FRONTERA ENERGY CORPORATION

NEWS RELEASE

FRONTERA ANNOUNCES SHAREHOLDER VALUE ENHANCEMENT INITIATIVES AND 2019 PLAN AND GUIDANCE INFORMATION

Stable Production and Operating EBITDA Expected to Deliver Strong Cash Generation in 2019

Exciting Combination of Growth Initiatives and Portfolio Enhancement Opportunities

Dividend of C$0.33 and an Increased Normal Course Issuer Bid

Toronto, Canada, December 6, 2018 - Frontera Energy Corporation (TSX: FEC) ("**Frontera**" or the "**Company**") today announced full year 2019 plan and guidance information. All values in this news release and the Company's financial disclosures are in United States dollars, unless otherwise noted.

Gabriel de Alba, Chairman of the Board of Directors, said:
"Frontera's 2019 plan delivers on the Company's objectives of maximizing cash generation and delivering shareholder returns by establishing a long-term production path with the optimal amount of capital, while driving company-wide efficiencies. Frontera's strong cash position, the potential to unlock value in non-core assets and a robust balance sheet provide the Company with substantial opportunities to enhance the portfolio's growth profile and accelerate returns to shareholders. The 2019 plan combined with the longer-term outlook for the Company has given the board the confidence to announce a new dividend policy, which includes an initial dividend of $25 million and targeted quarterly dividends of $12.5 million, as well as an increased share repurchase program."

Richard Herbert, Chief Executive Officer, commented:
"Frontera has a proven track record in Colombia and Peru, and we are confident that our robust portfolio of core assets can be developed to maintain base production for several years. At Quifa, the water handling expansion project is already coming on stream to sustain production for 2019 and beyond and enable the Company to optimize future drilling locations in the area. The Coralillo light and medium oil field on the Guatiquia block has been successfully appraised with production from multiple zones. New projects in Colombia include a pilot project on CPE-6 which is expected to more than double that block's production throughout 2019, the initiation of a long-term test on the Acorazado discovery, and the implementation of waterflood pressure maintenance at Neiva. Offshore Peru, the Company continues to evaluate the potential for natural gas on the block.

We are also looking to enhance our portfolio of medium- to long-term opportunities. Yesterday we announced a farm-in with CGX Energy for a 33.3% working interest in two exploration blocks offshore Guyana in one of the most promising offshore basins in the world."

Shareholder Value Enhancement Initiatives:
The Company's board of directors have declared an initial dividend of C$0.33 per common share. This dividend is payable on or about January 17, 2019 to holders of record on January 3, 2019.

The Company's board of directors has also adopted a dividend policy to implement a quarterly dividend of approximately $12.5 million during periods in which Brent oil prices sustain an average price of $60/bbl or higher. The declaration and payment of any specific dividend, the actual amount, the declaration date, the record date and the payment date of each quarterly dividend will be subject to the discretion of the board of directors.

The Company intends to adopt a dividend reinvestment program ("**DRIP**") that allows shareholders to automatically reinvest their dividends in new shares of the Company. The DRIP is subject to the filing and approval by the TSX, and once adopted should be available for the January 3, 2019 dividend and all dividends going forward.

Additionally, the Company intends to amend its current normal course issuer bid (“**NCIB**”), increasing from its current authorized level of approximately 3.5% of shares outstanding to 5% of shares outstanding. The amendment to the NCIB has been approved by the Company’s board of directors; however, it is subject to approval by the TSX.

2019 Plan and Guidance:
Frontera's 2019 plan and guidance has been developed with the following four key objectives:

1. Delivering stable levels of production and reserves in Frontera's core Colombian operations;
2. Ensuring that the capital expenditures in core operations have strong financial returns;
3. Pursuing continuous operational improvements and greater cost efficiencies;
4. Creating opportunities for future growth in production and reserves through new exploration and development activities.

These objectives will enable the Company to maximize shareholder returns through flexible capital allocation. Annual budgets are developed and scrutinized throughout the year and changed if necessary in the context of project returns, product pricing expectations, and the balancing of project risks and time horizons.

2019 Guidance Metrics[1]:

	2019 Guidance	2019 at 2018 Prices
Operating EBITDA[2]	\$400 - \$450 MM	\$600 - \$650 MM
Capital Expenditures	\$325 - \$375 MM	—
Average Daily Production (before royalties)	65 - 70 Mboe/d	—
Average Daily Production (after royalties)	60 - 65 Mboe/d	—
Production Cost (\$/boe)[2]	\$12.50 - \$13.50	—
Transportation Cost (\$/boe)[3] (including fees paid on suspended capacity)	\$12.50 - \$13.50	—
Brent Oil Price Assumption	\$65.00/bbl	\$73.00/bbl
Oil Price Differential	\$8.40/bbl	\$5.00/bbl

[1] Assuming average Brent oil price for 2019 of \$65.00/bbl (2018: \$73.00/bbl), realized oil price differential of\$8.40/bbl (2018: \$5.00/bbl), and USD/COP 3,000:1.
[2] Shown before royalties. Production cost guidance for 2018 using production after royalties is \$14.00/boe to \$14.50/boe. Starting in Q4 2018 and for 2019, production cost results and guidance will be calculated using production before royalties in the denominator as this most accurately reflects per unit production cost and is consistent with our peers.
[3] Calculated using production after royalties as this most accurately reflects per unit transportation costs.

