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valeura energy inc.

Press Release – April 18, 2012

VALEURA PROVIDES QUARTERLY OPERATIONAL UPDATE

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to provide an update of its first quarter 2012 operational activities in Turkey and Canada. The Corporation expects to release its complete interim unaudited financial and operating results for the first quarter of 2012 on May 15, 2012.

TURKEY NATURAL GAS PRICE REALIZATIONS UP 5.5% IN 1Q2012 AND A FURTHER 20% ON APRIL 1, 2012

Valeura's average natural gas price realization in Turkey in the first quarter of 2012 was $7.74 per thousand cubic feet ("**Mcf**"), up 5.5% from the fourth quarter of 2011.

This first quarter increase is due primarily to renegotiated prices, effective January 1, 2012, under contracts for gas sales from the lands purchased from Thrace Basin Natural Gas (Turkiye) Corporation ("**TBNG**") and Pinnacle Turkey Inc. ("**PTI**") (Valeura 40%) in the Thrace Basin. The increase reflects reduced discounts from the Industrial Interruptible Tariff benchmark price posted by Boru Hatlari ile Petrol Tasima Anonim Sirketi ("**BOTAS**"), which owns and operates the national crude oil and natural gas pipeline grids in Turkey. The BOTAS benchmark price, which is quoted in Turkish Lira ("**TL**") per cubic metre and averaged the equivalent of $8.47 per Mcf in the first quarter, is a reference price in each of the Corporation's individual sales gas contracts in Turkey from which discounts are negotiated. The weighted average discount for the 55 contracts associated with the TBNG-PTI lands was 8.6% in the first quarter.

Effective April 1, 2012 BOTAS has increased its benchmark price by 20% (in TL per cubic metre) to the equivalent of $10.23 per Mcf at the current TL/Cdn$ exchange rate. This increase is expected to result in an increase in second quarter natural gas price realizations to a range of $9.00 to $9.20 per Mcf depending on exchange rate movements. This increase follows an earlier 15% increase in the BOTAS reference price on October 1, 2011.

CORPORATE PRODUCTION DOWN 15% IN 1Q2012 DUE PRIMARILY TO DEFERRAL OF THRACE BASIN DRILLING PENDING 3D SEISMIC INTERPRETATION

Valeura's consolidated working interest share of petroleum and natural gas production in Turkey and Canada was 1,572 barrels of oil equivalent per day ("**BOE/d**") in the first quarter of 2012, down 15% from the fourth quarter of 2011 due primarily to deferred drilling in the Thrace Basin of Turkey pending interpretation of new 3D seismic, reduced workover activity, poor weather and compressor downtime, partially offset by production from new hydraulically fractured wells.

Turkish net production in the first quarter of 2012 was 1,502 BOE/d, including 8.9 million cubic feet per day ("**MMcf/d**") of natural gas and 16 barrels of oil per day ("**bopd**"), all of which was from operations in the Thrace Basin. Canadian production in the first quarter was 70 BOE/d.

18 FRACS COMPLETED TO DATE IN THRACE BASIN

The proof-of-concept frac program on the TBNG-PTI Thrace Basin lands in the deeper, undeveloped tight gas sands in the Mezardere Formation commenced in late July 2011 and by the end of March 2012, eighteen wells had been frac'd. The aggregate initial 30-day on-stream production rate for 11 of these wells with at least 30 days of history was approximately 11.6 MMcf/d (gross). The frac results are summarized in Table 1 below.

Table 1 Thrace Basin Mezardere Formation Frac Results (Gross)

