Press Release – July 7, 2015

VALEURA ANNOUNCES CONVERSION OF THE 100% OWNED BANARLI LICENCE IN TURKEY TO TWO NEW LICENCES WITH A 13% LARGER AREA AND COMPLETION OF NEW 3D SEISMIC

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to announce that the General Directorate of Petroleum Affairs of the Republic of Turkey ("**GDPA**") has approved the Corporation's application to convert its 100% owned Banarli Exploration Licence 5104 in the Thrace Basin to the licencing terms under Turkey's new petroleum law adopted on June 30, 2013. As a result, the Banarli licence acquired in April 2013 has been converted to two new contiguous exploration licences, adapted to a new grid system, with a total area of 542 square kilometres or 133,840 acres, representing a 13% increase in the area of the original single licence.

The Corporation is also pleased to advise that it completed the acquisition phase of a new 3D seismic survey at Banarli. The seismic covers an area of 152 square kilometres, which satisfies the seismic requirement in the initial term of the new licences. The total all-in cost to acquire, process and interpret the seismic is estimated at $5.0 million. Processing and interpretation of the seismic is underway and should be completed by early September to position potential drilling at Banarli as early as the fourth quarter of 2015, contingent on the 3D seismic results and the Corporation's cash position at the time. Under the new licencing terms, an initial commitment well will need to be spudded by June 26, 2016.

"We are pleased that the Banarli licence has been successfully converted to new terms and the licence evaluation program is proceeding as planned with completion of the 3D seismic program as a key first step", said Jim McFarland, President and Chief Executive Officer. "We believe that Banarli offers significant exploration upside potential both in terms of the extension of the successful conventional gas and unconventional tight gas plays under development just south of Banarli on our joint venture lands, and in a potential basin-centered gas play at depths below about 2,500 metres."

Banarli Licencing Terms

As a result of the successful conversion process, the initial five-year term of the original Banarli licence has been extended by more than two years to June 27, 2020. During the initial five-year term, Valeura will be required to complete, in aggregate on the two licences, 152 square kilometres of 3D seismic and three wells, including a 2,000 metre well in each of year one and year two and a 3,800 metre well in year four. The total assigned value to this program is US$9.15 million and an associated 2% bond is in the process of being submitted to the GDPA.

Under the new petroleum law, the initial five-year term of an exploration licence can potentially be extended by application for two additional two-year periods, supported by an additional work program, for a total term of nine years. If a discovery is made on a licence by the end of the nine-year period, the term can be extended for a further two-year appraisal period to a total term of 11 years. Throughout this 11-year period, the Corporation may apply to convert discovery areas to production leases, typically with a 20-year term extendable to 40 years. In a change from the previous petroleum law, up to 100% of the licence area can potentially be converted to a production lease if technically justified, for example if a more pervasive unconventional resource play has been proven by drilling.

Planned Banarli Exploration Drilling

It is expected that an initial exploration well at Banarli would target conventional gas in the Osmancik formation and top of the Mezardere formation to a depth of approximately 2,500 metres. The Corporation has mapped more than 15 exploration structural leads at Banarli based on 92 kilometres of 2D seismic acquired by the Corporation in 2013 and more than 300 kilometres of vintage 2D seismic over the licence. The current 3D seismic program targets these leads and is designed to potentially mature and prioritize these into drill-ready prospects.

The cost to drill, complete and test an initial exploration well at Banarli is estimated at $2.1 million and is included on a contingent basis in the 2015 budget. Additional funds of $1.2 million are also included for a flow line to tie-in the well, contingent on drilling success and the ability to negotiate a transportation and marketing arrangement to tie-in production. Total 2015 capital expenditures at Banarli for the shallow gas play are budgeted at approximately $9.0 million, including $5.0 million for the 3D seismic. The program for Banarli will be firmed up after the 3D seismic interpretation is completed.

Valeura is continuing its process to seek a joint venture partner to participate in funding an exploration drilling program in the deeper horizons at Banarli below approximately 2,500 metres, targeting a potential basin-centered gas play.

