



## ORACLE AMENDS LETTER OF INTENT TO ACQUIRE METHANOGENESIS CORPORATION

**Vancouver, British Columbia** – May 13, 2020. Oracle Energy Corp. (TSX.V: OEC, FRA: O2EM, OTC: OECCF) (“**Oracle**” or the “**Company**”) is pleased to provide an update to its April 2, 2020, news release wherein the letter agreement dated March 2, 2020 (the “LOI”), with Methanogenesis Corporation (“Methano”) was announced pursuant to which the parties agreed to complete a business combination (the “Transaction”) by way of a share exchange that will have the effect of Oracle acquiring all of the issued and outstanding common shares in the capital of Methano (the “Methano Shares”). On May 11, 2020 the Company and Methano signed an amendment to the LOI (the “Amended LOI”), whereby the amended transaction will, subject to TSX Venture Exchange (the “TSXV”) approval, constitute a “Fundamental Acquisition” rather than a “Reverse Takeover” in accordance with TSXV Policy.

### **Summary of the Transaction as Amended**

Pursuant to the Amended LOI, Oracle will acquire Methano by way of a share exchange (the “Share Exchange”) subsequent to Oracle undergoing a 4:1 share consolidation on the basis of one post-consolidation share for each four pre-consolidation shares (the “Share Consolidation”). The Share Consolidation will result in there being 16,830,650 common shares of Oracle outstanding. There are currently 27,620,500 Methano Shares outstanding but it is anticipated that as a result of further future financings to be completed by Methano prior to completion of the Transaction that number will increase to approximately 30,000,000 common shares. Pursuant to the Amended LOI, the Transaction will see the Methano Shares consolidated to 16,830,649 common shares, one less than the number of Oracle post-consolidation shares, allowing for a Fundamental Acquisition. Following the acquisition of Methano there will be approximately 33,661,299 common shares outstanding, prior to taking into account further Oracle shares to be issued pursuant to the Financing outlined below. No finders’ fees will be payable in connection with the Transaction.

The completion of the Transaction is subject to the satisfaction of certain conditions precedent, including but not limited to: (i) Oracle completing the Financing (as defined below); (ii) satisfactory due diligence review by each of Oracle and Methano; (iii) the negotiation, execution and delivery of a definitive agreement (the “Definitive Agreement”) which will supersede the Amended LOI; (iv) the execution and delivery of a definitive agreement between Methano and the University referred to below; (v) receipt of all requisite third party consents, waivers, permits, orders and approvals, including, without limitation, the approval of the TSXV; (vi) the approval of the respective boards of directors of Oracle and Methano; and (vii) the agreement and approval of the shareholders of Methano. Accordingly, there can be no assurance that the Transaction will be completed on the terms proposed above or at all.

As per the Amended LOI and subject to satisfaction or waiver of the conditions precedent referred to herein, the parties aim to sign the Definitive Agreement by May 31, 2020. Each of Oracle and Methano will bear their own costs in respect of the Transaction.

### **About Methanogenesis Corporation**

Methano is an early stage Canadian corporation organized to combine microbiological approaches with genetics and metabolic engineering to produce genetically modified microbes “GMO’s” for the efficient and cost effective conversion of methane CH<sub>4</sub> to methanol CH<sub>3</sub>OH. Methano will be providing funding to a major university in California (the “University”) for research and development of the conversion process. It is anticipated that intellectual property resulting from the research and development will be owned by the university which will then provide Methano with an exclusive worldwide license to commercialize the resulting

technology.

### **Oracle Financing**

The Transaction is subject to the completion of a non-brokered private placement financing by Oracle of up to \$600,000 (the "Financing") which, when added to Methano's post-closing working capital, will provide sufficient capital to satisfy working capital and financial resources in order for the Company to carry out its financial plan for a minimum of six months post-closing of the Transaction.

### **Subsequent News Release**

Oracle will disseminate a subsequent news release prior to the shares of the Company being reinstated for trading. The subsequent news release will address various outstanding issues including biographies on the management of Methano and on any new directors of the Company; and the details of the proposed financing to be completed in conjunction with the closing of the Transaction.

### **Regulatory Matters**

The Transaction will constitute a Fundamental Acquisition (as that term is defined under TSXV policy) as the completion of the Transaction will not result in the creation of a control block.

There is no assurance that the Financing will be completed. All sales, exchanges, and issuances of any units, shares, warrants, and securities in connection to the Financing and the Transaction will be subject to regulatory approval including, but not limited to, the approval of the TSXV.

### **Additional Information**

In accordance with Exchange policy, the Company's shares are currently halted from trading and will remain so until such time as the Company has provided the Exchange with the information required by Exchange policy.

### **ON BEHALF OF THE BOARD OF DIRECTORS.**

Loren Currie, Director

### **About Oracle Energy Corp.**

Oracle Energy Corp. (TSX.V: OEC, FRA: O2EM, OTC: OECCF) is classified an oil and gas development company on the TSX Venture Exchange.

### **For further information, please contact:**

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