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NEWS RELEASE

**EXTENSION OF BONDS**

**Hong Kong, 12 November 2019 – Primeline Energy Holdings Inc.** (“Primeline” or the “Company”), listed on the TSX Venture Exchange Inc. (the “TSX-V”) under the trading symbol “PEH”, announced today that, through the continuing support of its Chairman and major shareholder, Mr. Victor Hwang, the maturity date of US\$9,300,000 principal amount of bonds (the “**2018 B Bonds**”) issued to Primeline International (Holdings) Inc., a company wholly-owned by Mr. Hwang effective 12<sup>th</sup> November 2018 has been extended from 12<sup>th</sup> November 2019 to 12<sup>th</sup> November 2020. Interest is payable on the 2018 B Bonds quarterly at 7% per annum, of which 4.5% is payable in cash and 2.5% in ordinary shares of Primeline (“**Shares**”) issued at a deemed price per Share equal to the higher of (i) the closing price of the Shares on the TSX Venture Exchange (the “**TSX-V**”) on the day before; and (ii) the volume-weighted average trading price of the Shares on the TSX-V for the 10 days preceding; the interest payment date. The 2018 B Bonds are convertible into Shares, at the option of the bondholder, until 2<sup>nd</sup> November 2020, at a conversion price of CAD\$0.85 per Share.

The extension of the maturity of the 2018 B Bonds is a “related party transaction” for Primeline within the meaning of Multilateral Instrument 61-101 (“**MI 61-101**”), in that Mr. Hwang is Primeline’s President, Chairman and majority shareholder. Primeline will rely on the exemption from the valuation requirement of MI 61-101 at Section 5.5(b) of MI 61-101, which it is entitled to do as none of its securities are listed on the Toronto Stock Exchange or certain other stock exchanges outside of the United States and Canada. Primeline will rely on the exemption from the minority approval requirement of MI 61-101 at Section 5.7(1)(e) of MI 61-101, on the basis that (i) repayment of the 2018 B Bonds, in the absence of the extension, would have resulted in serious financial difficulty for Primeline; (ii) the extension is designed to improve the financial condition of Primeline; (iii) Primeline is not insolvent; (iv) Primeline has one or more independent directors in respect of the transaction, and (v) Primeline’s board, and at least two thirds of the independent directors, each acting in good faith, have determined that (i) and (ii) apply, and that the terms of the transaction are reasonable in the Primeline’s circumstances. Primeline believes it is reasonable and necessary in the circumstances that this press release is filed less than 21 days before the extension, as Primeline required the extension from in order to meet its short-term cash requirements.

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## About Primeline Energy Holdings Inc.

Primeline is an exploration and production company focusing exclusively on China natural resources under petroleum contracts with CNOOC in the East China Sea. The LS36-1 Gas Field has been in production since July 2014. Shares of Primeline are listed for trading on the TSX Venture Exchange under the symbol PEH.

ON BEHALF OF PRIMELINE ENERGY HOLDINGS INC.

*Signed "Andrew Biggs"*

Chief Executive Officer

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#### *Forward-Looking Statements*

*Some of the statements in this news release may contain forward-looking information, which involves inherent risk and uncertainty affecting the business of Primeline. Although these statements are based on assumptions management believes to be reasonable, actual results may vary from those anticipated in such statements. Exploration for oil and gas is subject to the inherent risk that it will not result in a commercial discovery.*

*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 release.*