NEWS RELEASE

Orca Exploration Group Inc.
Announces 2019 Year End Audited Financial Results

For Immediate Release

TORTOLA, BRITISH VIRGIN ISLANDS – April 28, 2020: Orca Exploration Group Inc. ("**Orca**" or "the **Company**" and includes its subsidiaries and affiliates) (TSX-V: ORC.A, ORC.B) today announces its audited financial results for the year ended December 31, 2019. All dollar amounts are in United States dollars unless otherwise stated.

- Revenue for 2019 increased by 48% to $85.6 million and 72% to $23.2 million for Q4 2019 over the comparable prior year period. The increases are primarily due to increased sales to the Tanzanian Electric Supply Company Limited ("**TANESCO**"), sales to the Tanzanian Production Development Corporation ("**TPDC**") under the new long-term gas sales agreement ("**LTGSA**"), a greater percentage of profit share and a positive current income tax adjustment as a consequence of higher revenues. Gas deliveries for 2019 and Q4 2019 increased 58% over the comparable prior year period. The increase in gas deliveries is primarily the result of increased nominations of gas volumes by TANESCO and TPDC through the National Natural Gas Infrastructure ("**NNGI**"). The increase in volumes was partially offset by a decrease in the weighted average gas price of 15% for the year and 16% for Q4 2019 compared to the same prior year period.
- Net income attributable to shareholders increased by 86% to $24.7 million for 2019 and by 349% to $12.3 million for Q4 2019 over the comparable prior year period. The increases are primarily due to the increase in revenue partially offset by the increase in depletion expense due to increased gas volume deliveries.
- Net cash flows from operating activities for 2019 increased by 21% to $34.9 million and 26% to $5.2 million for Q4 2019 over the comparable prior year period. The increases are primarily a result of the increase in net income and the positive impact on cash flow when adjusting net income by the increase in depletion being offset by the changes in non-cash working capital primarily due to the increase in prepayments and a decrease in trade and other payables when compared to the same prior year period.
- Adjusted funds flow from operations [(1)] for 2019 increased by 124% to $43.2 million and by 112% to $13.6 million for Q4 2019 over the comparable prior year period. The increases are mainly due to the increase in net cash flows from operating activities adjusted for the change in non-cash working capital.
- The Company exited 2019 in a stable financial position with $107.0 million in working capital (December 31, 2018: $84.2 million), cash and short-term investments of $138.7 million (December 31, 2018: $131.5 million) and long-term debt of $54.1 million (December 31, 2018: $53.9 million).
- As at December 31, 2019 the current receivable from TANESCO was $ nil (December 31, 2018: $ nil). TANESCO's long-term trade receivable as at December 31, 2019 was $47.5 million with a provision of $47.5 million compared to $58.5 million (provision of $58.5 million) as at December 31, 2018. Subsequent to December 31, 2019 the Company has invoiced TANESCO $4.9 million for 2020 gas deliveries and TANESCO has paid the Company $18.1 million.
- On February 25, 2020 the Company declared a dividend of CDN$0.06 per share on each of its Class A Common Voting Shares ("**Class A Shares**") and Class B Subordinate Voting Shares ("**Class B Shares**") for a total of $1.2 million to the holders of record as of March 31, 2020 to be paid on April 30, 2020.

[(1)] *Adjusted funds flow from operations is a non-GAAP financial measure. See Non-GAAP Measures.*

- On March 12, 2020 the Company announced the completion of its substantial issuer bid where it took up and paid for 7,692,297 Class B Shares at CDN$6.50 per Class B Share. The aggregate purchase price of the Class B Shares totaled CDN$50.0 million representing 23.6% of Orca's issued and outstanding Class B Shares and 22.4% of the total number of Orca's issued and outstanding shares.
- On April 7, 2020 the Company announced that it had amended its normal course issuer bid commenced on June 14, 2019 (the "**NCIB**") to allow it to purchase additional Class B Shares. Additional purchases made pursuant to the NCIB will not exceed 700,000 Class B Shares, representing not more than 5% of the issued and outstanding Class B Shares as at June 14, 2019 (33,505,915 Class B Shares) less 933,028 Class B Shares already purchased under the NCIB. The NCIB will be in effect until the earlier of the purchase of the maximum number of Class B Shares under the NCIB and June 14, 2020.

