



## **VALEURA ANNOUNCES START OF DEEP APPRAISAL DRILLING, FURTHER INCREASE TO TURKISH GAS PRICES**

**Calgary, October 9, 2018:** Valeura Energy Inc. (TSX:VLE) (“Valeura” or the “Company”) is pleased to announce the start of deep appraisal drilling on its Basin Centered Gas Accumulation (“BCGA”) play in Turkey and a further increase in the reference price for natural gas in Turkey.

### **Inanli-1 Appraisal Well**

The Inanli-1 appraisal well was spudded on October 8, 2018, using the KCA Deutag T-700 drilling rig. The well has been designed to drill to a depth of 5,000 metres and is intended to test the vertical extent of the BCGA at a location approximately 6 km to the north-east of the discovery well location. In addition, the drilling program includes an extensive data-gathering plan including logging, coring, and flow testing. Drilling operations are expected to take approximately 80 days, after which, the well will be fracture stimulated to test select intervals.

“This is an exciting step for Valeura,” commented Sean Guest, President and CEO, “We have learned a great deal from the Yamalik-1 discovery well, but it had to stop drilling while still in a gas column due to high pressures. We are eager to test the full vertical and lateral extent of the BCGA through appraisal drilling.”

Valeura is the operator of the well, but costs are being carried by the Company’s joint venture partner Statoil Banarli Turkey B.V. (“Equinor”) as a condition of their farm-in agreement. Following Inanli-1, Valeura intends to drill two additional appraisal wells, on a back-to-back basis, with both companies paying their respective working interest share of the costs.

### **Gas Price Increase**

Effective October 1, 2018, Boru Hatalari ile Petrol Tasima Anonim Sirketi (“BOTAS”), who own and operate Turkey’s crude oil and natural gas pipeline grid, announced a further increase in Turkey’s natural gas reference price by 18.5%, as denominated in Turkish Lira. At current exchange rates, the new reference price is approximately C\$8.15/mcf. This is the fifth increase in Turkish gas prices this year reflecting both an increase in regional gas prices and offsetting the decline in the Turkish Lira.

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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.

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

This news release contains certain forward-looking statements and information (collectively referred to herein as “forward-looking information”) including, but not limited to: the targeted drill depth of the Inanli-1 well, the Inanli-1 data-gathering plan, the expected duration to drill the well, Valeura’s intent to drill two additional appraisal wells, and to release additional information concerning long-term production testing. 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 Company cautions readers and prospective investors in the Company’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 Company.

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 Company is operating; continued safety of operations; continued timeliness of approvals forthcoming from the Turkish government and regulators in a manner consistent with past conduct; future drilling activity on the expected timelines; the prospectivity of the deep BCGA and shallow gas plays on the Company’s working interest lands; the continued favourable pricing and operating netbacks in Turkey; future production rates and associated operating netbacks and cash flow; future sources of funding; future economic conditions; future currency exchange rates; the ability to meet drilling deadlines and other requirements under licences and leases; and the Company’s continued ability to obtain and retain qualified staff and equipment in a timely and cost efficient manner. In addition, the Company’s work programs and budgets are in part 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, fracing and other specialized oilfield equipment and service providers, changes in partners’ plans and unexpected delays and changes in market conditions. Although the Company 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 Company including, but not limited to: the risks of currency fluctuations; changes in gas prices and netbacks in Turkey; uncertainty regarding the contemplated timelines and costs for the deep evaluation in 2018 and 2019; 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 in Turkey; political stability in Turkey; the uncertainty regarding government and other approvals; counterparty risk; potential changes in laws and regulations; and risks associated with weather delays and natural disasters. 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 the 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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