WELL	FRAC DATE (d/m/y)	NET PAY (m)	Ø [1] (%)	PEAK 24-HOUR ON-STREAM RATE (MMcf/d) [2]	INITIAL 7-DAY AVERAGE ON-STREAM RATE (MMcf/d) [2]	INITIAL 30-DAY AVERAGE ON-STREAM RATE (MMcf/d) [2]	CUMULATIVE PRODUCTION TO APRIL 12, 2012 (MMcf)
Yazir-2; 1st stage	18/07/2011	27	8.5	0.1	0.1	-	2
Yazir-2; 2nd stage	1/08/2011	46	10	-	-	-	-
Kayi-15	30/09/2011	20	17	0.6	0.5	0.5	59
BTD-2	3/10/2011	9	16	4.3	3.3	2.6	336
Aydede-2	22/11/2011	4	20	2.2	1.4	0.8	52
DTD-7	28/11/2011	9	14	0.2	0.1	0.2	15
Kayi-14	7/12/2011	13	17	5.0	3.7	3.2	220
Dogu Yagci-1	12/12/2011	10	14	2.0	1.5	1.3	73
Aydede-1	14/12/2011	10	15	0.9	0.7	0.4	31
DTD-11	07/01/2012	4	14	1.1	0.8	0.6	38
Kayra Derin-1 [3]	04/02/2012	7	12	0.1	NA	NA	NA
TDR-5 (2-stage)	11/02/2012	9	14	3.0	2.1	1.5	59
Senova-1 [4]	15/02/2012	4	18	0.2	NA	NA	NA
Kuzey Kayi-2	19/02/2012	3	13	0.7	0.6	0.3	10
DTD-10	09/03/2012	5	11	0.2	0.2	0.2	5
Kayi-12	19/03/2012	6	15	0.3	0.2	TBD	3
BTD-1	21/03/2012	3	13	TBD	TBD	TBD	-
TDR-4	24/03/2012	5	18	1.6	1.2	TBD	18
DTD-4	28/03/2012	7	12	0.3	0.2	TBD	2

Notes:

(1) Porosity.
(2) These early production results are not necessarily indicative of long term performance or ultimate recovery.
(3) Frac'd into a water zone; well is not tied into the gathering system.
(4) Frac test to extend licence term; well not tied into gathering system.

The fracs completed to date have confirmed commercial gas production from at least one sand interval in the Mezardere formation (Mezardere shale and Teslimkoy sand units) within structural closure on several structures on the TBNG-PTI lands. The stacked nature of the sandstone intervals within the Mezardere formation, which is up to 1,600 metres thick, and the limited number of deep penetrations to date on these structures provides significant running room for additional drilling and multi-stage fracs as the program matures.

The Corporation's 2012 program in the Thrace Basin is expected to include 12 or more re-entry fracs, including 10 completed in the first quarter. In 2012, the Corporation is also targeting to drill up to 18 deep wells at depths up to

4,000 metres in the Mezardere and Teslimkoy units and, for planning purposes, stimulate each of these with single or multi-stage fracs. At least one horizontal well and an associated multi-stage frac is also budgeted.

THRACE BASIN DRILLING PICKING UP PACE IN 2Q2012

TBNG-PTI Lands (Valeura 40%)

One well (gross) was spudded and two wells were rig-released on the TBNG-PTI lands in the first quarter of 2012.

The Baglik-1 well was spudded on March 10, 2012 and is a 3,600 metre deep test on Licence 3931 targeting full penetration of the Teslimkoy sand unit. This will be one of the deepest tests in this part of the Thrace Basin. The well is currently drilling at approximately 3,200 metres. Four full diameter cores and a number of sidewall cores have been cut in the well to facilitate specialized core analysis work to be carried out in Calgary. Additional cores may be cut depending on wellbore conditions. Drilling and log evaluation operations are expected to be completed in early May.

The two wells rig-released in the first quarter included the Sulemaniye-2 well on Licence 3734, which was drilled and cased to a depth of 2,450 metres and is expected to be frac'd and completed in the second quarter of 2012. The Guney Osmanli-2 shallow gas well on Licence 3931was drilled to a depth of 1,250 metres and abandoned after encountering wet sands.

Drilling activity is ramping-up in the second quarter with three rigs currently active on the TBNG-PTI lands. The recently interpreted 3D seismic shot in the Tekirdag and Hayrabolu areas (413 km^2) in the third and fourth quarters of 2011 is guiding the drilling program. It is expected that seven to nine wells will be spudded in the second quarter, including three to four deeper tests below 1,600 metres.

The Dogu Karya-1 well on Licence 3934 was spudded on April 4, 2012 and is a 2,000 metre test into the Teslimkoy sand unit. The well is currently drilling at approximately 1,700 metres and should be completed before the end of April. The well is targeting gas in stacked pay intervals that may be trapped both structurally and stratigraphically based on the 3D seismic interpretation.

