



United Hydrocarbon made the following press release on 10 May 2017



United Hydrocarbons enters agreement with Delonex Energy for a significant exploration and appraisal program in Chad

CALGARY, ALBERTA – May 10, 2017

United Hydrocarbon International Corp. (the “Company” or “United”) is pleased to announce that it has entered into an agreement (the “Agreement”) with Delonex Energy Ltd. (“Delonex”) for Delonex to acquire the Company’s wholly-owned subsidiary, United Hydrocarbon Chad Ltd. (“UHCL”). UHCL holds United’s Production Sharing Contract (“PSC”) in the Republic of Chad (“Chad”). This transaction ensures UHCL’s long-term commitment to Chad and maintains United’s exposure to future project successes.

Under the terms of the Agreement, Delonex Energy will commit to a comprehensive exploration programme with a minimum spend of US\$65 million in the PSC in Chad. This will include 2D and 3D seismic programs and three exploration wells which represents a significant increase in activity compared to UHCL’s current obligations. The Agreement is based on the acquisition of UHCL by Delonex in exchange for a cash consideration of US\$35 million. United will retain a continuing economic interest in the Chad PSC and benefit from future commercial success in both the Doba basin and the Lake Chad Block H through deferred consideration to be paid at agreed milestones.

The Agreement is a very positive development for United and Delonex but more importantly for the Government and people of the Republic of Chad (“Chad”). The transaction will catalyse rapid exploration and development of Chad’s hydrocarbon resources across the PSC including in Block H where there has been virtually no activity since the mid-70’s.

United’s President and Chief Executive Officer, Gabriel Ollivier, commented: “The transaction is transformational for Chad in that our Agreement requires an active exploration program to be initiated immediately upon approval. With industry-leading and proven project execution skills, access to advanced technologies and financial strength, Delonex is the right partner for United and for the Government of Chad as we seek to increase oil production, boost export capabilities and create value for Chad and for United’s shareholders. “

Mr. Ollivier further added: “Following threshold exploration success, UHCL will under Delonex ownership have the experience, and financial backing to fast-track the appropriate crude export infrastructure for Termit basin production to global markets. This Agreement retains significant valuation creation potential for United shareholders through continued exposure to the PSC. In Doba, UHCL will continue to rapidly evaluate the production potential of the discoveries made to date and the prospects for further exploration. An immediate exploration

program will also commence in Block H located in the Lake Chad and Kanem region where little exploration has taken place in recent years. We look forward to continuing to work closely with the Government of Chad, its associated agencies and with Delonex to conclude this transaction and start the exploration program by the third quarter of this year.”

Mr. Rahul Dhir, Chief Executive Officer of Delonex, said “This Agreement represents an important strategic step for Delonex. We are very pleased to partner with United on their blocks in the Doba and Termit basins. United has a very strong position in Chad and over the past five years has invested significantly in exploration in their PSC. We are committed to a fast-track exploration and appraisal program in these blocks to target early production and benefit for all stakeholders. With the support of our investors Warburg Pincus and the International Finance Corporation (IFC), we look forward to working closely with the Government of Chad and the local communities to further develop United’s onshore interests in Chad and deliver value for the nation”.

The transaction is subject to a number of conditions including approval from the Government of Chad and United shareholder consent. United’s Information Circular will contain further transaction details and will be mailed out by late May 2017, and a special meeting of the United shareholders to approve the Agreement is anticipated to be held by June 30, 2017.

GMP First Energy acted as financial advisor to United.

About Delonex

Delonex is a Sub-Saharan oil and gas company focused on exploration, development and production. Delonex is currently active in Ethiopia, Kenya and Mozambique and the proposed transaction in Chad is part of the company’s strategy for expanding its portfolio in Central & West Africa.

Delonex Energy is led by a management team with a proven track record in discovering, developing and operating world-class, onshore basins and building and operating pipeline infrastructure. Their core leadership team previously worked together at Cairn India, where they established a recoverable resource base of 1.2 billion barrels of oil onshore in Rajasthan, India, with plateau production of c. 200,000 barrels of oil per day. They also managed the successful financing and execution of integrated upstream and midstream development projects with a combined capital spend of over US\$4 billion. The projects included development wells, processing facilities and the world’s longest (c.700 km) continuously heated and insulated oil pipeline with an export terminal. Delonex is backed by a group of global investors with extensive oil & gas experience, led by global private equity firm Warburg Pincus and the International Finance Corporation (a part of the World Bank group).

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About United Hydrocarbon International Corp.

United is a private junior exploration company with all of its assets located in Chad, Africa, comprised of 4 land blocks which are contained in one Production Sharing Contract. United's recent efforts have been dedicated to providing clear and informative scientific data to the world's oil industry participants to express Chad's immense potential with the objective of securing a partner(s) to convert the company's sizeable resource potential into reserves, production and cash flow.

United is very proud of its partnership with both the government of Chad and now with Delonex and is similarly dedicated to creating value in Chad for all stakeholders.

For further information on United, contact:

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FORWARD-LOOKING INFORMATION CAUTIONARY STATEMENT

This press release contains forward-looking statements. More particularly, this press release contains statements concerning the terms of the Agreement, the timing and completion of the Agreement, the timing of the special meeting of United shareholders and anticipated benefits of the Agreement to United shareholders and other stakeholders.

The forward-looking statements in this press release are based on certain key expectations and assumptions made by United and Delonex, including expectations and assumptions concerning the prevailing market conditions, the actions and decisions by the Ministry of Petroleum and Energy in Chad, other decisions and approvals of the Chad government, commodity prices, and the availability of capital.

Although United and Delonex believe 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 United and Delonex 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 adverse market conditions, the inability of United or Delonex to complete the Arrangement at all or on the terms announced, not obtaining the required court, shareholder, government, and regulatory approvals, and the risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserves estimates; the uncertainty of estimates and projections relating to production, costs and expenses; and health, safety and environmental risks), uncertainty as to the availability of labour and services, commodity price and exchange rate fluctuations, unexpected adverse weather conditions, general business, economic, competitive, political and social uncertainties, capital market conditions and market prices for securities and changes to existing laws and regulations. More information about certain of these risks are set out in the documents will be covered in the United's Information Circular regarding the Delonex Agreement.

Forward-looking statements are based on estimates and opinions of management of United and Delonex at the time the statements are presented. United and Delonex may, as considered necessary in the circumstances, update or revise such forward-looking statements, whether as a result of new information, future events or otherwise, but United and Delonex undertake no obligation to update or revise any forward-looking statements, except as required by applicable securities laws.