PRESS RELEASE

CORRIDOR ANNOUNCES SECOND QUARTER RESULTS

HALIFAX, Nova Scotia, August 13, 2018 (TSX - CDH): Corridor Resources Inc. ("Corridor") announced today its second quarter financial results.

The following table provides a summary of Corridor's financial and operating results for the three and six months ended June 30, 2018, with comparisons to the three and six months ended June 30, 2017. Corridor's unaudited financial statements and management's discussion and analysis for the second quarter have been filed on SEDAR at www.sedar.com and are available on Corridor's website at www.corridor.ca.

All amounts referred to in this press release are in Canadian dollars unless otherwise stated.

Selected Financial Information

	Three months ended June 30		**Six months ended June 30**	
thousands of dollars except per share amounts	**2018**	2017	**2018**	2017
Sales	**$ 1,583**	$ 46	**$ 13,419**	$ 4,513
Net income (loss)	**$ (10,127)**	$ (1,510)	**$ (4,558)**	$ 315
Net income (loss) per share – basic and diluted	**$ (0.114)**	$ (0.017)	**$ (0.051)**	$ 0.004
Cash flow from operations[(1)]	**$ 187**	$ (1,282)	**$ 9,832**	$ 2,401
Working capital	**$ 56,219**	$ 31,796	**$ 56,219**	$ 31,796
Total assets	**$ 117,773**	$ 103,508	**$ 117,773**	$ 103,508

(1) Cash flow from operations is a non-IFRS measure. Cash flow from operations represents net earnings adjusted for non-cash items including depletion, depreciation and amortization, deferred income taxes, share-based compensation and other non-cash expenses. See "Non-IFRS Financial Measures" in Corridor's MD&A for the six months ended June 30, 2018.

Q2 2018 Netback Analysis

	Three months ended June 30		**Six months ended June 30**	
thousands of dollars	**2018**	2017	**2018**	2017
Natural gas production per day (mmscfpd)	**2.8**	0.1	**6.3**	3.6
Barrels of oil equivalent per day (boepd [(2)])	**466**	18	**1,056**	604
Average natural gas price ($/mscf)	**$ 5.63**	$3.86	**$ 11.28**	$ 6.41
Natural gas sales	**$ 1,432**	$ 38	**$ 12,938**	$ 4,204
Realized financial derivatives gain (loss)	**(320)**	-	**(1,398)**	1,094
Other revenues	**151**	8	**481**	309
Royalties	**(25)**	(1)	**(410)**	(93)
Transportation expense	**(22)**	-	**(100)**	(428)
Production expense	**(701)**	(510)	**(1,403)**	(1,299)
Field operating netback	**$ 515**	$ (465)	**$ 10,108**	$ 3,787

(2) For the purpose of calculating unit revenues and costs, natural gas has been converted to barrels of oil equivalent ("boe") on the basis of six thousand cubic feet ("mscf") of natural gas being equal to one barrel of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of six mscf to one barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Unlike prior financial periods, Corridor has determined not to make any disclosure of its financial performance on a per boe basis for the three and six months ended June 30, 2018 and 2017. Such disclosure would not be a meaningful indicator of the performance of Corridor given its nominal production in Q2 2018 and Q2 2017 as a result of management's decision to shut-in its production during these periods as part of its production optimization strategy.

2018 Second Quarter Highlights

- Corridor shut-in all of its natural gas production starting in May 2018 in accordance with its production optimization strategy. Sales for Q2 2018 increased to $1,583 thousand from $46 thousand for Q2 2017 due to management's decision to delay the shut-in of all wells at the McCully Field in 2018 until May while in 2017 management had determined to commence the shut-in earlier in April. As a result, the average daily natural gas production increased to 2.8 mmscfpd in Q2 2018 from 0.1 mmscfpd in Q2 2017. Corridor will continue to monitor forecast prices to determine when natural gas production should resume but expects to continue restricting production until December 2018.

- Corridor's cash flow from operations increased to $187 thousand in Q2 2018 from a negative cash flow from operations of $1,282 thousand in Q2 2017 due primarily to higher natural gas sales in Q2 2018 resulting from the production in April 2018 as a result of management's decision to delay the shut in of all of its wells in 2018 until May, rather than earlier in April in 2017.

