



Jericho Oil Announces Farm-In Agreement; Option Increases STACK Acreage Footprint By 30%

TULSA, OK, and VANCOUVER, BC, Jan. 24, 2018 – Jericho Oil Corporation (“Jericho”) (TSX-V: JCO; OTC PINK: JROOF) announces that it has entered into a farm-in agreement (“the Farm-In Agreement”), through its Oklahoma STACK Joint Venture (“STACK JV”), to participate in the drilling of between two and five horizontal wells in Major County, near the Company’s core STACK operating area, with a private operator.

At the STACK JV’s option and upon the drilling and completion of two standard-lateral (4,500’) horizontal wells targeting the Osage formation, the STACK JV will earn a 50% interest in approximately 6,000 net leasehold acres. Additional well commitments by the STACK JV will yield increased drilling term on the leasehold acreage. Combined with the STACK JV’s existing acreage, this will result in a consolidated core position of approximately 11,600 net acres.

The Farm-In Agreement and joint development of the Major County STACK assets will allow Jericho to (i) strategically grow its STACK acreage position by approximately 30% at a discount to recent STACK transactions; (ii) participate in the drilling of multiple horizontal wells targeting the prolific Osage formation; (iii) continue to aggregate critical drilling, completion and lateral placement data; and (iv) cost effectively grow production and potentially reserves.

The STACK JV has elected to participate in the drilling of the first scheduled Osage well, under the Farm-In Agreement, and pay its proportionate working interest share of costs related to drilling and completion (47.5% WI / 37.8% NRI to STACK JV). This well has been spud and is currently being drilled. The Company anticipates the drilling of the second scheduled Osage well and the farm-in of acreage to occur in the first half of 2018. For more information, please visit [here](#).

Ryan Breen, Director of Corporate Development of Jericho Oil, stated, “This transaction puts the Company in a good position to cost-effectively boost its strategic acreage position in the prolific STACK play. Jericho continues to increase its unrisks horizontal drilling locations in one of the highest return basins in the Lower 48 targeting the prolific Meramec and Osage STACK formations.”

In connection with this transaction and anticipated capital needs, our STACK JV partner has increased its capital commitment to finance a portion of the Farm-In Agreement well commitment. Pro-forma for their commitment, Jericho will hold a 26.5% interest in the STACK JV.

About Jericho Oil Corporation

Jericho is a growth-oriented oil and gas company engaged in the acquisition, exploration, development

and production of overlooked and undervalued oil properties in the Mid-Continent. For more information, please visit www.jerichooil.com.

Cautionary Note Regarding Forward-Looking Statements: This news release includes certain "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and Canadian securities laws. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual events and results to differ materially from Jericho's expectations include risks related to the exploration stage of Jericho's project; market fluctuations in prices for securities of exploration stage companies; and uncertainties about the availability of additional financing.

Neither the 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.

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