



## **VALEURA ANNOUNCES INCREASED NATURAL GAS PRICES**

**Calgary, July 31, 2018:** Valeura Energy Inc. (TSX:VLE) (“Valeura” or the “Company”) is pleased to announce an immediate increase in the sales price of its natural gas production in Turkey. Boru Hatlari ile Petrol Tasima Anonim Sirketi (“BOTAS”), who own and operate Turkey’s crude oil and natural gas pipeline grid, has announced that effective August 1, 2018, Turkey’s natural gas reference price will increase 49.5% for power generation customers and 14.0% for Valeura’s other industrial and commercial customers.

This is the third price increase in calendar 2018, following increases of 10% effective April, 2018 and 14% effective January 1, 2018. Given today’s exchange rates, power generation customers will now pay the equivalent of C\$9.82/mcf, and Valeura’s other customers the equivalent of C\$7.49/mcf. BOTAS has also announced that while the prices will remain locally denominated in Turkish lira, power generation customers will transact with BOTAS in US dollars, at daily exchange rates.

“Price increases by Turkey’s regulators are very welcome news. This ongoing trend gives us greater confidence in the long-term value of the Basin Centered Gas Accumulation resource we are appraising in Turkey, as we anticipate Turkish pricing to continue to track broadly in line with European import prices,” commented Sean Guest, President and CEO, “This also has an immediate positive effect on our revenues. We expect to see our overall price realizations increase by a minimum of 14%, as we have historically sold production to a mix of industrial, commercial, and power generation customers.”

The Company is preparing for a major appraisal phase of its unconventional gas discovery in Turkey, which has been evaluated by DeGolyer and MacNaughton to hold 10.1 trillion cubic feet of estimated working interest unrisked mean prospective resources of natural gas as of December 31, 2017. The appraisal program will include further production testing of the Yamalik-1 well, due to commence shortly, and drilling three additional deep delineation wells, the first of which will be expected to start drilling around the end of the third quarter of this year.

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**About the Company**

Valeura Energy Inc. is a Canada-based public company currently engaged in the exploration, development and production of petroleum and natural gas in Turkey.

### **Oil and Gas Advisories and Resource Definitions**

The prospective resources estimates provided herein are estimates only and there is no guarantee that the estimated prospective resources will be recovered.

There is no certainty that any portion of the unconventional prospective resources estimated herein will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the unconventional prospective resources evaluated.

Please see the Company's Annual Information Form for the year ended December 31, 2017 (the "AIF"), which is available under Valeura's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com), for more information with respect to the Company's prospective resources.

**"Natural Gas"** is defined as Conventional Natural Gas product type as per National Instrument 51-101, *Standards of Disclosure for Oil and Gas Activities*.

**"Prospective Resources"** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated change of discovery and a change of development.

### **Forward-Looking Statements and Cautionary Statements**

This press release contains certain forward-looking statements within the meaning of applicable securities law. Forward-looking statements typically contains statements with words such as "anticipate", "estimate", "expect", "target", "potential", "could", "should", "would" or similar words suggesting future outcomes. Forward-looking statements in this press release includes information with respect to currency exchange rates; realized gas prices; the Company's expectations regarding its production revenue; the long-term value of the BCGA; and the appraisal program regarding the Company's unconventional gas discovery in Turkey and the timing thereof. Statements related to "prospective resources" are deemed forward looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the prospective resources can be profitably produced in the future. Specifically, forward-looking statements contained herein regarding "prospective reserves" may include estimated volumes of prospective resources and the ability to finance future development. Forward-looking statements are based on the current expectations and opinions of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause the actual results differ materially from that projected in the forward-looking statements. They are made as of the date hereof and are subject to change and the Company assumes no obligation to revise or update them to reflect new circumstances, except as required by law. The Company cautions readers and prospective investors in the Company's securities to not place undue reliance on forward-looking statements, as by nature, they are based on current expectations regarding future events that involve a number of assumptions, inherent risks and uncertainties, which could cause actual results to differ materially from those anticipated by the Company. A number of risk factors could cause actual results to differ materially from those anticipated by the Company, including but not limited to risks associated with the oil and natural gas industry, risks associated with negotiating with foreign governments as well as country risk associated with conducting international activities, and other factors, many of which are beyond the control of the Company. The material risk factors affecting the Company and its business are contained in the Company's AIF which is available under Valeura's issuer profile on SEDAR at [www.sedar.com](http://www.sedar.com).

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