Financial and Operating Highlights for the Three Months and Year Ended December 31, 2019

(Expressed in $'000 unless indicated otherwise)	**THREE MONTHS ENDED DECEMBER 31** **2019**	2018	% Q4/19 vs	**YEAR ENDED DECEMBER 31** **2019**	2018	% YTD/19 vs YTD/18
OPERATING						
Daily average gas delivered and sold *(MMcfd)*	**70.8**	44.8	58%	**63.1**	39.9	58%
Industrial	**13.1**	13.0	1%	**13.3**	13.0	2%
Power	**57.7**	31.8	81%	**49.8**	26.9	85%
Average price *($/mcf)*						
Industrial	**7.77**	8.44	(8)%	**7.97**	8.26	(4)%
Power	**3.44**	3.68	(7)%	**3.43**	3.68	(7)%
Weighted average	**4.24**	5.06	(16)%	**4.38**	5.17	(15)%
Operating netback *($/mcf)* [(1)]	**2.73**	2.63	4%	**2.63**	2.76	(5)%
FINANCIAL						
Revenue	**23,212**	13,460	72%	**85,595**	57,766	48%
Net income attributable to shareholders	**12,339**	2,751	349%	**24,718**	13,270	86%
per share - basic and diluted *($)*	**0.36**	0.09	289%	**0.71**	0.38	87%
Net cash flows from operating activities	**5,156**	4,085	26%	**34,873**	28,752	21%
per share - basic and diluted *($)*	**0.15**	0.12	25%	**1.00**	0.82	22%
Adjusted funds flow from operations [(1)]	**13,560**	6,398	112%	**43,213**	19,255	124%
per share - basic and diluted *($)*	**0.39**	0.18	117%	**1.24**	0.55	125%
Capital expenditures	**2,679**	2,628	2%	**5,836**	5,843	0%

	DECEMBER 31, 2019	AS AT DECEMBER 31, 2018	%
Working capital (including cash)	**106,972**	84,182	27%
Cash and cash equivalents	**93,899**	64,660	45%
Investments in short-term bonds	**44,756**	66,837	(33)%
Long-term loan	**54,057**	53,900	0%
Outstanding shares *('000)*			
Class A	**1,750**	1,750	0%
Class B	**32,557**	33,506	(3)%
Total shares outstanding	**34,307**	35,256	(3)%
Weighted average Class A and Class B Shares	**34,931**	35,256	(1)%

(1) *Operating netback and adjusted funds flow from operations are non-GAAP financial measures. See Non-GAAP Measures.*

Nigel Friend, Chief Executive Officer, commented:

"2019 saw Orca's strongest financial performance since the business was founded. Orca achieved revenue growth of 48% to $85.6 million, enabling us to finish the year with $107 million in working capital. This strong financial position allowed us to declare dividends of $6.0 million in 2019 and to conduct $42.2 million of share buybacks including the substantial issuer bid in March 2020.

Given the strength of our balance sheet, solid production at Songo Songo and the fixed price we receive for our gas, insulating us from the recent price volatility, we are well placed to weather the uncertainty currently gripping the market."

The complete Audited Consolidated Financial Statements and Notes and Management's Discussion & Analysis may be found on the Company's website www.orcaexploration.com or on the Company's profile on SEDAR at www.sedar.com.

Reserve Presentation

Orca is pleased to announce that its latest corporate reserve presentation is available on the Company's website (www.orcaexploration.com).

Orca Exploration Group Inc.

Orca Exploration Group Inc. is an international public company engaged in natural gas exploration, development and supply in Tanzania through its subsidiary PanAfrican Energy Tanzania Limited. Orca trades on the TSX Venture Exchange under the trading symbols ORC.B and ORC.A.

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Abbreviations

Mcf	thousand cubic feet
MMcfd	million standard cubic feet per day

Non-GAAP Measures

The Company evaluates its performance using a number of non-GAAP (generally accepted accounting principles) measures. These non-GAAP measures are not standardized and therefore may not be comparable to similar measurements of other entities.

- Adjusted funds flow from operations represents net cash flows from operating activities less interest expense and before changes in non-cash working capital. Management uses this as a performance measure that represents the company's ability to generate sufficient cash flow to fund capital expenditures and/or service debt.

	THREE MONTHS ENDED DECEMBER 31		YEAR ENDED DECEMBER 31	
$'000	**2019**	2018	**2019**	2018
Net cash flows from operating activities	**5,156**	4,085	**34,873**	28,752
Interest expense	**(1,645)**	(1,933)	**(8,279)**	(10,994)
Finance income – TANESCO arrears	**(7,546)**	(1,359)	**(11,044)**	(16,227)
Changes in non-cash working capital	**17,595**	5,605	**27,663**	17,724
Adjusted funds flow from operations	**13,560**	6,398	**43,213**	19,255

- Operating netbacks represent the profit margin associated with the production and sale of gas and is calculated as revenues less processing and transportation tariffs, TPDC's revenue share, operating and distribution costs per one thousand standard cubic feet of Additional Gas. This is a key measure as it demonstrates the profit generated from each unit of production.
- Adjusted funds flow from operations per share is calculated on the basis of the adjusted funds flow from operations divided by the weighted average number of shares, similar to the calculation of earnings per share.
- Net cash flows from operating activities per share is calculated as net cash flows from operating activities divided by the weighted average number of shares, similar to the calculation of earnings per share.

