NEWS RELEASE
March 17, 2020

PIESENSTONE ENERGY CORP. ANNOUNCES 2019 ANNUAL FILINGS AND APPROVAL OF LONG-TERM INCENTIVE AWARDS TO DIRECTORS AND MANAGEMENT

Calgary, Alberta, March 17, 2020 (PIPE – TSX-V) Pipestone Energy Corp. ("Pipestone Energy" or the “Company”) announces that it has filed its audited consolidated financial statements, management’s discussion and analysis, and annual information form for the year ended December 31, 2019 on the Company’s profile at SEDAR at www.sedar.com, and has posted them to the Company website at www.pipestonecorp.com.

The Company would also like to announce that in connection with its annual compensation review for directors and officers, the board of directors of Pipestone Energy authorized the granting of: (a) 847,000 restricted share units ("RSUs") and 1,270,000 performance share units ("PSUs") to certain officers of the Company; and (b) 190,000 RSUs to certain directors of Pipestone Energy who are neither employees nor officers of Pipestone Energy nor nominated by Pipestone Energy’s controlling shareholder Canadian Non-Operated Resources LP, all under the long term incentive plan for the Company ("LTIP"). In order to reflect the current extraordinary circumstances of the energy market and to further align the interests of directors and officers with the Company’s investors, all of the RSUs and PSUs are being issued at an effective equivalent common share price of $1.50 per unit, which is a 200% premium to the closing price on March 17, 2020. It is expected the above noted RSUs and PSUs will be issued on or about March 20, 2020.

Pipestone Energy’s LTIP allows for the issuance of stock options ("Options") exercisable for up to 5,688,690 common shares of the Company ("Common Shares"), RSUs exercisable for up to 5,688,690 Common Shares and PSUs exercisable for up to 5,688,690 Common Shares, for a total of 17,066,070 Common Shares issuable to Pipestone Energy’s directors, officers, and employees pursuant to approved awards. The RSUs approved will be subject to vesting as to one-third on each anniversary of the award date and the PSUs will be subject to cliff vesting in 2023. All of the RSUs and PSUs are to be issued at an effective equivalent common share price of $1.50 per unit, being a 67% premium to the 5-day volume weighted average trading price of the Common Shares on the TSX Venture Exchange prior to the date of approval. The RSUs and PSUs issued to officers of the Company are subject to forfeiture in certain circumstances, and the RSUs issued to the directors are not subject to forfeiture.

Following the completion of these grants to certain officers and directors, Pipestone Energy will have the following long-term incentive awards outstanding, all of which are governed by the LTIP: (a) legacy pre-amalgamation Blackbird Energy Inc. Options entitling the holders thereof to acquire 969,643 common shares (as a result of the 10:1 share consolidation pursuant to the amalgamation of Blackbird Energy Inc. with Pipestone Oil Corp. to form Pipestone Energy on January 4, 2019); (b) 1,208,600 new Options entitling the holder thereof to acquire 1,208,600 common shares; (c) 1,918,970 PSUs entitling the holders thereof to acquire up to 3,837,940 common shares; and (d) 2,189,981 RSUs entitling the holders thereof to acquire 2,189,981 common shares, all subject to the terms thereof and the LTIP. The LTIP is subject to shareholder approval at Pipestone Energy’s next shareholder meeting.
Pipestone Energy Corp.

Pipestone Energy Corp. is an oil and gas exploration and production company with its head office located in Calgary, Alberta. The company is focused on developing its pure-play condensate-rich Montney asset in the Pipestone area near Grande Prairie, Alberta. Pipestone Energy is committed to building long term value for our shareholders and values the partnerships that it is developing within its operating community. Additionally, the Company is highly committed to be an environmental steward by reducing emissions from its operations through the use of bi-fuel and other carbon reducing strategies. Pipestone Energy shares trade under the symbol PIPE on the TSX Venture Exchange. For more information, visit www.pipestonecorp.com.

Pipestone Energy Contacts:

Paul Wanklyn
President and Chief Executive Officer
(587) 392-8407
paul.wanklyn@pipestonecorp.com

Craig Nieboer
Chief Financial Officer
(587) 392-8408
craig.nieboer@pipestonecorp.com

Dan van Kessel
VP Corporate Development
(587) 392-8414
dan.vankessel@pipestonecorp.com