

Ikkuma Resources Corp.

## **Ikkuma Resources Signs Definitive Agreement for Sale of Midstream Assets**

*TSX Venture Exchange: IKM-V*

CALGARY, July 5, 2018 /CNW/ - Ikkuma Resources Corp. (TSXV: IKM) ("**Ikkuma**" or the "**Corporation**") is pleased to announce that it has entered into a purchase and sale agreement (the "**Purchase and Sale Agreement**") on July 4, 2018 to sell certain midstream assets in the Alberta foothills (the "**Infrastructure Asset Sale**") to an undisclosed purchaser for a total cash consideration of \$23.0 million, subject to customary adjustments. The Infrastructure Asset Sale is subject to standard industry closing conditions, as well as approval from the purchaser's Board of Directors and due diligence reviews.

The Infrastructure Asset Sale represents the initial stage of the Corporation's plan to divest of non-core natural gas assets. As previously announced on May 15, 2018, Ikkuma entered into a non-binding letter of intent to sell certain midstream assets for a purchase price of \$30.0 million. A portion of the proposed midstream asset sale outlined in the letter of intent, representing \$7.0 million of consideration, has been retained by Ikkuma and will be included in the next stage of the Corporation's natural gas divestiture program through a public process with GMP FirstEnergy. Anticipated bids are expected to be reviewed by the Corporation in the next 60 days.

Proceeds from the Infrastructure Asset Sale will be used to reduce debt and to fund the Corporation's \$12 million flow-through obligations.

The Infrastructure Asset Sale is expected to close on or before August 31, 2018.

### **About Ikkuma Resources Corp.**

Ikkuma Resources Corp. is a diversified growth-oriented public oil and gas company listed on the TSX Venture Exchange under the symbol "IKM", with holdings in both conventional and unconventional projects in Western Canada. The Corporation is focused in the Foothills Region of Western Canada with a team that has extensive experience in the area with the unique skills at successfully exploiting a complex and potentially prolific play type. Corporate information can be found at: [www.ikkumarescorp.com](http://www.ikkumarescorp.com).

### **Forward-Looking Statements and Information**

This press release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking statements or information. In particular, the press release contains forward-looking statements and information relating to completion of the Purchase and Sale Agreement; the use of proceeds from the Infrastructure Asset Sale, including the expected focus of the Corporation's capital expenditure program for 2018; and additional potential sale of non-core production and infrastructure assets through a public process. Although Ikkuma believes that the expectations and assumptions on which the forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because Ikkuma cannot give any assurance that they will prove to be correct. The forward-looking statements and information is based on certain key expectations and assumptions made by management, including expectations and assumptions concerning: the satisfaction of all conditions to the closing of the Infrastructure Asset Sale and on the time frames contemplated; the Corporation's ability to fund its flow-through obligations, successful bidding, negotiation of terms and timing of review in connection with its additional noncore production and

infrastructure assets; prevailing and future commodity prices, exchange rate, interest rates, inflation rates, applicable royalty rates and tax laws; future production rates and estimates of operating costs; performance of existing and future wells; reserves volumes; anticipated timing and results of capital expenditures in carrying out planned activities; the state of the economy and the exploration and production business; the regulatory framework regarding royalties, taxes and environmental laws; results of operations; performance; business prospectus and opportunities. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risk. These include but are not limited to the risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses; failure to obtain necessary regulatory approvals for planned operations; health, safety and environmental risks; uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures; volatility of commodity prices, currency exchange rate fluctuations; imprecision of reserve estimates; and competition from other explorers) as well as general economic conditions, stock market volatility, and the ability to access sufficient capital. We caution that the foregoing list of risks and uncertainties is not exhaustive. The recovery and reserve estimates contained in this press release are estimates only and there is no guarantee that the estimated reserves will be recovered.

In addition, the reader is cautioned that historical results are not necessarily indicative of future performance. The forward-looking statements and information contained in this press release are made as of the date hereof and Ikkuma undertakes no obligation to update publicly or revise any forward-looking statement or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

**Neither 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 release.**

SOURCE Ikkuma Resources Corp.

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<http://www.ikkumarescorp.com/2018-07-05-Ikkuma-Resources-Signs-Definitive-Agreement-for-Sale-of-Midstream-Assets>