



Press Release – February 24, 2017

**VALEURA ANNOUNCES CLOSING OF TBNG ACQUISITION AND ISSUANCE OF COMMON SHARES PURSUANT TO SUBSCRIPTION RECEIPTS FINANCING**

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to announce the successful completion of the following transactions, which form part of a chain of recent transactions that transform Valeura in terms of business scale, operational control, financial capability, drilling activity and production:

- the acquisition of its joint venture partner, Thrace Basin Natural Gas (Turkiye) Corporation ("**TBNG**") for US\$22 million in cash effective March 31, 2016 (the "**TBNG Acquisition**"), which after closing adjustments was reduced to a cash payment of US\$20.9 million (which includes US\$3.1 million held in escrow pending a final reconciliation of the closing statement of adjustments); and
- the issuance of 14,629,000 common shares of the Corporation pursuant to 14,629,000 subscription receipts previously issued by the Corporation in connection with the underwritten private placement offering of subscription receipts (the "**Offering**"), which closed on November 3, 2016, and the release from escrow of approximately \$11 million in gross proceeds.

Valeura funded the acquisition of 100% of the shares of TBNG by Valeura Energy Netherlands B.V, a wholly-owned affiliate of Valeura, with a combination of funds from the Offering and earlier payments of US\$18 million received from Statoil Banarli Turkey B.V. ("**Statoil**") under the previously announced Banarli Farm-in and West Thrace Deep Rights Sale transactions.

As the final link in the chain of transactions, the Corporation will now proceed with the sale of an additional 10% participating interest to Statoil in the deep rights below 2,500 metres on the West Thrace lands for US\$3 million (the "**Subsequent West Thrace Deep Rights Sale**").

Upon the closing of the Subsequent West Thrace Deep Rights Sale, expected in Q2 2017, Valeura will retain a 31.5% participating interest and Statoil will have a 50% participating interest in the deep formations on the West Thrace lands. Valeura will retain an 81.5% participating interest in the shallow formations on the West Thrace lands and an 81.5% participating interest in all formations on other TBNG JV lands.

"Closing of these strategic transactions is the culmination of many months of transactional work to transform Valeura to the operator of its core shallow gas business, increase its working interest in that business and bring onboard a large and well-respected partner to help fund the exploration for a deep, basin-centered gas play in the Thrace Basin, an exciting, high impact concept we have championed for several years", said Jim McFarland, President and Chief Executive Officer of Valeura. "We are very pleased with this reset for our business in Turkey. As our efforts now turn to operations to build on this new foundation, we are funded, organized and poised to ramp-up the shallow gas drilling program, grow production and expect to spud the first deep exploration well at Banarli in Q2 2017."

"I would also like to welcome more than 50 TBNG employees to the Valeura group who will have a key role to play in executing our new business plan in Turkey", adds McFarland.

**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 the Thrace Basin of northwest Turkey.

**ADVISORY AND CAUTION REGARDING FORWARD-LOOKING INFORMATION**

This news release contains certain forward-looking statements and information (collectively referred to herein as "**forward-looking information**") including, but not limited to: the final adjusted purchase price of TBNG having regard to that portion held in escrow; residual working capital in TBNG at closing; the ability to close the Subsequent West Thrace Deep Rights Sale and the expected timing; the ability to ramp-up the shallow gas drilling program and grow production; the expected timing to spud the first deep exploration well under the Banarli Farm-in; and, the potential of a basin-centered gas play in the deep formations on the Banarli licences and West Thrace lands. 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.

Forward-looking information is based on management's current expectations and assumptions regarding, among other things: political stability of the areas in which the Corporation is operating and completing transactions, and in particular the aftermath of the July 2016 failed coup attempt in Turkey; the ability to close the Subsequent West Thrace Deep Rights Sale; the ability to spud the first deep exploration well in Q2 2017; continued operations of and approvals forthcoming from the General Directorate of Petroleum Affairs ("**GDPA**") of the Republic of Turkey in a manner consistent with past conduct; and, the prospectivity of the Banarli licences and West Thrace lands, including the deep potential. 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. A number of factors could cause actual results to differ materially from those anticipated by the Corporation including, but not limited to: the risks of not satisfying the conditions for closing the Subsequent West Thrace Deep Rights Sale; political stability in Turkey, including potential changes in political leaders or parties or a resurgence of a coup or other political turmoil; the uncertainty regarding government and other approvals; and, potential changes in laws and regulations. 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 2015 AIF for a detailed discussion of the risk factors.

Additional information relating to Valeura is also available on SEDAR at [www.sedar.com](http://www.sedar.com)

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