

Ikkuma Resources Corp.

## **Ikkuma Resources Obtains Financing and Provides Activity Update**

*TSX Venture Exchange: IKM-V*

CALGARY, Nov. 14, 2018 /CNW/ - Ikkuma Resources Corp. ("**Ikkuma**" or the "**Corporation**") is pleased to provide an update on financing and its recent activity.

Ikkuma is pleased to announce that it has completed a financing for a \$20 million senior secured term loan (the "**Term Loan**") with Alberta Investment Management Corporation ("**AIMCo**"). The Term Loan bears annual interest at 9.5% and matures on the earliest of the closing of the Corporation's proposed business combination (the "**Business Combination**") with Pieridae Energy Limited ("**Pieridae**") and March 31, 2022. Proceeds from the Term Loan will be used to repay the currently drawn balance of \$4 million on the Corporation's existing syndicated credit facility and will allow the Corporation to proceed with its flow-through drilling program of \$12 million to be spent by December 31, 2018.

The focus of the flow-through program will be on drilling locations associated with the Corporation's Central Alberta foothills asset acquisition that was completed in the fourth quarter of 2017. Two drilling rigs have been commissioned for the flow-through drilling program; the first of which has commenced operations.

As a result of completing the Term Loan with AIMCo and repaying all outstanding bank debt, the Corporation has terminated its amended and restated syndicated credit agreement with its banking syndicate.

As previously announced on July 5, 2018, Ikkuma entered into a purchase and sale agreement to sell certain midstream assets in the Alberta foothills (the "**Infrastructure Asset Sale**") for a total consideration of \$23 million. The Infrastructure Asset Sale, which was under review in conjunction with the Business Combination with Pieridae, has now been terminated.

"AIMCo continues to provide Ikkuma with exceptional financial support in this very difficult oil and gas market and allows us to proceed with our flow-through program as well as positioning Ikkuma to complete our upcoming business combination with Pieridae." says Tim de Freitas, Ikkuma's President and Chief Executive Officer.

A Management Information Circular and Proxy Statement with respect to the Business Combination is now expected to be mailed to Ikkuma shareholders on or before November 19, 2018 with a special meeting of shareholders scheduled to be held on December 17, 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, this press*

*release contains forward-looking statements and information relating to the repayment of its bank debt and the termination of its syndicated credit agreement, the timing of the mailing of the Management Information Circular and Proxy Statement and the special meeting of Ikkuma shareholders, proceeding with its flow-through drilling program of \$12 million to be spent by December 31, 2018 and the completion of the Business Combination. 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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