Press Release – November 14, 2012

VALEURA ANNOUNCES THIRD QUARTER 2012 FINANCIAL AND OPERATING RESULTS – POISED TO COMMENCE TIGHT GAS DEVELOPMENT DRILLING IN THRACE BASIN

Valeura Energy Inc. ("**Valeura**" or the "**Corporation**") (TSX: VLE) is pleased to report highlights of its unaudited financial and operating results for the three and nine month periods ended September 30, 2012 and to provide an update on subsequent developments. The complete quarterly reporting package for the Corporation, including the unaudited financial statements and associated management's discussion and analysis, has been filed on SEDAR at www.sedar.com and posted on the Corporation's website at www.valeuraenergy.com.

"The recent closing of a $15 million bought-deal financing and continued progress on the proof-of-concept program aimed at de-risking the tight gas play in the Thrace Basin of Turkey has now positioned the Corporation to commence a phased tight gas development program in the first quarter of 2013 on the TBNG-PTI lands", said Jim McFarland, President and Chief Executive Officer.

"The operator of the TBNG-PTI lands, TransAtlantic Petroleum, has announced plans for an initial 88-well development program for the Tekirdag field area, which is expected to extend over three years into 2015 utilizing two drilling rigs. We are excited about moving forward on this program after more than 16 months of technical work, fracture stimulation field trials and deeper exploration drilling."

"Natural gas price realizations in Turkey remained strong in the third quarter, which averaged $9.27 per thousand cubic feet ("**Mcf**") and contributed to a corporate average operating netback of $39.14 per barrel of oil equivalent ("**BOE"**). We are also pleased that these prices have further strengthened to $10.00 to 10.20 per Mcf as of October 1, 2012 in concert with a 10% increase in the BOTAS reference price."

OPERATIONAL HIGHLIGHTS

- Corporate petroleum and natural gas sales in the third quarter of 2012 averaged 1,140 BOE per day ("**BOE/d**") (net), down 15% from the second quarter of 2012 due to natural declines and a slowing of the drilling and frac program in the Thrace Basin in order to evaluate the results of the initial deep well drilling carried out in the second quarter.
- Turkish net production in the third quarter of 2012 averaged 1,079 BOE/d, including 6.4 million cubic feet per day ("**MMcf/d**") of natural gas at an average wellhead price of $9.27 per Mcf and 19 barrels of oil per day ("**bopd**"). Canadian production was 61 BOE/d.

Thrace Basin – Unconventional Tight Gas

- Continued to progress the unconventional tight gas proof-of-concept fracing and deep drilling program, completing fracs on two new drill wells and three existing wells in the third quarter on the lands acquired from Thrace Basin Natural Gas (Turkiye) Corporation ("**TBNG**") and Pinnacle Turkey Inc. ("**PTI**") (Valeura 40%). Since the proof-of-concept frac program was initiated in July 2011, 28 wells have been frac'd in the Mezardere, Teslimkoy and Kesan formations, which has provided critical information in assessing the tight gas potential in the Thrace Basin.
- Spudded the Kazanci-5 well in the third quarter on the TBNG-PTI lands targeting unconventional tight gas at a planned depth of 3,250 metres. The well is the first deep well to be drilled in the northern Hayrabolu area on new 3D seismic acquired in late 2011. To September 30, eight unconventional tight gas wells have been spudded on the TBNG-PTI lands of which four are on production, three are in various stages of evaluation, completing and fracing and one was drilling at the end of the third quarter.
- The Viking International frac spread utilized in the Thrace Basin frac program was deployed to southeast Turkey in late August while the fracs completed to date were evaluated. The frac spread is expected to return to the Thrace Basin in early December 2012 to frac three deep exploration wells drilled earlier in the year, complete at least two well re-entry fracs and to track the ongoing deep appraisal and development drilling program.

Thrace Basin – Conventional Shallow Gas

- Continued the workover and drilling program to mitigate natural declines in the conventional shallow gas business in the Thrace Basin, completing 12 workovers (gross) in the third quarter on the TBNG-PTI lands. On a year-to-date basis, 26 workovers (gross) have been completed.
- Spudded the Atakoy-8 conventional shallow gas well in the third quarter on the TBNG-PTI lands, which is currently on production. To September 30, eight conventional shallow gas wells (gross) have been spudded of which four wells are on production, three wells have been cased and are in various stages of completion, and one well was drilled and abandoned.
- Acquired 186 kilometres of new 2D seismic in the third quarter on the Copkoy Licence 3999 (Valeura 24%) in the western part of the Thrace Basin and spudded the Kavacik-1 well to satisfy the district drilling requirement on this licence. The well is targeting conventional shallow gas in the Osmancik formation at a total planned depth of 1,500 metres.

