



SOUTHERN ENERGY CORP. ANNOUNCES INTENTION FOR SECONDARY QUOTE OF COMMON SHARES WITH ADMISSION TO TRADING ON AIM

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER OF SECURITIES FOR SALE OR SUBSCRIPTION IN ANY JURISDICTION.

Calgary, Alberta – June 16, 2021 – Southern Energy Corp. ("Southern" or the "Company") (SOU: TSXV), an established producer with natural gas and light oil assets in Mississippi and Alabama characterized by a stable, low-decline production base, a significant low-risk drilling inventory and strategic access to the best commodity pricing in North America, is pleased to announce its intention to seek a dual listing of its common shares (the "**Common Shares**") with their admission to trading on the London Stock Exchange's AIM market ("**AIM**"), subject to preparation of the requisite documentation (the "**Admission**"). The Company expects that the Common Shares will begin trading by mid-Summer 2021.

The Company is seeking the Admission alongside its current listing on the TSX Venture Exchange (the "**TSXV**"), in order to take advantage of AIM's liquidity, as well as to access a broader range of institutional investors. The Admission, which is subject to London Stock Exchange approval, may be completed in conjunction with a placing of Common Shares to predominantly UK-based investors, which in any case would be subject to the receipt of all necessary regulatory approvals, including approval of the TSXV.

Ian Atkinson, President and Chief Executive Officer of Southern, said:

"We are focused on creating value for our shareholders through acquiring and developing predominantly natural gas assets in the southeast Gulf Coast area of the United States. This area provides some of the best commodity pricing in North America as well as an abundance of high-quality, underdeveloped, conventional assets. A secondary quotation on AIM we believe will increase liquidity and allow us to broaden our shareholder base at a time when the energy market is positioned for consolidation of assets. After completing the recent re-financing of our first lien debt, Southern is in a strong financial position to accelerate our plans for growth through consolidation."

"Our current assets provide low decline, stable cash flow and significant organic growth potential when long term commodity prices become supportive of growth and our team has a track record of creating value by acquiring, optimizing and developing these types of assets."

"I am very excited about the future of Southern and look forward to continuing to offer something unique and compelling to both the TSXV and AIM markets for shareholders. We look forward to providing further updates on Southern's progress in the near future."

Strand Hanson Limited ("**Strand Hanson**") is engaged to act as the Company's Nominated Adviser on the Admission.

The Company will hold a special meeting of shareholders on Wednesday, July 7, 2021 to amend the Articles of the Company in preparation for the Admission. A management information circular and related meeting materials have been mailed to the Company's registered shareholders and filed on SEDAR at www.sedar.com.

About Southern Energy Corp.

Southern Energy Corp. is an oil and natural gas exploration and production company. Southern has a primary focus on acquiring and developing conventional light oil and natural gas resources in the southeast Gulf States area of the United States. Our management team has a long and successful history working together and have created significant shareholder value through accretive acquisitions, optimization of existing oil and natural gas fields and the utilization of horizontal drilling and multi-staged fracture completion techniques.

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Forward Looking Statements. *Certain information included in this press release constitutes forward-looking information under applicable securities legislation. Forward-looking information typically contains statements with words such as "anticipate", "believe", "expect", "plan", "intend", "estimate", "propose", "project" or similar words suggesting future outcomes or statements regarding an outlook. Forward-looking information in this press release includes, but is not limited to, the Company's intention to pursue the Admission and hold a special meeting of shareholders in relation thereto, the potential benefits of the Admission, the completion of a concurrent placing of Common Shares, expectations regarding commodity prices and the business of the Company, generally. The forward-looking statements contained in this press release are based on certain key expectations and assumptions made by Southern, including the execution of definitive documentation in respect of the Admission and the timely receipt of all required regulatory and third-party approvals, including AIM approval. Although Southern believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Southern can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to: risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production); continuing negative effects of the COVID-19 pandemic on*

general market conditions and commodity prices; the potential for required COVID-19 preventative measures to delay resumption of deliveries on the Mechanicsburg gathering system; continuing destabilizing action from OPEC+ members causing further decline in oil prices; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks, especially given public health concerns arising from the COVID-19 pandemic; constraint in the availability of services; commodity price and exchange rate fluctuations; changes in legislation impacting the oil and gas industry; adverse weather or break-up conditions; and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Other risks faced by the Company are set out in more detail in Southern's Annual Information Form for the year ended December 31, 2019, which is available under the Company's SEDAR profile at www.sedar.com. The forward-looking information contained in this press release is made as of the date hereof and Southern undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, unless required by applicable securities laws. The forward-looking information contained in this press release is expressly qualified by this cautionary statement.

Neither 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.

IMPORTANT INFORMATION

The communication of this announcement is not being made, and has not been approved, by an authorised person for the purposes of section 21 of the UK Financial Services and Markets Act 2000.

The contents of this announcement, which has been prepared by and is the sole responsibility of the Company, has not been approved by Strand Hanson for the purposes of section 21(2)(b) of the Financial Services and Markets Act 2000 (as amended)

This announcement is directed only at persons outside the United Kingdom and must not be acted on or relied by persons in the United Kingdom, and in particular by anyone who is not (a) an investment professional falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (b) a person who fall within article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order, or (c) a person to whom it may otherwise be lawfully distributed for the purposes of the Order (all such persons together being referred to as "**Relevant Persons**").

Any investment or investment activity to which this announcement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. This announcement does not itself constitute an offer for sale or subscription of any securities in the Company.

Any subscription for or purchase of Common Shares should be made solely on the basis of the information contained in the final Admission Document to be published by the Company in connection with the Admission. The information in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed for any purposes whatsoever on the information contained in this announcement or its accuracy, completeness or fairness. The information in this announcement is subject to change. However, the Company does not undertake to provide the recipient of this announcement with any additional information, or to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of the Company to proceed with the Admission or any

transaction or arrangement referred to in this announcement. This announcement has not been approved by any competent regulatory authority.

Strand Hanson, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Company and no one else in connection with the Admission, and Strand Hanson will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Admission or any other matters referred to in this announcement.