The Company expects to deliver a 2019 Operating EBITDA guidance which is flat with 2018 guidance, despite an 11% decrease to its Brent oil price assumption of \$65/bbl in 2019 compared to \$73/bbl in 2018. The Company has also used a more conservative oil price differential in 2019 of \$8.40/bbl, up 60% compared to \$5.00/bbl in 2018 due to pending International Marine Organization 2020 regulations. The Brent less WTI spread is estimated at \$3.00/bbl for the purposes of estimating high priced royalties paid in kind at Quifa.

Average annual production before royalties in 2019 is expected to be in the range of 65,000 to 70,000 boe/d. This reflects improved statistical analysis of the impact of seasonality and potential social disruptions to the Company’s operations. The decrease also takes into account the relinquishment of Block 192 in Peru in September 2019, which impacts the annual average by approximately 600 bbl/d or 1% compared to 2018.

The 2019 plan is expected to position the Company to maintain stable total company production over a three year period, despite the risk of not executing a new contract on Block 192 in Peru during 2019, as core assets in Colombia which include Quifa, Guatiquia, and Cubiro, make up for lost production.

For 2019, the Company has hedged approximately 7.5% of expected production before royalties with put options at a strike price of \$55/bbl Brent between January and September 2019. The Company will target to hedge oil prices using put options on a go-forward basis sufficient to protect the Company's capital program, financing costs, as well as potential future dividends.

2019 Capital Expenditure Program:

Capital Expenditures ($MM)	2018 Forecast	2019 Guidance
Maintenance and development drilling	230 to 240	210 to 240
Exploration activities	100 to 110	55 to 65
Facilities and infrastructure	100	50 to 60
Administrative and other assets	10	10
Total Capital Expenditures	440 to 460	325 to 375

Capital expenditures in 2019 are down 22% at the midpoint from 2018 levels as a result of decreased levels of planned exploration and facilities and infrastructure spending in 2019 compared to 2018 which included high impact exploration wells in Colombia and Peru and the Quifa water handling expansion project. The Company plans to drill between 110 and 120 development wells in 2019, of which 95 to 105 will be targeting heavy oil fields and 12 to 16 wells will be targeting light and medium oil fields. Exploration activities in 2019 include 10 exploration wells, half of which are near field exploration where the Company had over 90% success rate in 2018, and include wells in Quifa, Sabanero and CPE-6. The other exploration wells are commitment wells on blocks including Mapache, Cordillera 15 and Guama. Infrastructure spending will decrease in 2019 as a result of the completion of the Quifa water handling project. In 2019, approximately 50% of the facilities and infrastructure spending will be projects that were deferred during the period of restructuring, a similar amount was spent in 2018.

Development Drilling Projects:

- Completion, testing, ramp up and stabilization of the Quifa water handling expansion project by year-end 2018 providing more than 400,000 bbl/d of water processing and injection capacity from four wells. The project will enable the Company to add between 2,000 and 3,000 bbl/d of oil production net to Frontera from the reactivation of 60 to 80 suspended wells while optimizing the horizontal drilling campaign in 2019 and beyond.
- Reduction in Quifa drilling costs by changing well designs and increasing drilling efficiency.
- Commencement of a multilateral drilling pilot project at Quifa to increase recovery efficiency.
- Production growth pilot project at CPE-6, targeting a doubling of production by the end of 2019.
- Continued development of Coralillo field on the Guatiquia block with recent Coralillo appraisal drilling confirming the presence of two reservoir intervals.
- Drilling in the Zopilote field acreage extension recently added to the Cravo Viejo block has proven a southerly extension to the field following the drilling of the Zopilote Sur well. New development locations have been identified and will be drilled in 2019.
- Expansion of the waterflood pressure maintenance project in Copa, which is expected to improve recovery and assist with mitigation of production decline. Additional production response is expected in 2020.
- Expansion of the waterflood pressure maintenance project at Neiva.
- Proving up of natural gas resources offshore Peru on block Z-1 for a potential future natural gas development.

Exploration Projects:

- Farm-in to two shallow water offshore blocks in Guyana with the drilling of the Utakwaaka -1 exploration on the Corentyne block well expected to be drilled in 2019.
- Continued testing and evaluation of commerciality at the Jaspe heavy oil accumulation near Quifa.
- Exploration drilling at Mapache, if successful, would result in an additional two to four development locations in 2019.
- Exploration drilling at Sabanero, if successful, would result in additional development opportunities in 2019 and beyond.