Anatolian Basin

- Frac'd the Altinakar-1 well on Karakilise Licence 2674 (Valeura 27.5%) on September 3 aimed at improving the productivity of a relatively tight sandstone reservoir in the Bedinan formation. However, the frac was not successful in improving oil productivity on a sustained basis.
- Completed the acquisition of 82 kilometres of new 2D seismic over the structure penetrated by the Karakilise-1 well on Licence 2677 (Valeura 27.5%) in order to assess the merits of additional appraisal drilling. The Karakilise-1 well is currently producing medium gravity oil at a rate of 20 to 30 bopd (gross). The exploration licence expires in November 2013 at the end of its 11th year, with the exception of any area carved-out as an approved production lease around the Karakilise-1 well.

FINANCIAL HIGHLIGHTS

- Announced a $15 million bought deal financing on September 17 with a syndicate of underwriters led by Cormark Securities Inc. and including National Bank Financial Inc., Canaccord Genuity Corp., FirstEnergy Capital Corp., and Jennings Capital Inc. (the "**Underwriters**"). The financing closed on October 10 and 11.5 million common shares were issued at a price of $1.30 per common share for net proceeds after fees and expenses of approximately $13.8 million. The number of common shares outstanding has therefore increased to approximately 57.9 million.
- Funds flow from operations of $2,803,187 in the third quarter of 2012 was down 17% from $3,373,244 in the second quarter of 2012 due primarily to a 15% decline in production volumes. Funds flow from operations was up 41% from the third quarter of 2011 due primarily to higher natural gas prices in Turkey and lower transaction costs, partially offset by lower production volumes.
- Capital expenditures in the third quarter of 2012 were $5,642,479 compared to $10,693,263 in the second quarter of 2012 reflecting fewer drill wells and fracs in the Thrace Basin with the deployment of the frac spread to southeast Turkey. Capital expenditures for the first nine months of 2012 were $25,023,680.
- The corporate average operating netback was $39.14 per BOE in the third quarter of 2012, essentially unchanged from the second quarter of 2012. This compares to an average operating netback of $25.00 per BOE in the third quarter of 2011 reflecting lower natural gas prices in Turkey.
- At September 30, 2012, the Corporation had a working capital surplus of approximately $14.0 million, including cash and cash equivalents of $15.6 million. On a pro forma basis this working capital surplus would increase to approximately $28.0 million including the net proceeds from the bought deal financing, which closed on October 10.

Table 2 Financial Results Summary

	Three Months Ended September 30, 2012	Three Months Ended June 30, 2012	Nine Months Ended September 30, 2012	Three Months Ended September 30, 2011	Nine Months Ended September 30, 2011
Financial (CDN$ except share and per share amounts)					
Petroleum and natural gas revenues	5,858,805	6,863,658	19,532,647	5,836,765	9,106,090
Funds flow from operations (1)	2,803,187	3,373,244	9,115,350	1,983,189	(1,563,376)
Net loss	(702,174)	(751,793)	(3,794,107)	(3,749,286)	(12,370,302)
Capital expenditures	5,642,479	10,693,264	25,023,680	7,843,249	67,691,817
Net working capital surplus	13,992,137	16,853,064	13,992,137	30,852,304	30,852,304
Cash and cash equivalents	15,578,759	18,338,379	15,578,759	33,190,894	33,190,894
Common shares outstanding					
Basic	46,406,135	46,406,135	46,406,135	46,406,135	46,406,135
Diluted	65,851,102	65,731,102	65,851,102	64,787,963	64,787,963
Share trading					
High	1.68	2.11	2.89	3.00	5.70
Low	1.20	1.18	1.18	1.60	1.60
Close	1.27	1.48	1.27	1.60	1.60
Operations					
Production					
Crude oil & NGLs (bbl/d)	58	73	63	68	59
Natural Gas (Mcf/d)	6,489	7,605	7,718	9,401	4,639
BOE/d (@ 6:1) (2)	1,140	1,340	1,350	1,635	833
Average reference price					
Edmonton light ($ per bbl)	84.33	83.92	86.81	91.74	94.26
BOTAS Reference ($ per Mcf) (3)	10.07	10.23	9.58	7.47	7.95
Average realized price					
Crude oil ($ per bbl)	78.61	75.19	80.31	70.91	74.23
Natural gas - Turkey ($ per Mcf)	9.27	9.34	8.71	6.37	6.56
Natural gas - consolidated ($ per Mcf)	9.12	9.20	8.58	6.27	6.30
Average Operating Netback ($ per BOE @ 6:1) (1) (2)	39.14	39.72	37.03	25.00	23.99

Notes:

(1) The above table includes non-IFRS measures, which may not be comparable to other companies. Funds flow from operations is calculated as net loss for the period adjusted for non-cash items in the statement of cash flows. Operating netback is calculated as petroleum and natural gas sales less royalties, production expenses and transportation costs. See MD&A for further discussion.

