



# CENTAURUS

## **CENTAURUS ENERGY INC. (FORMERLY MADALENA ENERGY INC.) ANNOUNCES NEW CREDIT FACILITIES, APPOINTMENT OF NEW BOARD MEMBERS AND MANAGEMENT CHANGES**

Calgary, Alberta, March 25, 2020 - Centaurus Energy Inc. ("Centaurus" or the "Company") (TSXV: CTA, OTCQX: CTARF) announces that it has entered into a binding term sheet with respect to a debt financing agreement with Maglan Distressed Master Fund LP (the "Agreement") pursuant to which the Company will have access of up to US\$23 million, accruing interest on draws at the rate of 7% per annum, in the form of convertible and non-convertible loan facilities (the "Maglan Facilities"). Proceeds from the convertible loan facility shall be used by the Company to fund capital expenditure while proceeds under the non-convertible loan facility shall be used for the ongoing working capital requirements of the Company.

The Maglan Facilities will have substantially similar terms as the Company's existing credit facilities, being the Working Capital Loan Agreement dated May 8, 2017, as amended April 7, 2019 between the Company and Hispania Petroleum S.A. and the Amended and Restated Convertible Loan Agreement made effective as of April 7, 2019 among the Company, Hispania Petroleum S.A., and KD Energy International Capital Limited.

The Company is pleased to announce that it has appointed David D. Tawil and Steven Azarbad to the board of directors of Centaurus (the "Board"). In addition, the Company has terminated the employment of Jose Peñafiel as President and Chief Executive Officer, the employment of Alejandro Peñafiel as Vice President, Growth and Capital and the employment of Ezequiel Martinez Ariet as Chief Financial Officer. The Board has appointed David D. Tawil as interim Chief Executive Officer.

Mr. Tawil commented: "I am proud to assume the leadership of Centaurus. I am confident that Argentina's vast energy resources will be profitably developed and Centaurus' involvement can support the nation's success and maximize value for Centaurus shareholders."

Mr. Tawil is a co-founder of Maglan Capital, an event-driven fund, and has served as President since its founding in 2009. Prior to founding Maglan Capital, Mr. Tawil was an investment banker with Credit Suisse, where he served as Director of Leveraged Finance. Before joining Credit Suisse, Mr. Tawil was an attorney with Davis Polk & Wardwell, specializing in corporate restructuring. He began his legal career as an associate at Skadden, Arps. Mr. Tawil earned a BS degree in Business

Management, graduating magna cum laude, from Yeshiva University, and he earned a JD degree from the University of Michigan Law School.

Steven Azarbad is a Co-Founder of Maglan Capital and has served as Chief Investment Officer since its founding in 2009. Prior to founding Maglan Capital, he was an investment banker with Credit Suisse, where he served as Director of Leveraged Finance. Before joining Credit Suisse, Mr. Azarbad was an attorney with Weil, Gotshal & Manges, specializing in bankruptcy and restructuring. Before joining Weil, Gotshal & Manges, he clerked for The Honorable Mary F. Walrath, in the United States Bankruptcy Court for the District of Delaware. He began his legal career as an associate at Skadden, Arps. Mr. Azarbad earned a BS in Accounting from Brooklyn College of the City University of New York, and he earned a JD from Brooklyn Law School.

The appointments of Mr. Tawil and Mr. Azarbad to the Board are subject to confirmation by the TSX Venture Exchange. The Maglan Facilities will be subject to applicable regulatory approvals, including approval of the TSX Venture Exchange.

### **Related Party Transaction**

As Maglan Distressed Master Fund LP (together with its affiliates) has beneficial ownership of, or control or direction over, securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities, it is considered a "related party" for the purposes of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("MI 61-101"). Accordingly, the Maglan Facilities will be deemed to be "related party transactions" and may be subject to the formal valuation and minority shareholder requirements under MI 61-101, unless exemptions are available.

### **About Centaurus Energy**

Centaurus is an independent upstream oil and gas company with both conventional and unconventional oil and gas operations in Argentina. The Company's shares trade on the TSX Venture Exchange under the symbol CTA and on the OTCQX under the symbol CTARF.

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

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### **Reader Advisories**

#### ***Forward Looking Information Disclaimer***

*The information in this news release contains certain forward-looking statements. These statements relate to future events or the Company's future performance, in particular, but not limited to, expectations that the Company will be able to complete the terms of the Agreement and enter into the Maglan Facilities, or that the*

*Company will receive applicable regulatory and TSX Venture Exchange approvals for the Maglan Facilities or the appointment of the new directors. All statements other than statements of historical fact may be forward-looking statements. These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. The forward-looking statements in this news release are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements. Investors are encouraged to review and consider the additional risk factors set forth in the Company's Annual Information Form, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).*

**Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.**