FORWARD LOOKING INFORMATION - This press release contains forward-looking statements or information (collectively, "**forward-looking statements**") within the meaning of applicable securities legislation. More particularly, this press release contains, without limitation, forward-looking statements pertaining to the following: the production at Songo Songo and the Company's position in relation to market uncertainty. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements. Although management believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee future results, levels of activity, performance or achievement since such expectations are inherently subject to significant business, economic, operational, competitive, political and social uncertainties and contingencies.

These forward-looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control, and many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking statements made by the Company, including, but not limited to, reduced global economic activity as a result of the COVID-19 pandemic, including lower demand for natural gas and a reduction in the price of natural gas; the potential impact of the COVID-19 pandemic on the health of the Company's employees, contractors, suppliers, customers and other partners and the risk that the Company and/or such persons are or may be restricted or prevented (as a result of quarantines, closures or otherwise) from conducting business activities for undetermined periods of time; the impact of actions taken by Governments to reduce the spread of COVID-19, including declaring states of emergency, imposing quarantines, border closures, temporary business closures for companies and industries deemed non-essential, significant travel restrictions and mandated social distancing, and the effect on the Company's operations, access to customers and suppliers, availability of employees and other resources; risk that contract counterparties are unable to perform contractual obligations; failure to receive payments from TANESCO; risk that the potential financial solutions to resolve the TANESCO arrears are not implemented by the Tanzanian government; the potential negative effect on the Company's rights under the Company's production sharing agreement ("**PSA**") and other agreements relating to its business in Tanzania as a result of the Petroleum Act, passed in 2015 (the "**Act**"), and other recently enacted and future legislation, as well as the risk that such legislation will create additional costs and time connected with the Company's business in Tanzania; risks regarding the uncertainty around evolution of Tanzanian legislation; risk that the Company will not be successful in appealing claims made by the Tanzanian Revenue Authority and may be required to pay additional taxes and penalties; the impact of general economic conditions in the areas in which the Company operates; civil unrest; the susceptibility of the areas in which the Company operates to outbreaks of disease; industry conditions; lack of availability of qualified personnel or management; fluctuations in commodity prices, foreign exchange rates and/or interest rates; stock market volatility; competition for, among other things, capital, drilling equipment and skilled personnel; failure to obtain required equipment for drilling; delays in drilling plans; failure to obtain expected results from drilling of wells; changes in laws and regulations including the adoption of new environmental laws and regulations, impact of new local content regulations and changes in how they are interpreted and enforced; imprecision in reserve estimates; the production and growth potential of the Company's assets; obtaining required approvals from regulatory authorities; risks associated with negotiating with foreign governments; and unanticipated changes to legislation and the effect on the Company's operations, including, but not limited to, the Act and the Natural Gas Pricing Regulation made under Sections 165 and 258(l) of the Act. In addition, there are risks and uncertainties associated with oil and gas operations. Therefore the Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by these forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive.

Such forward-looking statements are based on certain assumptions made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors the Company believes are appropriate in the circumstances, including, but not limited to, that the Company will be able to negotiate Additional Gas sales contracts in relation to the Additional Gas Plan 2; the ability of the Company to complete developments and increase its production capacity; the actual costs to complete the Company's development program are in line with estimates; the TPDC, the Ministry Energy and Mines and the Company are able to agree on commercial terms for future incremental gas sales and the Company can expand Songo Songo development beyond the existing Songas infrastructure and supply gas to the NNGI; that there will continue to be no restrictions on the movement of cash from Mauritius or Tanzania; the impact of the COVID-19 pandemic on the demand for and price of natural gas, volatility in financial markets, disruptions to global supply chains and the Company's business, operations, access to customers and suppliers, availability of employees to carry out day-to-day operations, and other resources; that the Company will have sufficient cash flow, debt or equity sources or other financial resources required to fund its capital and operating expenditures and requirements as needed; that the Company will have adequate funding to continue operations; that the Company will successfully negotiate agreements; receipt of required regulatory approvals; the ability of the Company to increase production at a consistent rate; infrastructure capacity; commodity prices will not further deteriorate significantly; the ability of the Company to obtain equipment and services in a timely manner to carry out exploration, development and exploitation activities; future capital expenditures; availability of skilled labour; timing and amount of capital expenditures; uninterrupted access to infrastructure; the impact of increasing competition; conditions in general economic and financial markets; effects of regulation by governmental agencies; that the Company's appeal of various tax assessments will be successful; that the enactment of the Act in Tanzania will not impair the Company's rights under the PSA to develop and market natural gas in Tanzania; current or, where applicable, proposed industry conditions, laws and regulations will continue in effect or as anticipated as described herein; and other matters.

The forward-looking statements contained in this news release are made as of the date hereof and the Company undertakes no obligation 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.