- During the quarter, Corridor announced its decision to suspend all further technical work and capital spending on the Old Harry prospect after a comprehensive review revealed more complexity in the Old Harry prospect than previous analysis had suggested, which included the results of an integrated geotechnical analysis from a controlled source electromagnetic survey and reprocessed two dimensional seismic. This comprehensive review revealed that the geology and geochemical/petrological analysis of the Old Harry structure was more complicated than previously understood. Corridor determined there was no longer a viable path to drilling an exploration well on the Old Harry prospect before the current exploration licence on the Newfoundland side expires in January 2021. As a result, Corridor recognized impairment losses of $11,368 thousand in Q2 2018 relating to the costs incurred to date on the Old Harry prospect.

- During the quarter, the Company entered into an additional financial hedge at a fixed price of $US7.90/mmbtu for 2,500 mmbtupd of natural gas production for the period from December 1, 2018 to March 31, 2019.

- At June 30, 2018, Corridor had cash and cash equivalents of $56,093 thousand, working capital of $56,219 thousand and no outstanding debt.

The Corporation will shortly file with the Toronto Stock Exchange a Notice of Intention to Make a Normal Course Issuer Bid to purchase up to 6.8 million of common shares of Corridor. Under the bid, Corridor may purchase its Common Shares, from time to time, if it believes that the market price of its Common Shares is attractive and that the purchase would be an appropriate use of corporate funds and in the best interests of the Corporation. Any common shares purchased will be cancelled.

"With working capital of approximately $56 million, Corridor enjoys considerable optionality to pursue opportunities for deployment of our capital. We will continue to exercise patience and be selective in any opportunities we may decide to pursue." said Steve Moran, President and Chief Executive Officer.

Corridor is a Canadian junior resource company engaged in the exploration for and development and production of petroleum and natural gas onshore in New Brunswick and offshore in the Gulf of St. Lawrence. Corridor currently has natural gas production and reserves in the McCully Field near

Sussex, New Brunswick. In addition, Corridor has a shale gas prospect in New Brunswick and an offshore conventional hydrocarbon prospect in the Gulf of St. Lawrence.

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Forward Looking Statements

This press release contains certain forward-looking statements and forward-looking information (collectively referred to herein as "forward-looking statements") within the meaning of Canadian securities laws. All statements other than statements of historical fact are forward-looking statements. Forward-looking information typically contains statements with words such as "anticipate", "believe", "plan", "continuous", "estimate", "expect", "may", "will", "project", "should", or similar words suggesting future outcomes. In particular, this press release contains forward-looking statements pertaining to: the characteristics of Corridor's properties; business plans and strategies, including plans to resume production from its shut-in wells, Corridor's production optimization strategy, and plans to commence a normal course issuer bid and to purchase common shares under such bid; expectations regarding Corridor's positioning for 2018 and plans to pursue opportunities; and expectations regarding natural gas prices.

Statements relating to "reserves" are forward-looking statements, as they involve the implied assessment, based on certain estimates and assumptions that the reserves described exist in the quantities predicted or estimated and can profitably be produced in the future.

Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. There can be no assurance that the plans, intentions or expectations upon which forward-looking statements are based, will in fact be realized. Actual results will differ, and the difference may be material and adverse to the Corporation and its shareholders. Forward-looking statements are based on the Corporation's current beliefs as well as assumptions made by, and information currently available to, the Corporation concerning anticipated financial performance, business prospects, strategies, regulatory developments, future natural gas and oil commodity prices, exchange rates, future natural gas production levels, the ability to obtain equipment in a timely manner to carry out development activities, the ability to market natural gas successfully to current and new customers, the impact of increasing competition, the ability to obtain financing on acceptable terms, the ability to add production and reserves through development and exploration activities, and the terms of agreements with third parties such as the Corporation's hedging contracts. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. By their very nature, forward-looking statements involve inherent risks and uncertainties (both general and specific) and risks that forward-looking statements will not be achieved. These factors include, but are not limited to, risks associated with oil and gas exploration, development and production, operational risks, development and operating costs, substantial capital requirements and financing, volatility of natural gas and oil prices, government regulation, environmental, hydraulic fracturing, third party risk, dependence on key personnel, co-existence with mining operations, availability of drilling equipment and access, variations in exchange rates, expiration of licenses and leases, reserves and resources estimates, trading of common shares, seasonality, disclosure controls and procedures and internal controls over financial reporting, competition, conflicts of interest, issuance of debt, title to properties, hedging, information systems, litigation and aboriginal land and rights claims. Further information regarding these factors may be found under the heading "*Risk Factors*" in the Corporation's Annual Information Form for the year ended December 31, 2017. Readers are cautioned that the foregoing list of factors that may affect future results is not exhaustive.

The forward-looking statements contained in this press release are made as of the date hereof and Corridor does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.