Acceleware Ltd. Reports First Quarter
2019 Financial and Operating Results

CALGARY, Alberta – May 29, 2019 – Acceleware® Ltd. ("Acceleware" or the "Company") (TSX-V: AXE), a leading developer of radio frequency (RF) heating technology to facilitate cost-effective and environmentally-friendly extraction of heavy oil and bitumen, as well as high-performance seismic imaging applications, today announced its financial and operating results for the three months ended March 31, 2019 (all figures are in Canadian dollars unless otherwise noted). This news release should be read in conjunction with the Company's unaudited interim condensed financial statements, the accompanying notes for the three months ended March 31, 2019, and management's discussion and analysis ("MD&A") thereto, together with the audited financial statements for the year ended December 31, 2018, notes and MD&A thereto, all of which are available on Acceleware's website at www.acceleware.com or on SEDAR at www.sedar.com.

Q1 2019 FINANCIAL SUMMARY AND OPERATING HIGHLIGHTS

In the three months ended March 31, 2019 ("Q1 2019"), Acceleware recorded its second highest quarterly revenue in the past six years, reflecting performance that was significantly better than the comparable period in 2018 ("Q1 2018"), and second only to the most recent quarter ended December 31, 2018 ("Q4 2018"). The increase is due to new sales of software licenses for seismic imaging, a result of the deployment of innovative new licensing models. The Company has discontinued its reseller model for seismic software and is now selling software direct to oil and gas customers. As a result of the increase in revenue, the Company recorded its second consecutive quarter of both positive total comprehensive income and positive cash flow from operating activities.

- During Q1 2019, Acceleware recognized revenue of $888,733 - 422% higher than the $170,259 recognized during Q1 2018. The increase is primarily the result of a significant increase in seismic software and maintenance revenue, offset by a more modest decline in services revenue. Revenue in Q1 2019 fell 75% compared to the $3,533,026 recorded in Q4 2018. The Company experienced higher revenue in Q4 2018 due to the substantial completion of a consulting services agreement with Advanced Micro Devices, Inc. ("AMD") which saw the Company's custom software team transition to become employees of AMD, and the provision of other consulting services.

- As a result of higher revenue, income from operations rose significantly in Q1 2019 to $126,916 compared to an operating loss in Q1, 2018 of $833,879. Income from operations was $2,358,164 in Q4 2018 attributable to the AMD contract.

- The Company had total comprehensive income of $67,498, a substantial increase compared to a total comprehensive loss of $839,377 for Q1 2018. The higher total comprehensive income is principally a result of higher revenue, and lower research and development ("R&D") expense, net of government assistance. Total comprehensive income decreased 97% in Q1 2019 to $67,498 compared to $2,437,958 in Q4 2018, due to lower revenue.

- At March 31, 2019, Acceleware had $2,245,521 (December 31, 2018 - $2,051,577) in working capital, including $4,450,464 (December 31, 2018 - $3,225,126) in cash and cash equivalents, and $280,129 (December 31, 2018 - $189,012) in combined short-term and long-term debt in the form of lease obligations. The increase in short-term and long-term lease obligations reflects the adoption of IFRS 16 on January 1, 2019. The increase in cash (and consequently working capital) is attributable to the AMD agreement noted above and government assistance for the RF heating R&D.

- On a segmented basis, revenue from the Company's high-performance computing ("HPC") segment increased 421% to $886,508 in Q1 2019 compared to $170,259 in Q1 2018 on higher seismic software and seismic maintenance revenue. HPC revenue fell 75% from the $3,490,542 recorded in Q4 2018 due to the absence of the AMD contract revenue.

RF HEATING BUSINESS SEGMENT

RF XL is Acceleware's patented and patent-pending RF heating technology, designed to improve the extraction of heavy oil and bitumen, and has the potential to save billions of dollars in oil sands production costs. When applied, the technology is designed to reduce both capital and operating costs, while offering significant environmental benefits, including immediate greenhouse gas ("GHG") emission reductions, a substantial decrease in land use, the elimination of external water or solvent needs and no requirement for tailings ponds. As an electrically-driven process, Acceleware also believes that RF XL technology can provide a clear pathway to zero-GHG production of heavy oil and oil sands and provide optimal alignment with government goals to recognize innovation as part of the solution in Canada's overall emission reduction plans.

Acceleware's RF heating segment represents a key driver of future growth, and the Company successfully ramped up investment in R&D within this segment through Q1 2019. Key activities during the period are outlined below and include engineering, design and prototyping work related to the Company's planned commercial-scale test of RF XL, and filing of additional patent applications.

- The Company continued to receive milestone payments during Q1 2019 under the recently completed contribution agreements with Sustainable Development Technology Canada ("SDTC") and Emissions Reduction Alberta ("ERA"). The agreements will provide a total of $10 million in non-repayable grants, and as at March 31, 2019, Acceleware had received a combined $1,157,843

from both SDTC and ERA. This capital infusion enabled the Company to accelerate progress of the commercial-scale pilot project to be completed with Prosper Petroleum Ltd. at its Rigel property in northeast Alberta;

- The Company completed additional factory acceptance testing of a prototype RF generator with partner GE;
- Acceleware conducted bench-top testing of the RF XL apparatus with various oil sands core samples;
- Engineers and consultants continued to de-risk design concepts for RF XL wells; and
- Acceleware's scientists and engineers filed three new patent applications.

