



Pennine announces Technical Report for Velca Block, Albania

CALGARY, ALBERTA (May 2, 2017) – Pennine Petroleum Corporation (TSX-Venture: PNN) (“Pennine” or the “Corporation”) is pleased to announce the completion of the Resource Estimate Velca Block, Central Albania, (“Technical Report”) prepared by Apex Energy Consultants Inc. (“Apex”), in accordance with National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities* and the Canadian Oil and Gas Evaluation Handbook. Apex is an independent qualified reserves evaluator with offices located in Calgary, Alberta.

In summary, the Prospective Resource Report identifies a Best Case recoverable resource of 26,400,000 barrels of oil providing a Pennine Net Risked Prospective Resource of 11,200,000 barrels of Oil as to its net working interest (after payout and joint venture interests). Further the Report states that after a Chance of Discovery of 43%, the Pennine Net Risked Prospective Resource is 4,874,000 barrels of Oil.

The focus of the Technical report is a seismically defined structure at an estimated depth of 2600 meters (8530 feet) called the Ramica Anticline. The structure appears to have two separate highs (Ramica and Amantia), which may be connected if a hydrocarbon column similar to the other fields on trend is encountered. The Prospective Resource calculations take into account various net pay values and field size ranges to determine the Petroleum Initially in Place (PIIP) and the Prospective Recoverable oil Resource. Any volumes recorded in this report for the Ramica Anticline are undiscovered since no well has yet been drilled into the carbonate reservoir in a closed structure.

The targeted reservoir formations are the fractured Eocene to Cretaceous aged pelagic carbonates of the Ionian Basin. Existing seismic data and interpretations provided by Albanian National Agency for Natural Resources (“AKBN”) show an undrilled 7.75 km² closed structure at the top of the carbonate stratigraphic section, called the Ramica Anticline, located entirely within the Velca Block. This is the principal prospect targeted by the Company and the only one evaluated by this report.

Pennine controls a 90% net revenue working interest before payout of the exploration and drilling costs and after payout 42.5% net revenue interest in future production from the Velca Block. Gross Unrisked Prospective Resources and Risked net to the Company Prospective Resources are as follows in the table below.

	Gross Prospective Resources					
	Velca Block Prospective Resource Unrisked					
	Gross (100%) Oil Volumes					
	Undiscovered PIIP			Prospective Resources		
	Low	Best	High	Low	Best	High
MMBOE	107.9	138.4	177.3	19.7	26.4	35.5
Million M ³	17.2	22.0	28.2	3.1	4.2	5.6

PIIP = Petroleum Initially-In-Place
 MMBOE = Million Barrels of Oil Equivalent
 Million M³ = Million cubic meters
 1 M³ = 6.2898 Barrels oil



Pennine Petroleum Net Risked Prospective Resources								
Risked Velca Block Prospective Oil Resources								
Net Pennine Petroleum Oil Volumes							COD	Risked recoverable Resource
Undiscovered PIIP			Prospective Resources					
	Low	Best	High	Low	Best	High		
MMBOE	45.8	58.8	75.4	8.4	11.2	15.1	43%	4.874
Million M ³	7.3	9.3	12.0	1.3	1.8	2.4		0.775

Company Net Revenue Interest = 42.5%
 COD = Chance of Discovery
 PIIP = Petroleum Initially-In-Place
 MMBOE = Million Barrels of Oil Equivalent
 Million M³ = Million cubic meters
 1 M³ = 6.2898 Barrels oil

The Company acquired a 90% working interest in a Production Sharing Agreement (“PSA”) with Albpetrol Sh. A (Albpetrol) the Albanian national oil and gas corporation, and the Albanian Government for the exploration and development of hydrocarbons in the Velca Block located in central Albania. The PSA was signed on February 14, 2017 for a six (6) year term with a provision for conversion to a twenty-five (25) year production lease upon discovery of one or more commercial oil or natural gas accumulations.

The PSA contains an Exploration Phase and a Drilling Phase. The initial exploration phase includes the examination of current geological, geophysical and engineering data on the Velca Block. Drilling locations will be selected following reinterpretation and possibly reprocessing of existing seismic data. Additional seismic data may be acquired if necessary. The Exploration Phase requires a capital expenditure of US\$500,000.

A minimum of two (2) vertical wells to a depth of at least 2,500 meters are required in the drilling phase of four years.

The Velca Block is located in southern Albania approximately 10 kilometers southeast of the City of Vlore. The Port at Vlore has an oil export facility and there are oil refineries, operated by Albpetrol, at Ballsh and Fier.

Pennine Petroleum has identified a prospect on Velca Block based upon seismic interpretation, called the Ramica Anticline.

Additional details related to Pennine’s projects in Albania and Canada can be viewed on the Corporation’s website at: www.penninecorp.com.

About Pennine Petroleum Corporation: Pennine Petroleum Corporation is an emerging oil and gas exploration and development company (www.penninecorp.com) currently active in Albania, and the Canadian provinces of Alberta and Saskatchewan.



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