With respect to other 100% Valeura exploration licences in the Thrace Basin, the Corporation has submitted an application to the GDPA to relinquish the small Copkoy exploration licence to the west of the core exploration and production area to concentrate its drilling program on higher priority Valeura and joint venture licences and leases. The enlarged Banarli licence area offsets approximately 74% of the area expected to be relinquished in the Copkoy licence.

ABOUT THE CORPORATION

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

ADVISORY AND CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements including, but not limited to: the Corporation's 2015 work program and budget; operational plans and capital expenditures on the Banarli exploration licences; the ability to negotiate a transportation and marketing arrangement to tie-in any successful well at Banarli; the availability of operating cash flow and the ability to finance Banarli exploration and development from existing cash and operating cash flow; tieing-in any successful well at Banarli and getting it on-stream; the timing, estimated costs and ability to fund each of the foregoing; and, the plans to attract a farm-in partner to drill the deep, potential basin-centered gas play on the Banarli licences. Forward-looking information typically contains statements with words such as "anticipate", "estimate", "expect", "target", "potential", "could", "should", "would" or similar words suggesting future outcomes. The Corporation cautions readers and prospective investors in the Corporation's securities to not place undue reliance on forward-looking information, as by its nature, it is 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 Corporation. Statements related to "reserves" or "contingent resources" are deemed forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources can be profitably produced in the future.

Forward looking information is based on management's current expectations and assumptions regarding, among other things: continued political stability of the areas in which the Corporation is operating and completing transactions; continued operations of and approvals forthcoming from the GDPA in a manner consistent with past conduct; future drilling activity on the expected timeline; future capital and other expenditures (including the amount and nature thereof); future sources of funding; future economic conditions; future currency and exchange rates; and, the Corporation's continued ability to obtain and retain qualified staff and equipment in a timely and cost efficient manner. In addition, the Corporation's 2015 work program and budget are based upon expected agreement among joint venture partners and associated exploration, development and marketing plans and anticipated costs and sales prices, which are subject to change based on, among other things, the actual results of drilling and related activity, availability of drilling, fracking and other specialized oilfield equipment and service providers, changes in the operator's or other partners' plans and unexpected delays and changes in market conditions. Although the Corporation believes the expectations and assumptions reflected in such forward-looking information are reasonable, they may prove to be incorrect.

Forward-looking information involves significant known and unknown risks and uncertainties. Exploration, appraisal, and development of oil and natural gas reserves are speculative activities and involve a significant degree of risk. A number of factors could cause actual results to differ materially from those anticipated by the Corporation including, but not limited to: risks associated with the oil and gas industry (e.g. operational risks in exploration, inherent uncertainties in interpreting geological data, and changes in plans with respect to exploration or capital expenditures, the uncertainty of estimates and projections in relation to costs and expenses, and health, safety, and environmental risks); uncertainty regarding the sustainability of initial production rates and decline rates thereafter; uncertainty regarding the availability of drilling rigs and equipment and the ability to address technical drilling challenges and manage water production; uncertainty regarding the state of capital markets; uncertainty regarding the amount of operating cash flow and the ability to reduce costs and achieve capital efficiencies; the risks of disruption to operations and access to worksites, threats to security and safety of personnel and potential property damage related to political issues, terrorist attacks, insurgencies or civil unrest; the risks of increased costs and delays in timing related to protecting the safety and security of Valeura's personnel and property; the risk of fluctuations in commodity pricing and BOTAS reference prices (denominated in Turkish Lira); the risk of fluctuations in foreign exchange rates, particularly the Turkish Lira, which has further weakened in recent weeks; the uncertainty associated with negotiating with third parties in countries other than Canada; the risk of partners having different views on work programs and potential disputes among partners and service providers; the uncertainty regarding government and other approvals; potential changes in laws and regulations; risks associated with weather delays and natural disasters; and, the risk associated with international activity. The forward-looking information included in this news release is expressly qualified in its entirety by this cautionary statement. The forward-looking information included herein is made as of the date hereof and Valeura assumes no obligation to update or revise any forward-looking information to reflect new events or circumstances, except as required by law. See Valeura's 2014 AIF for a detailed discussion of the risk factors.

Any financial outlook or future oriented financial information in this news release, as defined by applicable securities legislation, has been approved by management of Valeura. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Additional information relating to Valeura is also available on SEDAR at www.sedar.com

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