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**LETTER OF INTENT BETWEEN EXITO ENERGY II INC. AND
MILLENNIUM STIMULATION SERVICES LTD. EXPIRES AND
EXITO SIGNS NON-BINDING TERM SHEET WITH
MAGNETICNORTH PARTNERS INC.**

FOR IMMEDIATE RELEASE

CALGARY, ALBERTA – April 20, 2016 – Exito Energy II Inc. ("Exito" or the "Corporation") (TSX Venture: EXI.P) announces that it will no longer proceed with its previously announced proposed qualifying transaction ("QT") involving an amalgamation with Millennium Stimulation Services Ltd.

Exito further announces that it has signed a non-binding term sheet (the "Term Sheet") with MagneticNorth Partners Inc. ("Magnetic") that contemplates the acquisition by Exito of all of the issued and outstanding shares of Magnetic (the "Transaction"), which if completed would constitute Exito's QT. The Term Sheet represents the basis from which Exito and Magnetic intend to negotiate a more formal letter of intent (the "LOI"). Exito and Magnetic are actively working towards completion of the LOI, and if finalized, will news release further details relating to the Transaction.

The Transaction is subject to the approval of the TSX Venture and the policies of the TSX Venture relating to QT's, as well as shareholder approval of Exito.

Trading Suspension & QT Deadline Extension

Exito's deadline for completing a QT was May 7, 2015. As a result of not completing a QT prior to this deadline, trading of Exito shares has been suspended and trading will remain suspended in accordance with the TSX Venture's policies until such time as the TSX Venture lifts the suspension. Due to ongoing challenging market conditions, the TSX Venture has granted Exito a discretionary extension to its QT deadline until May 13, 2016.

For further information, contact Brad Docherty, President, Chief Executive Officer and Director of Exito at (403) 472-5767.

As indicated above, completion of the Transaction is subject to a number of conditions, including but not limited to, TSX Venture acceptance and shareholder approvals. The Transaction cannot close until the required shareholder approvals are obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the Information Circular of Exito to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Exito should be considered highly speculative.

The TSX Venture has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

This news release contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially. Other than as required by law, Exito will update these forward-looking statements to reflect events or circumstances after the date hereof. More detailed information about potential factors that could affect financial results is included in the documents filed from time to time with the Canadian securities regulatory authorities by Exito.

Any securities being offered have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.