

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

[PetroShale Inc.](#) ("PetroShale" or the "Company") (TSX VENTURE:PSH)(OTCQX:PSHIF) is pleased to announce that it has closed the maximum amount of its previously announced public offering (the "Offering") of voting common shares ("Common Shares"). Pursuant to the Offering, the Company issued an aggregate of 122,265,000 Common Shares at a price of \$0.90 per Common Share for gross proceeds of \$110,038,500, which included the full exercise of the over-allotment option granted in connection with the Offering to Haywood Securities Inc., the sole agent of the Offering.

The net proceeds from the Offering will be used for debt repayment, the funding of the Company's increased capital program and for general corporate purposes.

Mr. M. Bruce Chernoff, the Company's largest shareholder, Executive Chairman, Chief Executive Officer and Director acquired, indirectly through an entity substantially owned by him, an aggregate of 44,444,500 Common Shares pursuant to the Offering for a total of \$40.0 million. The participation by Mr. Chernoff in the Offering is considered to be a "related party transaction" (as defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101")) and is exempt from the formal valuation and minority shareholder approval requirements under MI 61-101 as a result of available exemptions thereunder, which are described in greater detail in the Company's final short form prospectus in respect of the Offering.

PetroShale is a growth-oriented oil company engaged in the acquisition, development and consolidation of interests in the prolific, multi-zone Bakken / Three Forks play in North Dakota. The Company is exposed to a combination of non-operated interests with established, experienced and efficient operators in the Williston Basin, as well as a significant operated property that recently demonstrated strong results. The Company's lands are largely undrilled, exposing PetroShale to a significant inventory of drilling opportunities.

For further details regarding the Offering, please see the Company's final short-form prospectus dated April 3, 2017, a copy of which is available under the Company's profile on www.sedar.com.

Note Regarding Forward-Looking Statements

This press release contains forward-looking statements and forward-looking information (collectively "forward-looking information") within the meaning of applicable securities laws. More particularly, this press release contains statements concerning the anticipated use of the net proceeds of the Offering and the Company's business strategies and expected opportunities. Although the use of proceeds is based on the current expectations of PetroShale's management, there may be circumstances where, for business reasons, a reallocation of funds may be necessary as may be determined at the Company's discretion and there can be no assurance as of the date of this press release as to how those funds may be reallocated. . In addition, the Company's business strategies and expected opportunities are subject to certain risks and expectations, including but not limited to, the impact of general economic conditions in Canada and the U.S.; industry conditions including changes in laws and regulations including adoption of new environmental laws and regulations, and changes in how they are interpreted and enforced, in Canada and the U.S.; competition; lack of availability of qualified personnel; the results of exploration and development drilling and related activities; obtaining required approvals of regulatory authorities, in Canada and the U.S.; volatility in market prices for oil; fluctuations in foreign exchange or interest rates; environmental risks; changes in income tax laws or changes in tax laws and incentive programs relating to the oil industry; ability to access sufficient capital from internal and external sources; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect PetroShale's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website (www.sedar.com). Although PetroShale believes that the expectations reflected in these forward looking statements are reasonable, undue reliance should not be placed on them because PetroShale can give no assurance that they will prove to be correct. The forward looking statements contained in this press release are made as of the date hereof and PetroShale undertakes no obligations to update publicly or revise any forward looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Common Shares in any jurisdiction. The Common Shares have not been and will not be registered under the *United States Securities Act of 1933*, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

Contact

[PetroShale Inc.](#)

Attention: Executive Chairman and CEO
Info@PetroShaleInc.com
+1.303.297.1407
www.petroshaleinc.com

Cindy Gray
5 Quarters Investor Relations, Inc.
403.828.0146
cgray@5qir.com