Acceleware continues to estimate that the cost to complete the RF XL pilot will range from $16 million to $20 million. Through a project funding agreement with a major oil sands producer, contribution agreements with SDTC and ERA, and other sources, the total financing raised to date for the commercial-scale test is in excess of $16 million. Acceleware has also appointed GMP Securities L.P. ("GMP FirstEnergy") as exclusive financial advisor to assist in the full funding of the RF XL pilot program.

- RF heating revenue rose slightly in Q1 2019 to $2,225 from $nil in Q1 2018 on increased maintenance revenue. RF heating revenue was 95% lower in Q1 2018 compared to the $42,484 recorded in Q4 2018 on lower software revenue.
- A loss from operations in Q1 2019 attributable to the RF heating segment was relatively stable at $595,969 compared to $595,004 in Q1 2018. Operating loss for RF heating was 33% lower in Q1 2019 compared to the loss of $886,424 recorded in Q4 2018 due to lower R&D investments, net of government assistance, and lower G&A expenses.

HIGH-PERFORMANCE COMPUTING BUSINESS SEGMENT

Acceleware's HPC business segment helps customers meet their oil and gas exploration needs with seismic imaging software that provides the most accurate and advanced imaging available for oil exploration in complex geological zones and formations. This segment also includes electro-magnetic ("EM") simulation software. During the fourth quarter of 2018, the Company discontinued software development services including porting, acceleration assessments and mentoring that do not directly support its seismic imaging and EM software products.

Building on recent direct sales success, Acceleware will access the oil and gas geoscience software market with innovative licensing structures through a direct sales model that commenced in 2019. As part of the change, the Company has discontinued reseller arrangements with seismic independent software vendors ("ISV").

The HPC segment's revenue in the fourth quarter of 2018 was dominated by proceeds from the AMD agreement, which is non-recurring.

- HPC revenue increased 421% to $886,508 in Q1 2019 compared to $170,259 in Q1 2018 on higher seismic software and seismic maintenance revenue. HPC revenue fell 75% from the $3,490,542 recorded in Q4 2018 due to the absence of the AMD contract revenue.
- Operating income attributable to HPC increased to $722,885 in Q1 2019, compared to a loss of $238,875 in Q1 2018 due to higher revenue and lower expenses in all categories. HPC operating income was lower in Q1 2019 compared to the operating income of $3,244,588 recorded in Q4 2018 due to the substantial completion of the AMD contract in Q4 2018, despite lower expenses in all categories.

OUTLOOK

Acceleware and Prosper to date have provided all information requested from the Alberta Energy Regulator, and expect to receive regulatory approval to move forward with the test in 2019. Acceleware continues to invest in intellectual property protection and has several new patent applications in development, including the investigation of applications for RF heating beyond oil sands and heavy oil production, such as RF heating for bitumen rail cars. For the remainder of 2019, Acceleware will continue its direct sales model for seismic imaging software.

ABOUT ACCELEWARE:

Acceleware (www.acceleware.com) is an innovator of clean-tech oil and gas technologies comprised of two business units: Radio Frequency (RF) Enhanced Oil Recovery and Seismic Imaging Software.

Acceleware is developing RF XL and Modular RF, its patented and patent-pending low-cost, low-carbon production technologies for heavy oil and oil sands that are materially different from any heavy oil recovery technique used today. They will use no water, require no solvent, have a small physical footprint, can be redeployed from site to site, and can be adapted to a multitude of reservoir types, while expected to greatly reduce and eventually eliminate production greenhouse gas emissions (GHG). In shallow oil sands implementations, no tailings ponds will be required. Acceleware's RF heating innovation earned a Global Petroleum Show award for Best Emerging Clean Technology.

Our seismic imaging software solutions are state of the art for high fidelity imaging, providing the most accurate and advanced imaging available for oil exploration in complex geologies. Acceleware is a public company on Canada's TSX Venture Exchange under the trading symbol "AXE".

NOTE REGARDING FORWARD-LOOKING INFORMATION AND OTHER ADVISORIES

This news release contains "forward-looking information" within the meaning of Canadian securities legislation. Forward-looking information generally means information about an issuer's business, capital, or operations that are prospective in nature, and includes disclosure about the issuer's prospective financial performance or financial position.

The forward-looking information in this press release can be identified by terms such as "believes", "estimates", "plans", "potential", and "will", and includes information about Acceleware's plans to focus on revenue streams that offer the highest margins, the anticipated costs of the commercial-scale test of RF XL, Acceleware's strategy to finance the RF XL technology, the timeline for the commercial-scale test of RF XL including regulatory approval, and the anticipated benefits of the RF XL technology. Acceleware assumes that the current timeline for the RF XL pilot is achievable, that research and development effort including the commercial-scale test plans will result in commercial-ready products, and that future capital raising efforts will be successful.

Actual results may vary from the forward-looking information in this press release due to certain material risk factors. These risk factors are described in detail in Acceleware's continuous disclosure documents, which are filed on SEDAR at www.sedar.com.

Acceleware assumes no obligation to update or revise the forward-looking information in this press release, unless it is required to do so under Canadian securities legislation.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this release in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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

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