Production Reporting

In order to improve the comparability of reported operational and financial results amongst its Canadian, Colombian and Latin American focused peer group, Frontera will be changing its methodology of reporting production volumes to a Company working interest before royalty basis from the current practice of reporting net production volumes after royalties. The change will be effective starting with results presented for the fourth quarter of 2018 and is also reflected in our 2019 guidance metrics. Production will be calculated as total amount of the Company's working interest production (before royalties) and volumes produced from service contracts. The Company believes that reporting production on this new basis will result in greater alignment with its industry peers and will be more reflective of daily production activity and operational cost drivers.

About Frontera:

Frontera is a Canadian public company and a leading explorer and producer of crude oil and natural gas, with operations focused in Latin America. The Company has a diversified portfolio of assets with interests in exploration and production blocks in Colombia and Peru. The Company's strategy is focused on sustainable growth in production and reserves and cash generation. Frontera is committed to conducting business safely, in a socially and environmentally responsible manner.

The Company's common shares trade on the Toronto Stock Exchange under the ticker symbol "FEC".

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Advisories:

Cautionary Note Concerning Forward-Looking Statements

This news release contains forward-looking statements. All statements, other than statements of historical fact, that address activities, events or developments that the Company believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding the Company's dividend policy and dividend payments, future dividends, TSX approval of the DRIP and amended NCIB, estimates and/or assumptions in respect of production levels, operating EBITDA, capital expenditures (including drilling plans, exploration activities, facilities and infrastructure projects), and development drilling projects and exploration projects) are forward-looking statements. These forward-looking statements reflect the current expectations or beliefs of the Company based on information currently available to the Company. Forward-looking statements are subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, among other things: failure to obtain regulatory approval, uncertainty of estimates of capital and operating costs, production estimates and estimated economic return; failure to meet projected timelines; uncertainties associated with estimating oil and natural gas reserves; failure to establish estimated resources or reserves; operating hazards and risks; volatility in market prices for oil and natural gas; the uncertainties involved in interpreting drilling results and other geological data; fluctuation in currency exchange rates; inflation; changes in equity markets; perceptions of the Company's prospects and the prospects of the oil and gas industry in Colombia and the other countries where the Company operates or has investments and the other risks disclosed under the heading "Risk Factors" and elsewhere in the Company's annual information form dated March 27, 2018 filed on SEDAR at www.sedar.com. In addition, the Company's dividend policy will be reviewed from time to time in the context of the Corporation's current and projected economic conditions, and other factors and the declaration of a dividend will always be at the discretion of the board of directors of the Corporation. Any forward-looking statement speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Although the Company believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

*This news release contains future oriented financial information and financial outlook information (collectively, "**FOFI**") (including, without limitation, statements regarding Operating EBITDA, capital expenditures (including maintenance & development drillings, exploration activities, facilities & infrastructure and administrative and others), production costs and transportation costs for the Company in 2019), and are subject to the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraph. The FOFI has been prepared by* *management to provide an outlook of the Company's activities and results, and such information may not be appropriate for other purposes. The Company and management believe that the FOFI has been prepared on a reasonable basis, reflecting management's best estimates and judgments, however, actual results of operations of the Company and the resulting financial results may vary from the amounts set forth herein. Any FOFI speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any FOFI, whether as a result of new information, future events or results or otherwise.*

In addition, reported production levels may not be reflective of sustainable production rates and future production rates may differ materially from the production rates reflected in this news release due to, among other factors, difficulties or interruptions encountered during the production of hydrocarbons.

Non-IFRS Financial Measures

This news release contains financial terms that are not considered in IFRS: Operating EBITDA. These non-IFRS measures do not have any standardized meaning, and therefore are unlikely to be comparable to similar measures presented by other companies. These non-IFRS measures should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. These financial measures are included because management uses this information to analyze operating performance and liquidity.

Management believes that EBITDA is a common measure used to assess profitability before the impact of different financing methods, income taxes, depreciation and impairment of capital assets and amortization of intangible assets. Operating EBITDA represents the operating results of the Company's primary business, excluding the effects of capital structure, other investments (infrastructure assets), non-cash items that depend on accounting policy choices, and one-time items that are not expected to recur.

Please see the Company's most recent Management's Discussion and Analysis, which is available at www.sedar.com for additional information about these financial measures.

Boe Conversion

The term "boe" is used in this news release. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of cubic feet to barrels is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. In this news release, boe has been expressed using the Colombian conversion standard of 5.7 Mcf: 1 bbl required by the Colombian Ministry of Mines and Energy. For properties in Peru, the Company has expressed boe using the Peruvian conversion standard of 5.626 Mcf: 1 bbl required by Perupetro S.A., Peru's state regulatory agency.

Definitions

bbl	Barrel of oil
bbl/d	Barrel of oil per day
boe	Refer to "Boe Conversion" disclosure above
boe/d	Barrel of oil equivalent per day
WTI	West Texas Intermediate

FOR FURTHER INFORMATION:

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