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NEWS RELEASE
EXTENSION OF DEADLINE FOR ANNUAL FINANCIAL STATEMENTS

Hong Kong, May 26, 2020 - Primeline Energy Holdings Inc. (“Primeline” or the “Company”), announces that due to delays caused by the COVID-19 virus, it is utilizing the extension period provided for under BC Instrument 51-517 - *Temporary Exemption from Certain Corporate Finance Requirements with Deadlines during the Period from June 2 to August 31, 2020* (“**Instrument 51-517**”), and similar extension periods provided for by the securities commissions in Alberta, Ontario and Quebec, for the filing of: (i) its annual financial statements and related management’s discussion and analysis for its fiscal year ended March 31, 2020; (ii) its reserves data under National Instrument 51-101 - *Standards of Disclosure for Oil and Gas Activities*, each for the Company’s fiscal year ended March 31, 2020 (together, the “**Annual Filings**”); and (iii) the compliance with the delivery requirements of applicable securities laws relating to the Annual Filings.

In consideration of the COVID-19 pandemic and its impact on market participants, the Canadian Securities Administrators have announced temporary relief from certain regulatory filings required to be made on or before August 31, 2020. This blanket relief is implemented through Instrument 51-517 and similar orders made in Alberta, Ontario and Quebec, which provide that during the period from June 2, 2020 to August 31, 2020, a person or company required to make certain filings as described therein has an additional 45 days from the deadline otherwise applicable under such securities laws to make the filing. Primeline expects to file the Annual Filings by no later than August 28, 2020.

On March 11, 2020, the World Health Organization characterized the COVID 19 outbreak as a “pandemic”. Primeline has operations and offices in China, Hong Kong and London and its auditors are based in London. As a result of COVID-19, Primeline has been following the recommendations and restrictions of health authorities in China, Hong Kong and London to minimize exposure risk for its employees for the past several weeks, including the temporary closures of its offices and having employees work remotely to the extent possible, which has adversely affected employee efficiency and disrupted Primeline’s business operations. In particular, these changes have affected the collaboration of Primeline’s financial reporting team and the accessibility of Primeline’s books and records, resulting in delays in the review, preparation and completion of its financial statements for the fiscal year ended March 31, 2020 due to guidance from authorities for employees to follow work from home procedures and the fact that it is not possible for its auditors to travel to its offices in China and Hong Kong.

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Primeline is continuing to work diligently towards completing and filing the Annual Filings. Until Primeline has filed the Annual Filings, members of Primeline's management and other insiders are subject to a trading black-out period as per its internal Insider Trading Policy that is consistent with the principles in Section 9 of National Policy 11-207 - *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*.

Primeline confirms that, other than disclosed in prior press releases, there have been no material business developments since the filing on February 13, 2020 of the Company's latest interim financial reports for the period ended December 31, 2019.

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.

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Forward-Looking Statements

Some of the statements in this news release contain forward-looking information, which involves inherent risk and uncertainty affecting the business of Primeline. These statements relate to Primeline's expectation that it will file its Annual Filings on or before August 28, 2020, that it will ultimately be successful in its previously announced arbitration against CNOOC (the "CNOOC Arbitration"), and that the banks (the "Syndicate Banks") which have provided Primeline's project financing for the LS 36-1 development (the "Syndicate Facility") will continue to take no enforcement action as a result of Primeline's previously announced default under the Syndicate Facility pending the making of the award in the CNOOC Arbitration. Although these statements are based on assumptions management believes to be reasonable, actual results may vary from those anticipated in such statements. Primeline may be unable to file the Annual Filings on or before August 28, 2020 and may not be successful in the CNOOC



Arbitration. If it is successful in the CNOOC Arbitration, Primeline may be unable to enforce the award of the tribunal. The Syndicate Banks may take enforcement action prior to the making of the award in the CNOOC Arbitration. If Primeline does not file its Annual Filings on or before August 28, 2020 Primeline's shares may be cease traded,. Any of the other foregoing events may result in Primeline's insolvency, and seizure of Primeline's assets. Primeline assumes no obligation to update forward-looking information, except as required by law. 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.