

Source: Pulse Seismic Inc.



**PULSE SEISMIC INC. ANNOUNCES
\$3.05 MILLION SEISMIC DATA LICENSING SALE
AND AMENDED AND RESTATED CREDIT AGREEMENT**

CALGARY, Alberta, December 18, 2020 (GLOBE NEWSWIRE) – Pulse Seismic Inc. (TSX:PSD) (OTCQX:PLSDF) (“Pulse” or the “Company”) is pleased to announce it has signed a \$3.05 million seismic data licensing agreement, resulting in total seismic data library sales of \$5.0 million to date for the fourth quarter of 2020, and year-to-date seismic data library sales of approximately \$10.9 million. Additionally, the Company reports that it has amended and restated its senior credit facility effective December 18, 2020 (the “Restated Credit Agreement”).

The sale announced today is a transaction-based seismic data licensing sale. The licensed data is spread throughout the Deep Basin region of the Western Canada Sedimentary Basin. Transaction-based sales are a significant part of Pulse’s revenue this year, as traditional sales are low due to reduced capital spending among Pulse’s customers.

Pulse’s low-cost structure enables the Company to generate shareholder free cash flow even with lower data library sales revenue. The focus in 2020 has been to use excess cash for debt reduction and this will continue into 2021. The Company has been able to reduce debt by \$3.5 million in 2020 and, thanks to this and other sales, anticipates making additional lump-sum payments on the revolving credit facility early in the new year.

The simplified Restated Credit Agreement consists of a \$25.0 million revolving credit facility. Prior to the amendment and restatement, the credit facilities were comprised of a \$30.0 million revolving credit facility and a \$15.0 million term facility with a \$40.0 million accordion feature. At the amendment date the balances owing were \$5.9 million on the revolving facility and \$12.4 million on the term facility. The balance of the term facility has been repaid with proceeds from the revolving facility and cancelled. As of today, the balance drawn on the revolving credit facility is \$18.3 million, leaving \$6.7 million available.

As part of the new arrangement, the agreement has also been extended an additional year, from January 15, 2022 to January 15, 2023. The covenants and other terms and conditions under the Restated Credit Agreement were substantially carried over from the existing credit agreement. The complete Restated Credit Agreement will be available at www.sedar.com shortly.

In June of this year, Pulse proactively negotiated financial covenant amendments to its senior credit facility for a one-year modification period, to gain additional flexibility as it dealt with the impacts of the COVID-19 pandemic and the decline in commodity prices that affected its business. To date, the Company has not needed to rely on these amendments. The amendments apply to the Restated Credit Agreement, with additional adjustments to certain ratios that are consistent with the new, all-revolver structure.

“Pulse is pleased to have further amended its senior credit facility, providing us with improved repayment flexibility and significantly reduced financing costs,” stated Neal Coleman, Pulse’s President and CEO. “We truly value the ongoing support of our lenders and appreciate their understanding of our industry as we tailor our credit facilities to the unique features of Pulse’s business. Transaction-based sales like the one announced today, while unpredictable in timing and amount, can provide additional ability to make significant debt repayments. Going forward, we remain very focused on further reducing debt and controlling our cost structure.”

The financial information in this news release is based on management's estimates and has not yet been approved by the Company's Audit Committee or Board of Directors, nor reviewed by the Company's auditors.

CORPORATE PROFILE

Pulse is a market leader in the acquisition, marketing and licensing of 2D and 3D seismic data to the western Canadian energy sector. Pulse owns the largest licensable seismic data library in Canada, currently consisting of approximately 65,310 square kilometres of 3D seismic and 829,207 kilometres of 2D seismic. The library extensively covers the Western Canada Sedimentary Basin where most of Canada's oil and natural gas exploration and development occur.

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This document contains information that constitutes "forward-looking information" or "forward-looking statements" (collectively, "forward-looking information") within the meaning of applicable securities legislation, including, but not limited to, statements regarding:

- > Recent events on the political, economic, regulatory, public health and legal fronts affecting the industry's medium- to longer-term prospects;
- > The Company's capital resources and sufficiency thereof to finance future operations, meet its obligations associated with financial liabilities and carry out the necessary capital expenditures through 2021;
- > Oil and natural gas prices and forecasted trends;
- > Oil and natural gas company capital budgets;
- > Future demand for seismic data;
- > Future seismic data sales; and
- > Other expectations, beliefs, plans, goals, objectives, assumptions, information and statements about possible future events, conditions, results and performance, as they relate to the Company or to the oil and gas industry as a whole.

By its very nature, forward-looking information involves inherent risks and uncertainties, both general and specific, and risks that predictions, forecasts, projections and other forward-looking statements will not be achieved. We caution readers not to place undue reliance on these statements as a number of important factors could cause the actual results to differ materially from the beliefs, plans, objectives, expectations and anticipations, estimates and intentions expressed in such forward-looking information. These factors include, but are not limited to: volatility of oil and natural gas prices; risks associated with the oil and gas industry in general; the Company's ability to access external sources of debt and equity capital; credit, liquidity and commodity price risks; environmental, health and safety risks, including those related to the COVID-19 pandemic; federal and provincial government laws and regulations, including those pertaining to taxation, royalty rates, environmental protection, public health and safety; competition; the loss of seismic data; the introduction of new products; and climate change.

Pulse cautions that the foregoing list of factors that may affect future results is not exhaustive. Additional risks and factors and information related thereto which could affect the Company's operations and financial results is included under "Risk Factors" in the in the Company's most recent annual information form, and in the Company's most recent audited annual financial statements, most recent MD&A, management information circular, quarterly reports, material change reports and news releases. Copies of the Company's public filings are available on SEDAR at www.sedar.com.

The forward-looking information contained in this document is provided as of the date of this document and the Company does not undertake any obligation to update publicly or to revise any of the included forward-looking information, except as required by law. The forward-looking information in this document is provided for the limited purpose of enabling current and potential investors to evaluate an investment in Pulse. Such forward-looking information may not be appropriate, and should not be used, for other purposes.