The TSK-1 well on Licence 3931 was spudded on April 5, 2012 and was drilled and cased to a depth of 657 metres in the Mezardere Formation as an indicated gas well.

Eight recompletion workovers in shallow gas wells were completed in the first quarter of 2012. The aggregate initial production rate from these recompletions was approximately 2.5 MMcf/d.

TransAtlantic Farm-in Lands (Valeura 50%)

The Corporation is currently completing the Evrenbey-1 well on Licence 4094, which was drilled and cased to 1,900 metres in November 2011 as a potential gas well. Two closed chamber drill stem tests have been completed on two intervals in the Teslimkoy sand unit and it is expected that the well will be frac'd in the second or third quarter of 2012.

ALTINAKAR-1 WELL IN ANATOLIAN BASIN TESTING LIGHT OIL

AME-GYP Lands (Valeura 27.5%)

Deepening of the Altinakar-1 well to a depth of 2,418 metres in the Bedinan Formation on Licence 2674 in the Karakilise area was completed in March 2012. Valeura funded the first US$1.3 million of the deepening expenditure as a final earning expenditure under the farm-in with Aladdin Middle East Ltd. ("**AME**") and Guney Yildizi Petrol Uretim Sondaj, Muteahhitlik ve Ticaret A.S. ("**GYP**").

The Altinakar-1 well is currently producing 5 to 10 bopd of light oil from the Bedinan Formation at a water cut of 65% to 75%. The well was perforated and acid stimulated but the apparent low permeability of the sands may warrant a hydraulic fracture treatment, which is under review. The overlying Dadas shale and shallower Mardin Group (fractured carbonates) also appear to be prospective and may be tested following testing of the Bedinan. Prior to deepening, the well had been completed just below the top of the Mardin Group and had produced 5 to 10 bopd of heavy oil. These results were sufficient to achieve a three-year extension of the exploration term of Licence 2674 to May 30, 2014. Additional Mardin pay appears to be present below the original completion based on the log analysis.

GDPA APPROVAL OF LICENCE TRANSFERS COMPLETED

The General Directorate of Petroleum Affairs of the Republic of Turkey ("**GDPA**") has approved the transfer of licence interests to affiliates of Valeura for all of the transactions executed to date in Turkey involving 22 leases and licences (excluding relinquished licences). These approved interest transfers include 100% in the Marhat farm-in Licence 4201 and 50% in the TransAtlantic farm-in Licences 4094 and 4532. In both cases, additional farm-in expenditures are required to earn these interests under the respective farm-in agreements. These transfers were approved within the expected timeline of three to six months.

The Corporation currently holds interests in 2,062,707 acres (gross) or 751,414 acres (net) in the Thrace Basin and Anatolian Basin in Turkey.

Valeura has bid for three new exploration licences in southeast Turkey, which remain under review by the GDPA. Two of these licences offset the Corporation's Karakilise licences and the third is in the Bostanci area on the northern Iraq border. There is no assurance that Valeura will be successful in winning these bids, and timing of any potential awards is uncertain.

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 and Western Canada.

CAUTION REGARDING ENGINEERING TERMS

When used herein, the term "**BOE**" means barrels of oil equivalent on the basis of one BOE being equal to one barrel of oil or NGLs, or 6,000 cubic feet of natural gas. BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6.0 Mcf:1.0 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the well head.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements including, but not limited to: the extent and timing of the frac program on the TBNG-PTI lands, timing for tying in production and expected production rates; and, anticipated work programs and operational plans and the timing associated therewith. Forward-looking information typically contains statements with words such as "anticipate", "estimate", "expect", "potential", "could", "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: continued political stability of the areas in which the Corporation is operating and pursuing transactions; continued operations of and approvals forthcoming from the GDPA in a manner consistent with past conduct; results of seismic programs; future drilling, well completions and frac'ing activity and results; future capital and other expenditures (including the amount, nature and sources of funding thereof); 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, budgets are based upon the Corporation's current acquisition plans, work programs proposed by partners and associated exploration plans and anticipated costs, both of which are subject to change based on, among other things, the actual results of acquisitions, drilling activity, 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); the uncertainty regarding the sustainability of initial production rates and decline rates thereafter; the risk of commodity price and foreign exchange rate fluctuations; 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; the uncertainty regarding government and other approvals; the 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.

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

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