



HIGHWOOD OIL COMPANY LTD. PROVIDES REVISED 2020 GUIDANCE AND OPERATIONAL UPDATE

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Calgary, Alberta, April 9, 2020

Highwood Oil Company Ltd. (TSXV:HOCL) (“**Highwood**” or the “**Corporation**”) announces revisions to the previously announced 2020 capital budget and an update to operations in 2020.

2020 Capital Budget

Given the weakness and uncertainty in today’s future oil price environment and the advent of the COVID-19 outbreak, Highwood has chosen to cease all non-discretionary capital activity for the balance of 2020 until realized pricing in Western Canada rebounds from these historic lows. Highwood’s main goal in these times will be to protect its balance sheet.

Highwood had previously planned to drill between 12 and 18 gross wells (6-9 net) in the Clearwater play over 2020. The Corporation successfully drilled 5 gross (2.5 net) wells in the Clearwater in January & February 2020 before the industry saw the drastic decline in market pricing.

Operational Update

Highwood has evaluated economics for all production fields and has shut-in production which is uneconomic in today’s price environment. Current production from Highwood is approximately 250 bbl/d of oil proforma the previously announced Red Earth divestiture from February 18, 2020. Until price recoveries are seen, Highwood does not plan to bring additional production back online. Highwood is currently hedged an average of 467 bbl/d for the duration 2020 at an average realized price of \$66.89 CAD WTI.

Production capacity is approximately 1,150 bbl/d proforma the Red Earth divestiture. The Red Earth divestiture continues to be under review by the Alberta Energy Regulator where approval is required in order to close the transaction.

Highwood has begun a series of G&A reduction initiatives including a reduction of employee salaries and non-essential G&A expenditures to manage cashflows during this tumultuous period. The Corporation also plans to apply for the Government of Canada wage subsidy initiative in response to the Covid-19 outbreak.

Further Information

For further information about the Corporation please contact:

Greg Macdonald

President and Chief Executive Officer

587.393.0862

investorrelations@highwoodoil.com

Warnings

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Exchange) accepts responsibility for the adequacy or accuracy of this press release.

This news release contains forward-looking statements relating to the future operations of the Corporation and other statements that are not historical facts. Forward-looking statements are often identified by terms such as "will", "may", "should", "anticipate", "expects" and similar expressions. All statements other than statements of historical fact, included in this release, including, without limitation, statements regarding the future plans and objectives of the Corporation, are forward-looking statements that involve risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Corporation's expectations include risks detailed from time to time in the filings made by the Corporation with securities regulations.

The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Corporation. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement. The forward-looking statements contained in this news release are made as of the date of this news release and the Corporation will update or revise publicly any of the included forward-looking statements as expressly required by Canadian securities law.