



**VALEURA PROVIDES AN OPERATIONS UPDATE
Drilling Success, Stimulation Programme Agreed, Focus on Flow-Testing**

Calgary, April 26, 2019: Valeura Energy Inc. (TSX:VLE, LSE:VLU) (“Valeura” or the “Company”), the upstream natural gas producer focused on appraising and developing an unconventional gas accumulation in the Thrace Basin of Turkey in partnership with Equinor, is pleased to provide an operations update concerning its Basin Centered Gas Accumulation (“BCGA”) appraisal programme.

Highlights

- Devepinar-1 drilled to 4,796 metres with clear indications of over-pressured gas throughout the 1,066 metre gross column in the Teslimkoy and Kesan Formations
- Inanli-1 pressure measurements confirm the well is significantly over-pressured, and the reservoir stimulation and testing programme is expected to commence in late May
- With 11 vertical wells now demonstrating high-pressure gas around the basin, the focus for data acquisition and operations is shifting to continued stimulation and production testing of drilled wells

Sean Guest, President and CEO Commented:

“We are encouraged by the preliminary results we have seen from drilling and logging Devepinar-1. The data supports our play mapping and confirms that reservoir and over-pressured gas are present some 20 kilometres away from the Yamalik-1 and Inanli-1 wells.”

At this stage, we have nearly a dozen wells across the basin that demonstrate the presence of over-pressured gas and a laterally continuous objective reservoir. This basin is almost a half million acres in size and our recent penetrations have drilled up to a mile of continuous gross gas column. The scale of the resource is significant, and while we have a very good understanding of the basin’s geology and the presence of over-pressured gas, we have as yet only partially stimulated and flow tested one exploration well, Yamalik-1. Our near-term focus is shifting squarely to production testing multiple zones across our new wells to understand the gas flow characteristics of our reservoir both vertically and laterally.”

Devepinar-1

The Devepinar-1 appraisal well was drilled safely to 4,796 metres, approximately 500 metres deeper than originally planned due to significant gas shows and faster drilling penetration rates. The top of the objective reservoir was encountered at 3,730 metres and the gross 1,066 metres of the Teslimkoy and Kesan Formations is interpreted to be gas-bearing down to the total depth of the well. During drilling operations, formation gas was circulated to surface and flared several times, and much of the deep drilling operation was conducted with mud weights in excess of 0.78 psi/ft to manage gas inflow.

The well met all of its drilling objectives and most significantly, confirms the presence of over-pressured, gas-bearing reservoir at the western flank of the mapped BCGA fairway. The log data and the higher penetration rates both indicate that the porosity at Devepinar-1 is higher when compared to the Inanli-1 and Yamalik-1 wells at similar depths. These results greatly increase the Company’s understanding of the lateral extent of the reservoir and occurrence of over-pressure related to the Company’s basin-wide play mapping. The Devepinar-1 well has multiple zones of interest with the best zones of interest being located in the upper Kesan Formation, as they were in the previously drilled wells.

High-grading of potential intervals of interest is now underway, in advance of developing a reservoir stimulation programme, jointly with the Company's partners.

The well was operated by Valeura, with costs shared proportionately based on the working interest share of each partner (Valeura 31.5%). Despite the well being drilled deeper than anticipated, drilling and logging operations were conducted below budget. The well is currently being cased and will be left in a state ready for testing and completion.

Inanli-1

The Inanli-1 completion programme commenced with a diagnostic fracture injectivity test ("DFIT") to confirm high downhole pressures interpreted from mud weights during drilling. This is a critical step to ensure, among other things, surface equipment for the completion programme is appropriately pressure-rated to ensure safe operations. The lowest DFIT at 4,813 metres confirms a pressure gradient of 0.809 psi/ft (significant over-pressure), in line with observations made at Yamalik-1. A second extended DFIT is currently being conducted on a specific completion zone to establish formation fracture stimulation parameters and pore pressure prior to commencing reservoir stimulation operations. In accordance with the DFIT results, suitable equipment rated for up to 15,000 psi has been sourced internationally and is being imported to Turkey. The Company anticipates all equipment will be on site for the first fracture stimulation operations later in May 2019.

The overall goal of the Inanli-1 completion programme is to selectively test key intervals in the approximately 1,600 metre reservoir section and to provide definitive, longer term flow results for each interval. Given the significant vertical interval, the completion has been tailored to test the deepest naturally fractured intervals (initial zones to be completed) to the shallower sweet spots (later in the programme). The programme is designed to include up to 10 fracs in as many as five separate flow zones and will incorporate more sophisticated flow tracing and longer flow periods than the Yamalik-1 completion. In service of this longer test programme, the Company has constructed a pipeline to the location so that gas can be captured through Valeura's local infrastructure and sold to customers.