(2) 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 necessarily represent a value equivalency at the well head.

(3) Boru Hatlari ile Petrol Tasima Anonim Sirketi ("**BOTAS**") owns and operates the national crude oil and natural gas pipeline grids in Turkey. BOTAS regularly posts prices and its Industrial Interruptible Tariff benchmark is shown herein as a reference price. See the 2011 Annual Information Form for further discussion.

OUTLOOK

The Corporation continues to focus on three key objectives in Turkey:

- Proving-up the potential of the tight gas play in the Thrace Basin;
- Continuing to optimize the shallow gas business in the Thrace Basin; and
- Fulfilling exploration-focused work programs on high potential farm-in acreage in the Thrace Basin (gas targets) and in the Anatolian Basin (oil targets).

The Corporation's outlook for capital expenditures in 2012 is in the range of $30 to $32 million of which $5 to 7 million is expected to be spent in the fourth quarter. This reflects continuing with a two-rig program in the Thrace Basin in the fourth quarter and the return of the frac spread to the Thrace Basin in early December.

The 2013 work program and capital budget is currently under development with partners.

Thrace Basin

The proof-of-concept program to de-risk the tight gas play in the Thrace Basin has continued to make encouraging progress. The Corporation expects to complete up to 18 well re-entry fracs (gross) on the TBNG-PTI lands in 2012, including 15 completed to September 30.

The Corporation is also targeting to spud 11 deep unconventional tight gas wells (gross) in 2012 at depths ranging from 1,500 metres to 3,755 metres in the Mezardere, Teslimkoy and Kesan units, including eight spudded to September 30, and for planning purposes, stimulating each of these with at least a single stage frac. In the fourth quarter, the Corporation expects to frac certain encouraging intervals in the deeper sections of Baglik-1 and Kayi Derin-1 wells, which were drilled to depths of 3,594 to 3,755 metres in 2012.

With respect to the shallow gas business on the TBNG-PTI lands, the 2012 budget outlook includes up to 35 recompletion workovers (gross), including 26 completed to September 30. The Corporation is budgeting to drill 10 conventional shallow gas wells (gross) in 2012, including eight spudded to September 30.

The pace of the program to manage water production from both shallow and deep wells on the TBNG-PTI lands is accelerating. A coiled tubing unit was commissioned in September to carry out a prioritized program to clean out those wellbores loaded with water that is negatively impacting natural gas flow rates. A program also commenced in late October to equip selected wells with plunger lift pumps to lift produced water on a continuous basis. It is expected that this program will be expanded with other forms of continuous pumping equipment in the fourth quarter.

Anatolian Basin

In the Anatolian Basin, the Corporation expects to complete and flow test the horizontal sidetrack in the Alibey-1 well (Valeura 26%) in the Gaziantep area. This 414 metre sidetrack was drilled in July 2012 and exposed more than 80 metres of horizontal porous section in the Mardin Group, which had tested heavy oil in the original vertical well.

The Corporation is also continuing to update its technical assessment of the Bostanci exploration prospect in Licence 4985 on the border with northern Iraq and Syria, and associated drilling costs, in preparation for the targeted spudding of a well late in the second quarter of 2013.

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.

OIL AND GAS ADVISORIES

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.

The initial production rates stated herein are not necessarily indicative of long term performance or ultimate recovery. To date, shallow gas conventional wells and frac'd unconventional tight gas wells have exhibited relatively high decline rates at more than 50% in their first year of production.

ADVISORY AND CAUTION REGARDING FORWARD-LOOKING INFORMATION

This news release contains certain forward-looking statements including, but not limited to: capital expenditures in 2012 and 2013; and, anticipated work programs, budgets and operational plans, including targeted seismic, drilling, workovers, fracs and completions, the program to manage water production, the pilot project and development program in the Tekirdag field and adjacent structures and future potential wells, and the timing associated with each of the foregoing. 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: continued political stability of the areas in which the Corporation is operating and completing transactions; continued operations of and approvals forthcoming from the General Directorate of Petroleum Affairs of the Republic of Turkey ("GDPA") in a manner consistent with past conduct; results of future seismic programs; future drilling and fracing activity, including the extent and pace of tight gas development drilling in the Tekirdag area and the funding thereof; the ability to manage water production; future production rates and associated cash flow; 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, budgets are based upon the Corporation's current work programs proposed by partners and associated exploration plans and anticipated costs, which are subject to change based on, among other things, the actual results of drilling and related activity, the return of the frac spread to the Thrace Basin and availability of equipment and service providers, 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 ability to address technical drilling challenges and manage water production; uncertainty regarding the state of capital markets and the availability of future financings; 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 (particularly in the southeastern part of Turkey); 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 commodity and BOTAS pricing 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; 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 Annual Information Form 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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