Shares not resident in the Qualifying Jurisdictions. Instead, Rights otherwise issuable to such holders will be issued to and held, as agent, by the Subscription Agent, which will use its reasonable commercial efforts to sell the Rights on behalf of all such holders prior to the Expiry Date and then forward the net proceeds pro rata to such holders.

Completion of the Rights Offering is subject to receiving all necessary regulatory approvals, including, but not limited to, the TSXV.

About PanTerra

PanTerra is a diversified junior public oil and gas company listed on the TSXV under the symbol "PRC", with holdings in both conventional and unconventional projects in Western Canada that have excellent optimization and exploitation potential. Company information can be found at: www.panterraresource.com.

Forward-Looking and Cautionary Statements

This news release may include forward-looking statements including opinions, assumptions, estimates, and, more particularly, statements concerning the completion of the Rights Offering and the number of securities issued by way of the Rights Offering.

When used in this document, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements.

The forward-looking statements are founded on the basis of expectations and assumptions made by PanTerra which include, but are not limited to, the timing of the receipt of the required, regulatory and third party approvals, as well as the satisfaction of other conditions pertaining to the completion of the Rights Offering.

Forward-looking statements are subject to a wide range of risks and uncertainties, and although PanTerra believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized.

Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to, regulatory and third party approvals not being obtained in the manner or timing anticipated, the ability to implement corporate strategies, the state of domestic capital markets, the ability to obtain financing, changes in general market conditions and other factors more fully described from time to time in the reports and filings made by PanTerra with securities regulatory authorities.

Except as required by applicable laws, PanTerra does not undertake any obligation to publicly update or revise any forward-looking statements.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the

policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described herein. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to United States Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

SOURCE PanTerra Resource Corp.

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