The costs for the Inanli-1 stimulation and testing will be fully carried by Equinor and will complete their earning obligations under the Banarli farm in agreement.

Near-term operations focus

Valeura and Equinor have now built a strong understanding of the geology of the BCGA play and the presence of over-pressured gas, based on 11 vertical well penetrations, including Yamalik-1, Inanli-1, Devepinar-1, and eight other legacy wells. The two recent wells have both demonstrated that the over-pressured gas extends down to almost 5,000 metres and that seismic data can be used to help predict natural fracturing ahead of drilling.

With a formidable body of new geologic knowledge, appraisal wells that are 20 kilometres apart, and up to a mile of vertical objective reservoir to evaluate, Valeura and Equinor believe the right next step is to focus operations on better understanding the rocks' flow characteristics with the objective to demonstrate commercial flow rates, rather than drilling another vertical well at this time. Accordingly, the KCA Deutag drilling rig will be released. Over the coming months, the completions of the Inanli-1 and Devepinar-1 wells will provide critical data on reservoir zones at varying depths, pressures, fracture density, hydrocarbon maturities and reservoir quality. These flow data will then be used to select the next drilling locations, and to determine whether there are zones that should be considered as early horizontal development well targets.

About Valeura Energy

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

Since Valeura was established in 2010, the Company has executed a number of transactions and currently holds interests in 20 production leases and exploration licences in the Thrace Basin of Turkey totalling 0.46 MM acres (gross) or on a net basis 0.37 MM acres of shallow rights and 0.26 MM net acres of deep rights.

Valeura is appraising an unconventional basin-centered gas accumulation play in the Thrace Basin on its deep rights, which has been evaluated by DeGolyer and MacNaughton to hold, effective December 31, 2018, 10.1 Tcfe of estimated working interest unrisked mean prospective resources of natural gas, which includes 236 MMbbl of condensate. By applying 3D seismic, modern reservoir stimulation technology and horizontal and deeper vertical well drilling, Valeura is aiming to achieve commercial scale operations from this tight gas resource.

In addition, the Company owns an extensive network of gas gathering and sales infrastructure to support direct marketing of natural gas to end users, and in 2018, produced an average of 4.3 MMcf/d of natural gas from conventional gas accumulations in its shallower rights.

Additional information relating to Valeura is also available on SEDAR at www.sedar.com and on the Company's corporate website at www.valeuraenergy.com.

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Oil and Gas Advisories & Definitions

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 chance of discovery and a chance of development.

There is no certainty that any portion of the prospective resources will be discovered. If a discovery is made, there is no certainty that it will be developed or, if it is developed, there is no certainty as to the timing of such development or that it will be commercially viable to produce any portion of the prospective resources.

Please see the Company's annual information form for the year ended December 31, 2018, which is available under Valeura's issuer profile on SEDAR at www.sedar.com, for more information with respect to the Company's prospective resources, including details regarding risked estimates.

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 characteristics and objectives of the Inanli-1 completion programme; Valeura’s intent to frac and production test the Inanli-1 well; the timing to commence fracking and testing operations; that Equinor will complete their earning obligations under the Banarli farm in agreement; the assessment of the resources in the test formations; the potential of the Company’s unconventional basin-centered gas accumulation play in the Thrace Basin; and the Company’s intention to achieve commercial scale operations. 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.

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 information contained herein regarding “prospective resources” include volumes of prospective resources and the ability to finance future development and, the conversion of a portion of prospective resources into reserves.

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 and ability to proceed in a timely manner; continued operations of and approvals forthcoming from the Turkish government and regulators in a manner consistent with past conduct; future seismic and drilling activity on the expected timelines; the continued favourable pricing and operating netbacks in Turkey; future production rates and associated operating netbacks and cash flow; decline rates; future sources of funding; future economic conditions; future currency exchange rates; the ability to meet drilling deadlines and other requirements under licenses 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 programmes 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, fracking and other specialised 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. Exploration, appraisal, and development of oil and natural gas reserves are speculative activities and involve a degree of risk. 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; 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 or civil unrest in Turkey; potential changes in laws and regulations, the uncertainty regarding government and other approvals; counterparty risk; 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 the AIF for a detailed discussion of the risk factors.

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

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