



**Press Release**

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**HARVEST OPERATIONS CORP. ANNOUNCES U.S. \$397.5 MILLION  
4.2% SENIOR NOTE OFFERING AND NEW TERM LOAN**

**CALGARY, ALBERTA – APRIL 24, 2018:** Harvest Operations Corp. (“Harvest” or the “Company”) is pleased to announce that it has agreed to issue and sell U.S.\$397.5 million senior unsecured notes due 2023 with a coupon rate of 4.2% (the “Notes”). The Notes have been rated Aa2 and AA by Moody’s Investors Service and S&P Global Ratings, respectively.

The Notes will be unconditionally and irrevocably guaranteed by Harvest’s parent company Korea National Oil Corporation (“KNOC”). Closing of the offering is expected on May 1, 2018.

SMBC Nikko Securities America, Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated are acting as joint bookrunners and lead managers for the offering.

Application will be made to the Singapore Exchange Securities Trading Limited (the “Singapore Exchange”) for the listing and quotation of the Notes on the Singapore Exchange.

In addition, Harvest has also received a commitment from an affiliate of SMBC Nikko Securities America, Inc. to provide a five-year term loan facility in an aggregate principal amount of up to CAD\$300 million (the “New Term Loan”). Harvest currently expects the New Term Loan to close on or about May 11, 2018.

Harvest intends to use the net proceeds of the Notes offering and New Term Loan to repay in full Harvest’s outstanding approximately U.S.\$630 million aggregate principal amount of 2 <sup>1</sup>/<sub>8</sub>% Senior Notes due May 14, 2018.

The Notes have not been registered under the Securities Act of 1933, as amended (the “Act”), and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements under the Act. The offering will be made solely by means of a private placement either to qualified institutional buyers pursuant to Rule 144A under the Act, or to certain persons outside of the United States pursuant to Regulation S under the Act. This press release is neither an offer to sell nor a solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale of any security in any jurisdiction in which such offering, solicitation or sale would be unlawful.

The Singapore Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the Singapore Exchange are not to be taken as an indication of the merits of Harvest, KNOC or the Notes.

**HARVEST CORPORATE PROFILE**

Harvest is a wholly-owned subsidiary of Korea National Oil Corporation (“KNOC”). Harvest is a significant operator in Canada’s energy industry offering stakeholders exposure to exploration, development and production of crude oil and natural gas (Upstream) and an oil sands project under construction and development in northern Alberta (BlackGold).

KNOC is a state owned oil and gas company engaged in the exploration and production of oil and gas along with storing petroleum resources. KNOC will fully establish itself as a global government-run petroleum company by applying ethical, sustainable and environment-friendly management and by taking corporate social

responsibility seriously at all times. For more information on KNOC, please visit their website at [www.knoc.co.kr/ENG/main.jsp](http://www.knoc.co.kr/ENG/main.jsp).

#### **ADVISORY**

Certain information in this press release contains forward-looking information that involves risk and uncertainty. Forward-looking statements in this press release may include, but are not limited to, the expected date of closing of the offering and the expected use of proceeds. For this purpose, any statements that are contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements often contain terms such as "may", "will", "should", "anticipate", "expects" and similar expressions. Such risks and uncertainties in respect of such forward-looking information include, but are not limited to, risks associated with: imprecision of reserve estimates; conventional oil and natural gas operations; the volatility in commodity prices and currency exchange rates; risks associated with realizing the value of acquisitions; general economic, market and business conditions; changes in environmental legislation and regulations; the availability of sufficient capital from internal and external sources; and, such other risks and uncertainties described from time to time in Harvest's regulatory reports and filings made with securities regulators.

Readers are cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Harvest assumes no obligation to update forward-looking statements should circumstances or management's estimates or opinions change. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement.

#### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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